

## Q & A Housing Alert- Regulatory Requirements for Asset Management Planning (SHARE Webinar July 26, 2017)

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**Q1** If I am from HSA housing provider, do I need to have an Asset Management plan? If yes, is it with municipality asset management plan? *(Response addressed through webinar)*

<b>A1</b>	Housing providers that meet the definition in the proposed Regulation are included. The definition is: "Infrastructure Assets" are tangible capital assets directly owned by a municipality or consolidated on the financial statements of a municipality. Typically Local Housing Corporations are included.
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**Q2** Please clarify again, currently LHs are included, but my understanding that private non-profit and co-operatives not currently included. Please confirm.

<b>A2</b>	Currently that is correct. Private non-profits and co-operatives have not been identified as included in the proposed regulation. However, in our discussion with the Province they have indicated that it is on the table for the long term. As the Act provides authority for a broader public sector. "Applicable "infrastructure assets" .... Any infrastructure assets partly owned by the Government, or for which the Government provides any funding, that may be prescribed."
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**Q3** Does the requirement of Asset Management Planning apply to the Co-operative sector?

<b>A3</b>	Currently no, however, there is possibility that they may be included in a future phase as the Act provides authority for a broader public sector. Regardless of legislation, it is good practice to have an asset management plan.
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**Q4** Non-Profit Housing Cooperatives, with CMHC subsidies, are governed by the Agency of Co-operative Housing. Would the Agency be responsible to develop this plan as they prepare the Reserve Study on a three year basis?

<b>A4</b>	Our understanding is that they are not municipally owned or consolidated on the financial statements of a municipality. Immediate answer is they are not included.
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**Q5 Can you please clarify where community housing providers fit in, and if municipal asset management plans would have to address these?**

<b>A5</b>	See response to A1
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**Q6 We have projects that are coming out of EOA and projects in difficulty that have been handed over to us---would those have to be included as we become owners of the projects?**

<b>A6</b>	If the projects have been handed to the Municipality or LHC and are now municipally owned, then the response is yes. Again we need to refer to the definition in the proposed Regulation: "Infrastructure Assets" are tangible capital assets directly owned by a municipality or consolidated on the financial statements of a municipality.
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**Q7 Are the District Social Services Administration Boards (DSSAB) required to comply as well as long as their assets meet the definition in the proposed Regulation?**

<b>A7</b>	We have discussed this with the Province and the response is not exactly. The proposed Regulation would apply only to municipalities. In a case where a municipality owns assets that are managed by a DSSAB, it would be the responsibility of the municipality to reflect those assets in their asset management plans. It is anticipated that this would require close coordination with the respective DSSAB.
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**Q8 Will the Province provide a standardized template that can provide a framework for what the minimum reporting elements are for these assets?**

<b>A8</b>	Based on our discussion with the Province, the requirements for Municipal Asset Management Plans are outlined in the proposed Regulation. See slide 19 and 20. This allows Municipalities to maintain flexibility for their own approach. Not all Asset Management plans will be same. It is important that Data is consistent in data submission component. The possibility of sharing documents is still being explored by the Province.
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**Q9 From a best sector practice standpoint (not provincial) around asset management strategy/plan, what should be included in the plan?**

<b>A9</b>	From an asset management perspective, an asset management plan includes: <ul style="list-style-type: none"><li>• Asset Management Strategy</li><li>• Asset Information</li></ul>
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	<ul style="list-style-type: none"> <li>• Lifecycle Analysis and Strategy</li> <li>• Demand Analysis including Level of Service</li> <li>• Resource Management</li> <li>• Performance management</li> <li>• Capital Investment Decision Making</li> <li>• Risk Analysis</li> <li>• Financial Strategy</li> </ul>
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**Q10 Is this report (Asset Management Plan) required in certain format?**

<b>A10</b>	The requirements for Municipal Asset Management plans are outlined in the proposed Regulation. See slides 19 and 20.
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**Q11 Will all municipalities receive a standardized template so that everyone can submit consistent information, or is it essentially a free-form entry at the discretion of each municipality. How does the province plan to enforce and review these plans?**

<b>A11</b>	<p>The requirements for Municipal Asset Management Plans are outlined in the proposed Regulation. This allows Municipalities to maintain flexibility for their own approach. Not all Asset Management plans will be same. It is important that Data is consistent in data submission component. The possibility of sharing documents is still being explored by the Province.</p> <p>Based on our discussions with the Province, enforcement will occur through funding programs. Asset Management Plans will be incorporated into design of future funding programs. Approval is up to local Council this enforces local ownership.</p>
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**Q12 Regarding development of asset management plans, will there be a template which would be used throughout the province; and would standards and service levels be prescribed by province?**

<b>A12</b>	<p>The requirements for Municipal Asset Management plans are outlined in the proposed Regulation. See slides 19 and 20. Based on our discussion with the Province, the Province’s focus now is on the “Core Assets” and the success of metrics. The Province is keeping an eye on the implementation they are requiring, if successful they might provide guidance for Social Housing. Establishing level of service is the municipality’s responsibility and is approved by their Council.</p>
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**Q13 Who will determine the service level that will have to be maintained? The Province, the municipality or the Housing Provider?**

<b>A13</b>	Establishing level of service is the municipality's responsibility and is approved by the municipal Council. Each municipal Council is ultimately responsible for their Municipal Asset Management Plan.
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**Q14 The proposed regulation refers to approval in writing by a licensed engineering practitioner representing the municipality. I am assuming this includes a licensed engineer in the Province of Ontario. Does this engineer have to be a municipal employee or it can be a consultant acting on behalf of the municipality? Does this definition also include a Certified Engineering Technologist accredited through OACETT.**

<b>A14</b>	Based on our discussion with Ministry of Infrastructure (MOI) staff, the rationale for this requirement is to provide more validity to the Asset Management Plans. This can be in-house or consulting services for the purpose of Asset Management Planning. MOI is still working with PEO (Professional Engineers Ontario) and exploring options.
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**Q15 Do other provinces have similar legislation?**

<b>A15</b>	No, Ontario is first in Canada. British Columbia and Alberta have guidelines.
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**Q16 How does municipalities and social housing providers collaborate with this regulatory requirement?**

<b>A16</b>	The collaboration piece left up to the individual organizations participating. In terms of the requirements, they are clear for Municipalities. Collaboration is encouraged, how it will be achieved is up to the Stakeholders.
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**Q17 What's the difference between Asset Management Planning (AMP) vs. Building Condition Assessment (BCA) and Reserve Fund Study (RFS)?**

<b>A17</b>	BCA provides the data which is the foundation for AMP. AMP includes much more than BCA data, Level of service is one example. Although, BCA and RFS may be conducted as part of one report, a detailed Financial strategy is typically not included, as well as risk analysis not included, among others. They are not interchangeable.
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**Q18 Can you discuss regeneration in the context of asset management plans for Local Housing Corporation?**

<b>A18</b>	They are both related, when you look at AMP and the proposed levels of
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	services, some of the metrics and the criteria can be around waiting lists and how many households you plan to house in a year. These tie directly into regeneration plans. Regeneration plan looks typically at your existing housing stock and the analysis ties directly into the lifecycle management strategy.
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**Q19 If Asset Management Plans and policies have been to updated every 5years. Does that mean social housing need to be included in these periodical updates?**

<b>A19</b>	Social Housing that meets the definition of the Act (PHASE 2 and phase 3) is included in the updates. Please note that the proposed Regulation requires that the Strategic Asset Management Policy be reviewed every five years and updated if necessary and the Asset Management Plan be updated every five years. Also the Municipalities are required to provide council with an annual update on asset management planning progress.
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**Q20 We have projects that are coming out of EOA and projects in difficulty that have been handed over to us---would those have to be included we become owners of the projects?**

<b>A20</b>	If the projects have been handed to the Municipality or LHC and are now municipally owned, then the response is yes.
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**The Regulation is planned to be issued in the fall of 2017, this may have an impact on the responses above.**