Definition of Federal Assets

- Assets include a very broad range of resources ranging from land, buildings, bridges and major information technology systems to vehicles, furniture and equipment.
What is Federal Real Property?

- Defined in the *Federal Real Property and Federal Immovables Act*.

“Land, whether within Canada or abroad, including mines and minerals, and buildings, structures, improvements and other fixtures above or below the surface of the land.”
Federal Government’s Real Property Portfolio

- Number of Properties: 21,438
  - Crown-owned: 12,771
- Land Area: 41.2 million hectares
- Number of Buildings: 39,177
- 25 Custodial departments / agencies

Source: Directory of Federal Real Property, October 2013
Principles Governing Real Property Management

• Legal Principles
  - Federal Crown land is held by Her Majesty, the Queen, with the minister of a department having administration or custody of a real property.
  - A minister can only acquire, hold and use real property for program purposes.

• Policy Principles
  - Open and fair transactions
  - Value for money
  - Sound stewardship
Decision Makers

• Government Legislation and Jurisprudence
  – Provides framework for real property regulations and transactions.

• Treasury Board of Canada
  – Establishes real property policy and transaction authority limits (acquisitions and dispositions).
  – Recommends approval of Order-in-Councils.
  – Approves policy exemptions & transactions above departmental authority limits.

• Ministers of Custodial Departments
  – Acquire and dispose of real property within their transaction approval limits.
  – Administer and manage all real property needed to support their programs.
Federal Roles & Responsibilities

• Treasury Board of Canada Secretariat
  – Develops, monitors and interprets policy instruments
  – Advises Treasury Board and departments
  – Maintains data bases on real property and on contaminated sites
  – Monitors and assesses departmental performance

• Deputy Head/Deputy Minister
  – Accountable to Minister
  – Implements an effective asset management framework
  – Demonstrates value for money and sound stewardship
Treasury Board Authority

- Authority to make policy for assets stems from the Financial Administration Act, Section 7.

- Federal Real Property and Federal Immovables Act provides Treasury Board with the authority to establish financial or other limits or restrictions on transactions undertaken by ministers.
Government’s Management Regime

- Federal real property is managed through legislation, regulations and policies.
- Emphasis is on promoting accountability and responsibility when managing assets.
- Seeks to enhance results and effectively manage risk.
- TB and TBS have a leadership role in promoting practices that reinforce sound asset stewardship.

Source: Treasury Board of Canada Secretariat, 2008
Legal & Policy Framework (Strategic)

Legislation / Regulations:
- Financial Administration Act
- Federal Real Property and Federal Immovables Act
- Federal Real Property Regulations

• Foundation Framework for Treasury Board Policies:
  - Financial Management;
  - Information and Technology
  - Assets and Acquired Services

• Policy Framework for Assets and Acquired Services
  (expected results):
  - Consistent with Government priorities and program outcomes
  - Value for money
  - Sound stewardship
  - Fair and equitable transactions
  - Open and transparent transactions
Legal & Policy Framework (Operational)

Administrative Policies, Directives, Standards
- Policy on Management of Real Property
- Directive on the Sale or Transfer of Surplus Real Property
- Accessibility Standard for Real Property
- Appraisals and Estimates Standard for Real Property
- Reporting Standard on Real Property
- Fire Protection Standard

• Guidelines and Tools:
  - Guide to the Management of Real Property
  - Guide to the Management of Real Property: Aboriginal Context
  - Guideline to Implementing Budget 2011 Direction on Public-Private Partnerships
  - Guide to Requesting Capacity-Based Real Property Transaction Approval Limits

• Departmental Policies and Procedures:
  - Within the context of Treasury Board policies and guidance, each department makes its own operational policies and procedures, which become the basis for its asset management framework.
Policy on Management of Real Property

• Objective:
  – Ensure real property is managed in a sustainable and financially responsible manner throughout its life-cycle to support cost effective, efficient government program delivery.

• Expected Results:
  – Effective, efficient management to enable program outcomes / broad government objectives.
  – Long-term economic advantage to Crown and best value to taxpayer.
  – Barrier free access and use of federal real property.
  – Sound stewardship to preserve and protect heritage assets and the environment.
  – Fair open and transparent transactions to ensure equitable treatment.
# Real Property Management Framework

| Governance                        | - Authorities  
|                                  | - Accountabilities  
|                                  | - Planning & decision-making processes  
| Rules & Guidance                 | - Policies  
|                                  | - Procedures  
|                                  | - Guidance  
| Integrated Information           | - Real property and materiel  
|                                  | - Financial  
|                                  | - Human resources  
| Asset Performance Indicators     | - Physical condition  
|                                  | - Utilization  
|                                  | - Financial  
|                                  | - Functionality  

Federal Real Property Life Cycle

Four Phases

1. **Planning**
   • For departmental program real property needs.

2. **Acquisition**
   • Purchase or lease.

3. **Operations and maintenance**
   • At site and portfolio level: regional, national, international (e.g. embassies).

4. **Disposal**
   • Surplus real property not needed by department or other federal custodians.
   • Disposal by:
     • public sale through departments,
     • through PWGSC (optional), or
     • Canada Lands Company (CLC) Ltd.
Summary

- Federal real property management is complex and decentralized across many federal departments.

- TBS is responsible for developing, interpreting, monitoring and evaluating policies for the management of federal real property, and for developing guidelines and tools for departments.

- **Four key principles** of real property management:
  1. Real property only held to support department’s program delivery;
  2. Value for money;
  3. Sound stewardship; and,
  4. Fair, equitable opportunity for Canadians to transact with their government.
Thank You

Supreme Court of Canada / Cour suprême du Canada
Questions
ANNEX A.

Key Reference Documents
Key Reference Documents

1. Treasury Board Secretariat web site
   http://www.tbs-sct.gc.ca

2. Policy Framework for the Management of Assets and Acquired Services
   http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/aas-gasa/index_e.asp

3. Policy on Management of Real Property

4. Policy on Investment Planning – Assets and Acquired services