

# Asset Management Planning Program

## 2021 Program & Application Guide

### 1. Introduction

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The Asset Management Planning program was created in 2014 through a \$1.5 million contribution from the Ministry of Municipal Affairs. Since that time, an additional \$2.75 million has been contributed to the program in order to support planning grants, training subsidies and the development of asset management resources.

The intent of the program is to assist local governments in delivering sustainable services by extending and deepening asset management practices within their organizations. Since 2015, more than 260 grants and subsidies have been awarded to local governments throughout the province.

Matching grants of up to \$15,000 are available under the 2021 Asset Management Planning program to support activities that advance a local government's asset management planning or practices, and that facilitate better integration of asset management planning with long term financial planning.

#### Program Goals & Objectives

All local governments own, operate and maintain a wide array of assets. These include, but are not limited to, transportation and water distribution networks, sewage collection and treatment systems, information technology, vehicle and equipment fleets, parks and civic facilities.

Asset management is defined as an integrated process bringing together planning, finance, engineering and operations to effectively manage existing and new infrastructure to maximize benefits, reduce risks and provide satisfactory levels of service to community users in a socially, environmentally and economically sustainable manner.

Asset management brings together the skills, expertise and activities of people with information about a community's physical assets and financial resources so that informed decisions can be made to ensure the sustainable service delivery for citizens today and in the future.

Each local government is different in its scale and chosen approach to asset management. Each local government will define their own activities based on their unique context, starting point and priorities.

The program seeks to support local governments to take next steps on the path to better asset management practices. A further objective of the program is to support local governments in meeting their asset management commitments under the Gas Tax Fund.

In 2016, local governments were required to complete a survey that identified the current status of their asset management practices. In 2017, as part of the Gas Tax Annual Expenditure Report, all local governments were required to identify and commit to activities that will build and strengthen the asset management capacity within their organization. The final asset management requirement under the Gas Tax Agreement will be reporting out on the improvements made. This will in the form of a survey, likely to be launched in late 2021 or early 2022.

## 2. Eligible Applicants

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Eligible applicants are local governments (municipalities and regional districts) in British Columbia.

For each intake, only one application per municipality will be accepted. Reflecting differences in service delivery, regional districts may submit up to three applications per intake.

## 3. Grant Maximum

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The 2021 Asset Management Planning program can provide up to 50% of total project costs to the grant maximum (\$15,000). The remainder (50%) is required to be funded through community contributions.

The community contribution for a project must be directly related to activities approved in the application and can come from a number of sources, including:

- Cash contribution from local government
- In-kind contribution from local government
- Third-party contribution
- Other grant funding (see below)

### Other Grant Funding

In order to ensure transparency and accountability in the expenditure of public funds, all other grant contributions for eligible portions of the project must be declared and, depending on the total value, may decrease the value of the grant.

#### Gas Tax Fund

Applicants can use Community Works Funds to meet the community contribution requirement for projects funded under the 2021 Asset Management Planning program.

For a defined project, eligible applicants may either be approved for funding under the Strategic Priority Fund or the Asset Management Planning program, but not both. It is recommended that the same project not be applied for under both programs. Projects that have been approved under the SPF-Capacity Building Stream are deemed ineligible projects under the Asset Management Planning program, unless they are identified as a distinct or phased component of the overall project.

#### FCM Municipal Asset Management Program (MAMP)

For a defined project, eligible applicants may be funded under both the FCM MAMP and the Asset Management Planning program for activities that are eligible under both programs. As FCM will fund up to 80% (to maximum of \$50,000) and UBCM will fund up to 50% (to a maximum of \$15,000), applicants can leverage both programs to meet the community contribution requirements.

Applicants with approved FCM MAMP projects should forward the complete MAMP application package with the FCM notice of funding approval with their Asset Management Planning program application.

## 4. Eligible Projects

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As described in [Asset Management for Sustainable Service Delivery: A BC Framework, 2019](#), asset management activities fall broadly under the categories of Assess, Plan and Implement. The focus of the program is capacity building, supporting initial and improved assessment, and planning activities.

In addition, to qualify for funding, projects must:

- Be a new project or new project component (retroactive funding is not available)
- Be capable of completion by the applicant within one year from the date of grant approval

## 5. Eligible & Ineligible Costs & Activities

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### Eligible Costs & Activities

Eligible costs are direct costs that are approved for funding, properly and reasonably incurred, and paid by the applicant to carry out eligible activities. Eligible costs can only be incurred from the date of application submission until the final report is submitted.

Under the Asset Management Planning program, eligible activities must be cost-effective and include the activities identified in Table 1.

<b>Table 1: Eligible Activities</b>	
<b>Eligible Activity</b>	<b>Examples</b>
Assessing	<ul style="list-style-type: none"><li>• Conducting organizational/corporate capacity assessments</li><li>• Risk assessments</li></ul>
Planning	<ul style="list-style-type: none"><li>• Development of an Asset Management Policy</li><li>• Development of an Asset Management Plan</li><li>• Development of an Asset Management Plan component<ul style="list-style-type: none"><li>○ i.e. Condition Assessment Framework or Level of Service Framework</li></ul></li><li>• Development of an Asset Management Strategy</li><li>• Development of a Long Term Financial Plan</li></ul>
Implementing	<ul style="list-style-type: none"><li>• Providing Asset Management Training</li><li>• Outcome reporting</li><li>• Performance measurement</li></ul>

The following expenditures are also eligible provided they relate directly to the eligible activities identified above:

- Incremental applicant staff and administration costs
- Consultant costs
- Public information costs

### Ineligible Costs & Activities

Any activity that is not outlined above or is not directly connected to activities approved in the application is not eligible for grant funding or as the community contribution. This includes:

- Ongoing or regular planning activities
- Feasibility studies
- Acquisition of tangible capital assets, including software
- Any activity which is considered general operation and maintenance
- Activities required to meet PSAB standards
- Development (i.e. data collection) of Asset Inventories/Registers

## 6. Application Requirements & Process

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### Application Deadline

Applications can be submitted at any time; however, funding permitting, applications will only be reviewed two times in 2021. Applicants will be advised of the status of their application within 60 days of the following application deadlines:

- April 30, 2021
- September 24, 2021

### Required Application Contents

All applicants are required to submit an electronic copy of the complete application, including:

- Signed application form
- Current Council or Board resolution indicating support for the proposed activities and willingness to provide overall grant management.
- Detailed project budget
- For eligible projects that have also been funded through FCM, the complete MAMP application package and notice of funding approval from FCM is also required to be submitted.

### Submission of Applications

Applications should be submitted as Word or PDF files. All applications should be submitted to:

Local Government Program Services, Union of BC Municipalities

E-mail: [lgps@ubcm.ca](mailto:lgps@ubcm.ca)

### Review of Applications

UBCM will perform a preliminary review of all applications to ensure the required application contents have been submitted and to ensure that eligibility criteria have been met.

Following this, an Evaluation Committee will assess and score all eligible applications. Higher application review scores will be given to projects that:

- Are from applicants that have not previously received funding through the program
- Align with the Asset Management Framework
- Complement priorities and commitments under provincial and federal programs
- Include collaboration or partnering with one or more other local governments (regional opportunities, training, etc.)
- Demonstrate transferability and add value to other local governments
- Include in-kind or cash contributions to the project (including other grant funding)
- Are cost-effective

Point values and weighting have been established within each of these scoring criteria. Only those applications that meet a minimum threshold point value will be considered for funding.

The Evaluation Committee will consider the population and provincial, regional, and urban/rural distribution of proposed projects. Recommendations will be made on a priority basis. All funding decisions will be made by UBCM.

Application materials may be shared with the Province of BC.

## **7. Grant Management & Applicant Responsibilities**

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Please note that grants are awarded to eligible applicants only and, as such, the applicant is responsible for completion of the project as approved and for meeting reporting requirements.

Applicants are also responsible for proper fiscal management, including maintaining acceptable accounting records for the project. UBCM reserves the right to audit these records.

### **Notice of Funding Decision**

All applicants will receive written notice of funding decisions. Approved applicants will receive an Approval Agreement, which will include the terms and conditions of any grant that is awarded, and that is required to be signed and returned to UBCM.

Grant payments are issued when the approved project is complete and UBCM has received and approved the required final report and a financial summary.

Please note that in cases where revisions are required to an application, or an application has been approved in principle only, the applicant has 30 days from the date of the written notice of the status of the application to complete the application requirements. Applications that are not completed within 30 days may be closed.

### **Changes to Approved Projects**

Approved grants are specific to the project as identified in the application, and grant funds are not transferable to other projects. Approval from UBCM will be required for any significant variation from the approved project.

To propose changes to an approved project, approved applicants are required to submit:

- Revised application package, including an updated budget
- Written rationale for proposed changes to activities and/or expenditures

Applicants are responsible for any costs above the approved grant unless a revised application is submitted and approved prior to work being undertaken.

### **Extensions to Project End Date**

All approved activities are required to be completed within 12 months of approval and all extensions beyond this date must be requested in writing and be approved by UBCM. Extensions will not exceed one year.

## **8. Final Report Requirements & Process**

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All funded activities are to take place within one year of notification of funding approval and the final report will be due within 30 days of project completion.

Applicants are required to submit an electronic copy of the complete final report, including the following:

- Completed Final Report Form
- Financial Summary, including the community contribution and other grant funding
- Copies of any plans or documents that were developed or updated as part of the funded project

### **Submission of Final Reports**

All final reports should be submitted to:

Local Government Program Services, Union of BC Municipalities

E-mail: [lgps@ubcm.ca](mailto:lgps@ubcm.ca)

## Review of Final Reports

UBCM will perform a review of all final reports to ensure the required report elements have been submitted.

Final report materials may be shared with the Province of BC.

## 9. Additional Information

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For enquiries about the application process or program, contact UBCM at [lgps@ubcm.ca](mailto:lgps@ubcm.ca) or 250-952-9177.

In addition, the following resources are recommended to assist local governments advance asset management within their organizations. These will help guide communities through the stages of ongoing asset management practice: assessment, planning and implementation.

### Asset Management for Sustainable Service Delivery: A BC Framework, 2019

Designed to reflect best practices and with the diversity of BC's communities in mind, the [Framework](#) establishes a high-level, systematic approach that supports local governments in moving toward service, asset and financial sustainability through an asset management process. The Framework is dedicated to helping local governments understand what asset management is, why it is important and how it can be implemented.

The Framework has been approved as a key reference document providing guidance to local governments on meeting their asset management commitments under the Gas Tax Fund.

The following tools support implementation of the Framework. All are available on the [Asset Management BC website](#).

- Asset Management Roadmap
- AssetSmart
- Asset Management Policy Template
- Asset Management Policy Model Bylaw
- National Asset Management Strategy (NAMS)
- International Infrastructure Management Manual (IIMM)
- ISO 55000

### Training for Asset Management

[Asset Management BC](#) provides information on training opportunities for local governments to advance asset management practices. Refer to their website for current training offerings.

The [Asset Management Planning training subsidy](#) can cover up to 50% of the registration fee for up to three staff per local government for eligible Asset Management BC training events. Funding permitting, one training subsidy is available per local government and prior training without the subsidy does not impact eligibility.

### Other Funding Programs

The following funding programs offer complementary resources supporting asset management:

- [Gas Tax Fund: Community Works Fund – Capacity Building](#)
- [BC Ministry of Municipal Affairs: Infrastructure Planning Grant Program](#)