



CITY OF
PRINCE GEORGE

POLICY

POLICY NAME: ASSET MANAGEMENT

CATEGORY: SUSTAINABLE INFRASTRUCTURE, SUSTAINABLE FISCAL
MANAGEMENT, ORGANIZATIONAL EXCELLENCE
APPROVED BY COUNCIL: 2019/05/13
DEPARTMENT RESPONSIBLE: DEPARTMENT OF ENGINEERING & PUBLIC WORKS

PURPOSE:

To support sustainable service delivery by providing direction on how the City:

- Effectively aligns corporate plans, strategies, and operations;
- Makes informed and transparent decisions about asset management, including the long-term planning, financing, operation, maintenance, upgrade, renewal, replacement and disposal of capital infrastructure assets;
- Builds resiliency to the impacts of climate change through decisions about asset management;
- Continuously improves its asset management processes and practices;
- Engages stakeholders in asset management.

POLICY PRINCIPLES:

- Alignment
- Informed and transparent decisions
- Appropriate information
- Sufficient resources
- Resiliency
- Continuous improvement
- Engagement

POLICY DEFINITIONS:

Asset management - an integrated and continuous process of making capital and operational decisions about assets that are informed by cost, risk, and service levels. Sustainable service delivery is the goal of asset management.

Sustainable service delivery – an approach to delivering infrastructure services that ensures that services are provided to the community today in a way that:

- is fiscally, environmentally, and socially responsible;
- is adaptive to changing circumstances and future conditions; and
- does not compromise the ability of future generations to meet their own needs.

Life cycle costs – the total cost of an asset over its service life, including the initial capital cost, as well as, the cost of ongoing operations and maintenance, renewal, replacement and disposal.

Level of service – the defined quality for a particular activity or service area against which performance may be measured. Level of service usually relates to quality, quantity, reliability, responsiveness, environmental acceptability and cost.

POLICY STATEMENTS:

1. The City demonstrates organizational alignment and commitment to sustainable service delivery.

- Relevant corporate strategies, policies, and plans are informed by each other and they support sustainable service delivery considering the City’s social, environmental and economic consequences and responsibilities. This includes, but is not limited to, the City’s Official Community Plan, Integrated Community Sustainability Plan, Asset Management Policy, Asset Management Strategy, Financial Sustainability Guidelines, Financial Plan, and Climate Change Adaptation and Mitigation Plans, and is integrated within Annual Reporting.
- Council and senior leadership support staff in providing sustainable service delivery.
- Standard operating procedures support sustainable service delivery.

2. Decisions about service delivery are prioritized in a clear, consistent, and transparent way based on trade-offs between level of service, lifecycle cost, and risk.

- Levels of service are defined for each asset class and are based on municipal regulatory requirements, best practices for lifecycle optimization and risk management, and customer expectations and willingness to pay, and are used to inform decisions.
- The full lifecycle cost of any new City-owned asset is considered and used to understand cumulative impacts to operations and to inform decisions.
- Development standards reflect the lifecycle costs of infrastructure.
- A risk framework (considering both likelihood and consequence) is in place and is used to inform decisions.
- Investments in improvements to service delivery are prioritized using a clear and transparent set of criteria.
- Trade-offs between level of service, cost, and risk are documented, understood, and used to inform decisions.

3. Appropriate information and tools are available, integrated, and used alongside professional judgement to inform decisions.

- The City continues to develop and maintain a complete and accurate asset inventory, including all critical assets.
- Limitations of qualitative and quantitative data being used to inform decisions are documented and understood.
- Data is accessible to all who need it.
- Suitable software systems are in place and integrated to the extent practical, and staff know how to use them.
- The outputs of software systems and other tools are used as inputs to collaborative discussions in which decisions are ultimately made using professional judgement.

4. Sufficient financial resources are in place to enable sustainable service delivery and continuous improvement in asset management.

- Financial decisions are in alignment with the Sustainable Financial Guidelines.
- The setting of taxation, user rates, fees, and charges is informed by the full lifecycle cost of service delivery.
- Funding levels are predictable and stable over the long term.
- Staff understand the funding available to them to support long-term capital planning.

5. Sufficient human resources are in place to enable sustainable service delivery and continuous improvement in asset management.

- Human resource levels are appropriate for the target level of service.
- Staff knowledge and experience is valued, retained, and captured within processes and procedures to improve service delivery. Staff are provided with professional development opportunities to build their knowledge and skillset in asset management.
- A cross-functional team is in place to champion sustainable service delivery at the City.
- All staff involved in infrastructure service delivery understand their role and see how their work contributes to sustainable service delivery.

6. The City's approach to asset management builds the City's resiliency to climate change and supports its climate change adaptation and mitigation goals.

- Climate change impacts are considered in land use planning, capital planning decisions, and City operations.
- Climate change impacts are considered in the design and/or rehabilitation of infrastructure and their business case options in order to evaluate trade-offs.
- The role of natural assets is considered in the City's approach to climate change adaptation and mitigation.

7. The City continuously improves in sustainable service delivery, and measures, tracks, and communicates progress.

- An Asset Management Strategy and Improvement Plan (“Roadmap”) are in place and inform the City's approach to improvement in sustainable service delivery.
- The City measures, tracks, and communicates progress towards strategic goals using meaningful and simple indicators.

8. Stakeholders are appropriately engaged in decisions about sustainable service delivery.

- Levels of service, and trade-offs between costs and services, are informed by and understood by staff, Council, stakeholders and the public.
- Public input used to inform decisions about service delivery is representative of the target customer.