PD 6.13
Capital Funding: Capital Planning Projects

Purpose

1. Capital planning projects are required to ensure that sufficient data is available to support
decisions concerning the construction of community capital works.

2. This directive defines planning projects which may be funded from funds appropriated by
Parliament for capital purposes.

3. The directive also describes how such capital planning projects are to be managed.

4. This directive will not apply to bands operating under self-government legislation.

Authorities and References


7. Long Term Capital Plan and Project Approvals.


Issuing Authority

9. This program directive is issued under the authority of the Deputy Minister.
Definitions

10. **Capital Project Planning**: - Pre-engineering and feasibility studies that are necessary for the planning of specific capital projects in determining cost, scope or nature of future works and consist of work not already included within the scope of another project within the capital plan.

11. **Comprehensive Community Based Planning (CCBP)**: - The on-going process of determining future development orientation and conditions that will best meet the community’s needs and aspirations and make optimum use of all its resources. It deals with the community as an entity and attempts to coordinate and integrate all aspects of community life. This process sets community objectives and strategies for achieving these as well as establishing priorities and developing community plans.

12. **Community Physical Development Plan**: - Is a package which outlines spacial areas of the community in which physical development of a specific nature is planned, or will be allowed to take place. For example, it may establish development sectors including residential, community, both core area (administrative, retail, community buildings) and service areas (water, sewer, landfill, etc.) plus educational, recreational and industrial/commercial sectors, and the linkage (roads, water and sewer systems) within and between each sector.

The process will serve to focus the community and its leaders on well-planned and communicated development alternatives and allow for community participation on where, how, when and what development is planned to take place. The plan also provides a linkage between the community’s overall social, cultural goals and objectives and its physical development.

Portions of the plan may detail specific development in the short term for particular area(s) while only conceptualizing long-term development in other areas.

13. **Band Capital Plan**: - Is a listing and narrative of specific projects which the band plans to undertake over the life of the plan (short term, 3 to 5 years and long term, 5 to 10 years). The band capital plan may be a prioritization of the community physical development plan or individually identified capital requirements. It should provide the rationale and justification or need for undertaking the particular capital project, a method of prioritization, funding sources, as well as quantitative and qualitative measures to establish and assess time, cost and performance criteria.

14. **Regional Capital Plan**: - Is a listing and narrative of specific capital projects which the region plans to undertake over the life of the plan. The regional capital plan is made up of those projects identified through band capital plans or specific band identified projects/capital requirements. Projects and funding requirements to be incorporated in the regional capital plan are determined by the Regional Capital Management Committee based on departmental policies.
and priorities, funding authorities and standards, and established budget levels.

Regions are required to prepare and maintain capital plans within targeted resource levels over a five-year period with provisions for alternative projects and emergency/contingency requirements.

15. **Departmental Capital Plan**: Is a consolidation of capital plans and self-government capital transfer agreements. The department is required to present a summarized listing of the five-year capital plan within established resource levels at least annually to the Treasury Board as part of Main Estimates.

**Management Policy**

16. **Policy Statements**

16.1 Capital program funds may be used to fund those pre-engineering and feasibility studies which are project specific and provide data essential for presentation of preliminary project approvals.

16.2 Capital program funds may also be used to fund physical development plans (as defined in paragraph 11), which are a component of the Comprehensive Community Based Planning (CCBP) process and the development of a long-term capital plan for the band.

16.3 There may be more than one physical development plan for a reserve; i.e., it can be divided into sub-division sections, etc.

16.4 The physical development plan may be done concurrently with the CCBP or may be done separately (to eventually become part of the CCBP).

16.5 The physical development plan will be developed with the support of band membership in order to ensure community acceptance and support of such a plan.

16.6 The band capital plans should be prepared in such a way that, as much as possible, all program, financial, technical and other implications of the community’s physical development plans are addressed in an orderly fashion.

16.7 The need for capital planning projects will be taken into consideration when self-government financial transfer agreements are negotiated.

**Scope**
17. This directive is to be used by Indian Affairs personnel involved in the funding, approval authority, management and support of the Indian and Inuit Affairs capital program and projects.

Responsibilities

18. Band Support and Capital Management Branches within each region are responsible for coordinating and controlling the preparation, the review, the processing and the recommendation for approval of all requests for funding; they will also keep complete records and documentation produced from the capital planning projects.

19. The Regional Manager, DIAND Technical Services, is responsible for assigning project managers/officers to be involved in the preparation of these plans. They will ensure the implementation of the projects within the physical development plans in accordance with 10-7, Engineering and Architecture Manual. Project managers/officers are responsible for maintaining current project financial information on Project Identification Change Documents (PICD). Technical Services is responsible for ensuring approved PICD information is input into the Project Accounting System which is updated monthly as required.

20. Regional Finance and Administration, based on an approved PICD, will be responsible to ensure that the projects conform to the parameters of this directive and will assign a project number out of the block of numbers designated to that region. They are also responsible for setting up and/or making the required changes to the information on the project in the departmental Budgetary Control System, as applicable.

21. Bands operating under self-government legislation or arrangements may carry out capital planning activities in whatever manner is most appropriate to their needs within the framework of the applicable self-government legislation and negotiated transfer arrangements.

Enquiries

22. Anyone wishing further information or clarification regarding the policy and responsibilities presented in this program directive, should contact Capital Management Directorate, at headquarters. All requests for additional copies of this program directive shall be addressed to the Directives Management and Translation Coordination Unit, Support Services Directorate.

A:\planning.wpd