



HOUSING AND INFRASTRUCTURE: REVIEW OF INDIGENOUS SERVICES CANADA'S OPERATIONS AND MAINTENANCE POLICY

OVERVIEW

The current funding formulas and cost indices as identified in Indigenous Services Canada's (ISC) Operations and Maintenance (O&M) Policy are outdated, inadequate and do not provide sufficient funding for First Nations to protect and prolong the life of their community assets. The federal government only funds a portion of the estimated costs for the O&M of on-reserve community infrastructure such as water and wastewater systems, community buildings, roads and bridges, etc.

Assembly of First Nations (AFN) Resolution 80/2017, *Support for Review of Canada's Operations & Maintenance Policy*, supports the co-development of a new O&M Policy

Framework with full involvement of First Nations and/or their organizations, the AFN and the Chiefs Committee on Housing and Infrastructure (CCoHI). AFN Resolution 80/2017, *Support for Review of Canada's Operations and Maintenance Policy*, further directs the AFN to jointly develop a Draft Joint Work Plan with ISC.

The AFN is committed to working with ISC to identify options for the co-development of a new O&M Policy Framework and formula that will reflect new infrastructure technologies as well as economic and environmental factors that will contribute to addressing the socio-economic gap in First Nations.

UPDATE

A Joint Work Plan has been co-developed, and the AFN is seeking funding to support the work ahead.

The AFN conducted a face to face meeting of O&M experts on March 27 and 28, 2018, in Ottawa, to review and discuss all aspects of O&M including:

- Policy gaps and opportunities for improvements.
- Identification of reporting requirements to ensure proper oversight of O&M infrastructure, while minimizing reporting burden on First Nations.
- Options for funding levels for all assets.
- Cost estimates to operate and maintain assets.

- Cost indices which reflect remoteness factor, etc.

The meeting identified the challenges faced by First Nations in maintaining and operating their assets under the current policy funding restrictions. There was consensus that an asset management based approach be recommended as the new way of identifying the funding needs. It was also recommended that pilot projects be carried out in each region to further understand how an asset based management approach can be adopted for the future and support a change in the O&M funding policy.

NEXT STEPS

A draft report will be developed identifying concerns, challenges, recommendations and next steps on the development of a new O&M Policy Framework.

Following the development of options, the AFN is proposing to facilitate regional engagement sessions with Tribal Councils and Regional First Nations Organizations to seek input on recommendations of the draft policy options and to review regional practices and gaps.

Regional engagement sessions will bring forward O&M technical expertise in the regions to review and provide input on a draft O&M Policy Framework.

Presentation of a new O&M Policy Framework for consideration by ISC is planned to inform ISC of the new funding considerations that will provide necessary and adequate funding to First Nations to maintain, operate and protect the Government's investment in the assets.

