



Developing an Asset Management Policy

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City of Brampton

AM Ontario AGM
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Corporate Asset Management



Agenda

- Brampton's Asset Management Journey
- Asset Management Policy
- Asset Management Governance Framework

City of Brampton

4th Largest City in Ontario

Population of 600,000

Second Fastest Growing Community in Ontario

1 out of 4 residents under the age of 19

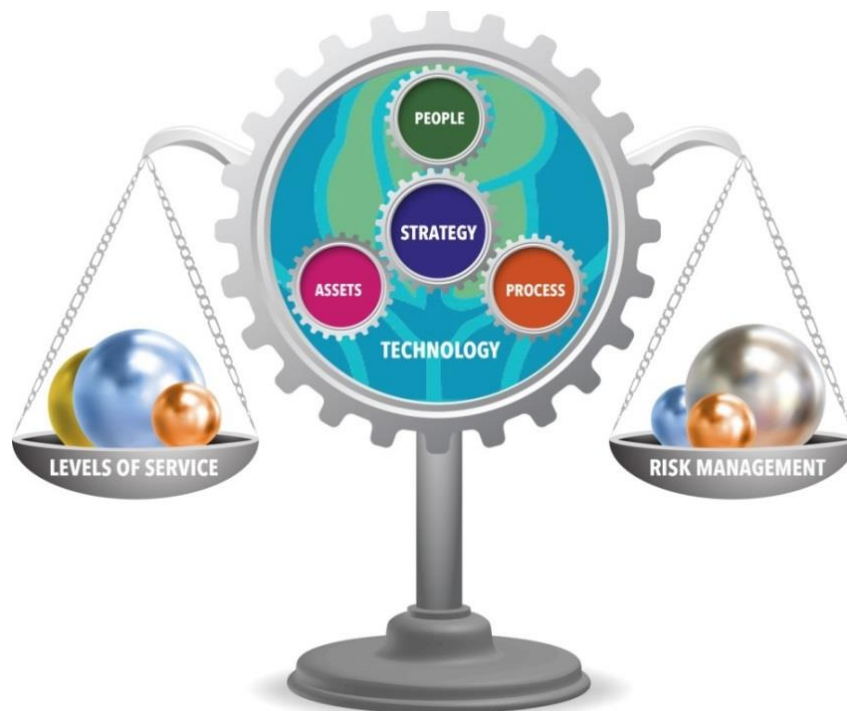
New University Solidifies Brampton's place
as a growing, innovative and well-connected city



What is Asset Management?

Coordinated activity of an organization to realize value from its assets.

Source: ISO 55000



Asset Management ensures the right balance of...

- **Strategy**
- **Assets (Physical & Technology)**
- **People**
- **Business Processes**

... to deliver established levels of service through an optimized risk-based decision making approach.

Current State of Local Infrastructure

Total Asset Replacement Cost: \$5.1 Billion
Overall Condition: GOOD



IT
Replacement: \$56.9M
Condition: Good



LEGEND: Condition
 Very Good (Green)
 Good (Light Green)
 Fair (Yellow)
 Poor (Orange)
 Very Poor (Red)



Brampton Library



Animal Services



Service Brampton

Additional 2017+ Service Areas:



Facilities
Replacement: \$979.9M
Condition: Good



Transit
Replacement: \$352.3M
Condition: Very Good

Fire
Replacement: \$27.7M
Condition: Fair



Fleet
Replacement: \$49.7M
Condition: Good



Stormwater
Replacement: \$1.1B
Condition: Good



Transportation
Replacement: \$2.1B
Condition: Good



Parks and Recreation
Replacement: \$430.7M
Condition: Very Good

Brampton's Asset Management Journey

Establishing a Corporate AM Network

- Representatives from 11 Service Areas – Corporate Asset Management Network and Steering Team
- Developed a Corporate AMP in 2016 to meet requirements of Federal Gas Tax Fund Agreement

2016

2017+

Compliance with AM Planning Regulation

- Develop a Strategic Asset Management Policy
- Develop a Levels of Service Framework for all Service Areas
- Identify Future Costs to provide Target Levels of Service
- Identify Future Costs to Meet Growth Demands

Corporate Asset Management Roadmap

- Council Endorsed Asset Management Initiatives
- Develop Individual AM plans for 11 Service Areas
- Launch of Asset Management Training & Innovation Centre

Future Ready Brampton

- Integration with Financial Planning
- Seeking ISO 55000 Certification



Corporate Asset Management



What's an Asset Management Policy

- Articulates Senior Management's Commitment to Asset Management
- Articulates What Asset Management Means for your Municipality:
 - ✓ Provides a Framework for Setting Asset Management Objectives in alignment to Strategic Goals
 - ✓ Includes a Commitment to Satisfy Regulatory Requirements
 - ✓ Includes a Commitment to Continual Improvement of the Asset Management System
- Embodies key principles by which asset management will be applied to achieve your municipality's strategic objectives



Strategic Alignment (Line of Sight)



Source: ISO 55000, IAM Framework

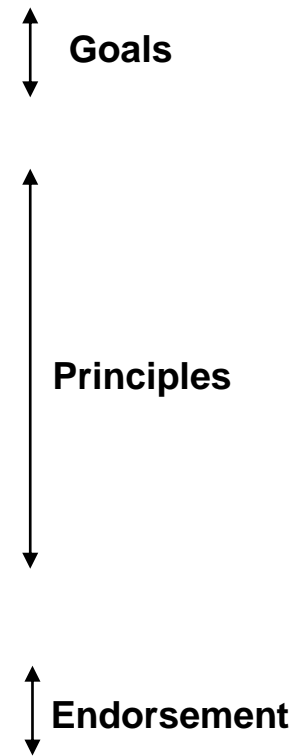
Asset Management Policy Template

Asset Management Policy

Preamble on the importance of asset management to delivering corporate goals

Series of 5-7 bullet points on key principles:
· (Refer to Handout)
·
·
·
·

Signature, perhaps quote and even photo from CAO



Principles in Brampton's Asset Management Policy

- Customer Focused
- Defendable Decision-Making
- Risk Management
- Regulatory Driven
- Innovation
- Sustainable
- Systems Based
- Whole Life Perspective



CORPORATE ASSET MANAGEMENT PLAN ADMINISTRATIVE POLICY

Purpose:

To express the commitment and intentions of The Corporation of the City of Brampton [the City] to plan, design, construct, acquire, operate, maintain, renew, replace and dispose of the City's assets in a way that preserves sound stewardship of public resources while balancing levels of service and risk.

↑
Goals
↓

Policy Statement:

The City will implement a comprehensive Corporate Asset Management (CAM) Plan in alignment with the current strategic vision of 'Moving Our City Forward'. This inclusive framework of shared principles aligns the foundation of the CAM Plan to emphasize and support optimized evidence-based decision-making.

Specifically, the following principles will form the foundation of the Corporate Asset Management Plan:

<p>CUSTOMER FOCUSED Maintain clearly defined levels of service through adherence to optimized asset management processes and systems supported by real-time asset and customer data.</p>	<p>DEFENDABLE DECISION-MAKING Use a robust, formal and consistent process when evaluating competing business factors to ensure that a defensible outcome is achieved.</p>	<p>RISK MANAGEMENT Achieve a strategic balance between established levels of service and the amount of acceptable risk in order to manage resources, expenditures, and priorities.</p>
<p>REGULATORY DRIVEN Maintain compliance with all legislation, regulatory and statutory requirements as well as business established standards.</p>	<p>INNOVATION Perpetually enhance and improve asset management methodology to recalibrate processes and embrace new tools, techniques and solutions.</p>	<p>WHOLE LIFE PERSPECTIVE Consider the full impact of managing an asset from acquisition to disposal; always considering the impact of interrelated influences.</p>
<p>SUSTAINABLE Incorporate social, financial, and environmental outcomes into asset decisions to adequately meet anticipate customer needs, regulatory requirements, and climate change obligations.</p>	<p>SYSTEMS BASED Evaluation of an asset in terms of its role and value within the context of the greater system, as opposed to examining an individual asset in isolation.</p>	

↑
Principles
↓

Asset management ensures the right balance of strategy, assets (physical and technological), people and business processes to deliver established levels of service through an optimized risk-based decision-making approach. The City is committed to manage this program in an organization-wide manner that preserves the whole lifecycle of an asset and will be achieved by ongoing capacity building (sufficient training and resourcing).

↑
Endorsement
↓

Harry Schlange
Chief Administrative Officer

Asset Management is the coordinated activity of an organization to realize value from its assets.
Source: ISO 55000

Date revised: October 11, 2018



Principles in Brampton's Asset Management Policy

CUSTOMER FOCUSED

Maintain clearly defined levels of service through adherence to optimized asset management processes and systems supported by real-time asset and customer data.

DEFENDABLE DECISION-MAKING

Use a robust, formal and consistent process when evaluating competing business factors to ensure that a defensible outcome is achieved.

RISK MANAGEMENT

Achieve a strategic balance between established levels of service and the amount of acceptable risk in order to manage resources, expenditures, and priorities.

REGULATORY DRIVEN

Maintain compliance with all legislation, regulatory and statutory requirements as well as business established standards.

INNOVATION

Perpetually enhance and improve asset management methodology to recalibrate processes and embrace new tools, techniques and solutions.

WHOLE LIFE PERSPECTIVE

Consider the full impact of managing an asset from acquisition to disposal; always considering the impact of interrelated influences.

SUSTAINABLE

Incorporate social, financial, and environmental outcomes into asset decisions to adequately meet anticipate customer needs, regulatory requirements, and climate change obligations.

SYSTEMS BASED

Evaluation of an asset in terms of its role and value within the context of the greater system, as opposed to examining an individual asset in isolation.



Example of Key Principles – Alignment with Strategic Goals

- *Service Based*
- *Forward Looking*
- *Holistic*
- *Energy Efficient*
- *Transparency*
- *Accessibility*
- *Financial Sustainability*
- *Promotes Productivity and Economic Growth*



Proposed Asset Management Planning Regulation Bill 6 – Jobs for Infrastructure & Prosperity Act (Strategic Asset Management Policy Component only)

Develop & Adopt a Strategic Asset Management Policy by Jan 01, 2019

- Identify Role of Council and Senior Management
- Commitment to Involve Residents in Establishing Target Service Levels
- Commitment to Addressing Climate Change Risks and Vulnerabilities
- Process for Aligning AMP with Municipal Budgets
- Approach to Continuous Improvement and Adoption of Best Practices

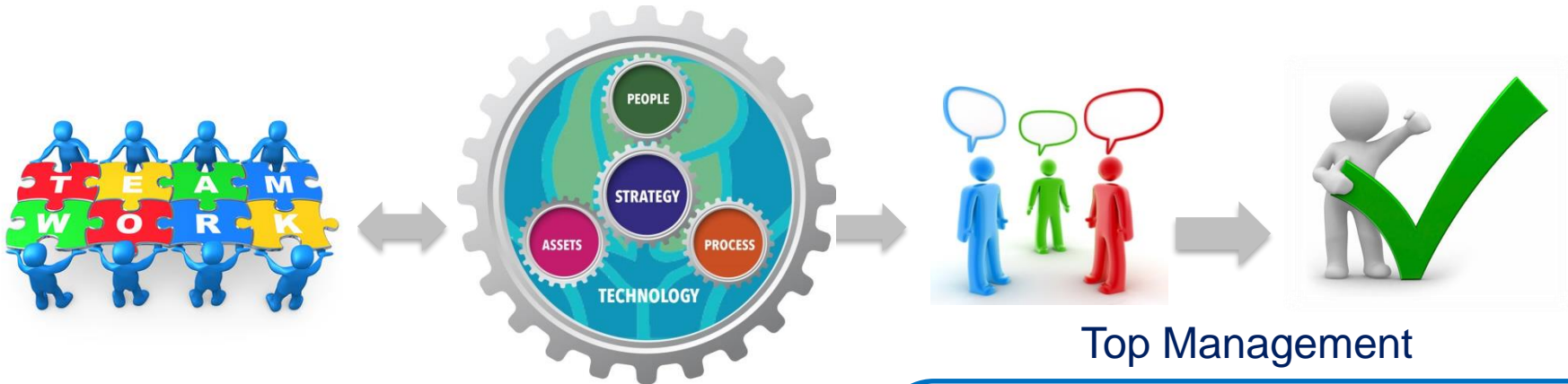


City of Brampton's Key Asset Management Roadmap Initiatives

Provincial Requirements Strategic AM Policy	Current Status	Brampton's Corporate AM Policy	Brampton's AM Roadmap Moving Forward	Timeline (As per Corporate AM Roadmap)
Role of Council and Senior Management	✓	Defendable Decision Making	Develop Asset Management Governance Structure	Immediate (2017-2018)
Commitment to Involve Residents	✓	Customer Focused	Development of LOS Framework	Immediate (2017-2018)
Approach to Continuous Improvement	✓	Innovation	Continuous Cultural Improvement Enhance Learning & Development	High Priority (2019-2021)
Incorporating Climate Change Risks	✓	Sustainable and Risk Management	Develop a Risk-based Decision Model	High Priority (2019-2021)
Alignment with Land-Use Planning Framework	✓	Systems Based and Regulatory Driven	Compliance with all Legal, Regulatory & Statutory Requirements	High Priority (2019-2021)
Alignment with Tangible Capital Assets Policy and Long-Term Financial Plan	✗	Work in Progress	Enhance & Maintain Asset Registry Develop a Long Range Financial Plan	Immediate (2017-2018)
Alignment with Municipal Budgets	✗	Work in Progress	Asset Management Prioritization in the Budgeting Process	High Priority (2019-2021)



Brampton's Asset Management Governance



Corporate AM Network

Deliver and Manage Services

Corporate AM Team (Lead)

Coordinates with Corporate AM Network

Corporate AM Steering Committee

Reviews Current Progress and Provide Feedback

Corporate Leadership Team Sponsorship

Approves Asset Management Policies, Strategies and Plans

Top Management

<https://publicsectordigest.com/article/global-leader-in-asset-management-case-brampton>



Corporate Asset Management



“Now Launching the Asset Management Training and Innovation Centre at the City of Brampton”



Questions?

For More Information: caminfo@brampton.ca

www.brampton.ca/EN/City-Hall/Corporate-Asset-Management/Pages/Training.aspx

Corporate Asset Management