

Asset Management Readiness Scale

Municipal Asset Management Program



Contents

Start here	3
Learn more	5
Completing the Asset Management Readiness Scale for your community	6
Using the results	7
Asset Management Readiness Scale	8
Policy and governance	8
People and leadership	9
Data and information	10
Planning and decision-making	12
Contribution to asset management practice	14
Key concepts	16
Assessment	17
Example assessments	20

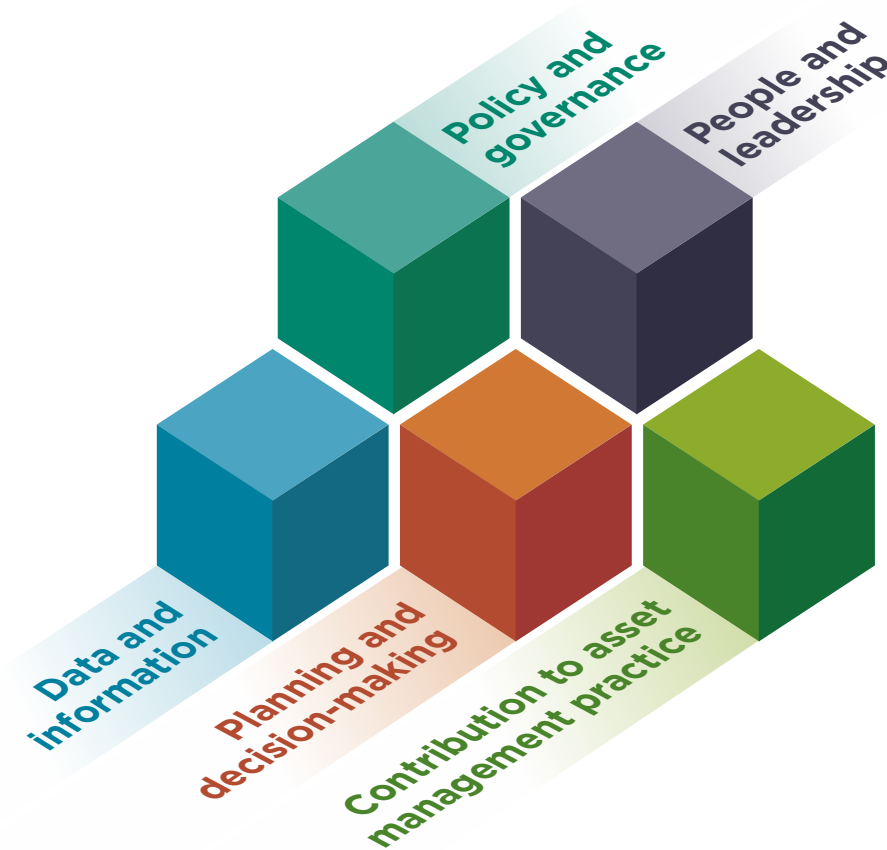


Source: Northwest Territories Association of Communities



Start here

FCM's Asset Management Readiness Scale helps local governments measure progress on asset management in five **competency areas**. Each of these competencies is a building block. Together, the five building blocks form the practice of asset management.



These five competencies are key for sustainable service delivery. Asset management is not just about doing one thing – it is about building a robust understanding of asset needs and implementing good practices for caring for those assets. For a community to do this successfully, it must build skills and practices in each of the competency areas.



Definitions for key asset management terms can be found in the Key Concepts section of this document.

The five competencies

Policy and governance: By developing this competency, your organization is putting in place policies and objectives related to asset management, bringing those policies to life through a strategy and roadmap, and then measuring progress and monitoring implementation over time.

This competency helps you create the policy structure in your organization that lays out your asset management goals and how they will be achieved, leading to organizational alignment and commitment.

People and leadership: By developing this competency, your organization is setting up cross-functional teams with clear accountability and ensuring adequate resourcing and commitment from senior management and elected officials to advance asset management.

Asset management requires integration of multiple perspectives. At a minimum, your asset management team should be a representation of people who understand finance, decision-making, and the planning and operations of each relevant service area. This competency helps you create and sustain connections across teams and build leadership in asset management.

Data and information: By developing this competency, your organization is collecting and using asset data, performance data and financial information to support effective asset management planning and decision-making.

This competency helps you improve your data management practices so that you have the information you need about your assets when you need it.

Planning and decision-making: By developing this competency, your organization is documenting and standardizing how the organization sets asset management priorities, conducts capital and operations and maintenance (O&M) planning, and decides on budgets.

This competency helps you implement asset management, by ensuring that asset management policies, objectives and information are consistently informing organizational plans.

Contribution to asset management practice: By developing this competency, your organization is supporting staff in asset management training, sharing knowledge internally to communicate the benefits of asset management, and participating in external knowledge sharing.

This competency helps you build your organization's overall asset management practice by ensuring that internal stakeholders are well-informed and that your organization stays current with, and contributes to, leading practices, training and education.

Levels and outcomes

Each of the five competency areas is organized on a progressive scale of five levels. Each level is further broken down into three **outcome areas**. The outcomes describe milestones in asset management from initial investigation of practices, to adoption, and, eventually, to full integration of asset management practices into daily routines. **Each of these three outcome areas need to be achieved before a level has been achieved.** Referring to the outcomes described at each level can help you set goals and objectives, and design initiatives.



Outcome area A



Outcome area B



Outcome area C

The Asset Management Readiness Scale helps municipalities assess where they are and identify the areas they need to work on. Asset management is a journey and every community will be at a different stage in terms of which competencies they have developed, and which they have not yet focused on.

Learn more

FCM provides resources on asset management through the [FCM's website](#).

Communities of practice are also great resources for additional asset management support. You can find a list of Canadian asset management communities of practice on the [Asset Management Canada website](#).

Getting started

If your community is just getting started on asset management, and you're not sure how to get to Level 1 on the Asset Management Readiness Scale, we recommend you check out FCM's [The Building Blocks of Asset Management: A How-to Guide for Reaching Level 1 of the Asset Management Readiness Scale](#).

Continual improvement

If your community's asset management practices are under way but you want to dig deeper into certain concepts or understand how asset management documents work together, we recommend FCM's [How to Develop an Asset Management Policy, Strategy and Governance Framework: Set Up a Consistent Approach to Asset Management in Your Municipality](#), published on FCM's website in 2018.

Completing the Asset Management Readiness Scale for your community

Follow these steps to undertake the Asset Management Readiness Scale assessment for your community:

1. Bring together a cross-functional team of staff from the departments that are relevant to your asset management practices. The Asset Management Readiness Scale assesses the asset management practices across your whole organization — not just the practices related to one asset class. Therefore, it is important that a cross-functional team complete the Asset Management Readiness Scale, not one individual or one department.¹
2. For each competency area, read through the descriptions of outcomes for each level. Make sure that everyone is on the same page about what they mean.

You can start with the competency that resonates the most with your team. You do not need to go through the competencies in a specific order; they all work together.

3. Discuss your organization's current state in relation to each outcome and identify what has already been achieved.
4. Select the outcomes that describe where your organization is today. Use your outcome selections to determine your organization's level for the overall competency. You have completed a level once all outcomes for that level have been achieved. If you are still working on one or more of the outcomes for a level, select the previous level to indicate that you have fully achieved all outcomes in that level.

If you are just getting started in a certain competency, select "Working on Level 1." If you're not sure how to start working on that competency, check out FCM's [The Building Blocks of Asset Management: A How-to Guide for Reaching Level 1 of the Asset Management Readiness Scale](#).

5. Use the assessment page at the end of the Asset Management Readiness Scale to write down your levels for each competency area, document how you've achieved those levels, and identify potential actions for improving your organization's asset management practices.

You will get the most out of the Asset Management Readiness Scale by taking the time to work through it as a team and by thinking critically about where your organization is today. Assessing yourself at a lower level does not mean you are not managing your assets, only that you have work to do in formalizing your asset management program. Remember that this is a work in progress!

Over-assessing your organization's achievement will make it more difficult to understand where you should focus your efforts, resources and funding. It may also make it more difficult to identify areas of progress or communicate to staff and council the need for continued improvement in asset management.

¹ In some communities it may be appropriate to include knowledgeable council members in conducting this assessment.

Using the results

The results of your self-assessment on the Asset Management Readiness Scale can be used to support your community's asset management practices in several ways:

1. Identify priority areas of improvement to help you plan for staff time and resource allocation.
2. Design initiatives to improve asset management practices based on which outcomes you want to work on.
3. Track your progress over time so you know if your activities are helping you improve, or if you need to make some adjustments.
4. Report on the achievement of outcomes to a variety of stakeholders: the internal team, CAO, council, FCM and other funders.
5. Use the shared language of the Asset Management Readiness Scale to talk to other municipalities about where they are and what they did to get there.

Planning for improvement

Each organization's progress in the competencies will depend on a unique group of factors. There is no need to progress through each competency to the same level. You may currently be much further along in some competencies than in others.

Additionally, your municipality may choose to aim for higher levels in some competencies than in others. For example, your community may aspire to reach Level 3 in data and information, Level 4 in planning and decision-making and Level 2 in policy and governance. Keep in mind that Level 4 of the Asset Management Readiness Scale is roughly aligned with the requirements of the ISO 55000 standard — which is a significant accomplishment.² It may not be necessary for your municipality to achieve the higher levels in the scale to meet the needs of your community.




² Note that ISO 55000 has specific content, documentation, and review requirements that are not always explicitly included in this scale. For example, ISO 55000 has specific requirements on what information needs to be included in a policy, strategy and asset management plan. It also includes specific requirements around continuous improvement. If you are pursuing the ISO 55000 standard, you should refer directly to the ISO 55000 requirements.

Asset Management Readiness Scale

Policy and governance

By developing this competency, your organization is putting in place policies and objectives related to asset management (AM), bringing those policies to life through a strategy and roadmap, and then measuring progress and monitoring implementation over time.



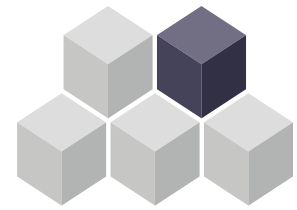
Outcomes: Select the outcomes that your organization has achieved.					
Outcome areas	Level 1	Level 2	Level 3	Level 4	Level 5
 <p>Policy and objectives</p>	<input type="checkbox"/> Senior management is committed to formalizing an AM program .	<input type="checkbox"/> We have drafted an AM policy . <input type="checkbox"/> Senior management and council have endorsed the AM policy .	<input type="checkbox"/> We are starting to use our AM policy to guide our actions.	<input type="checkbox"/> We manage assets and services in accordance with our AM policy and organizational objectives.	<input type="checkbox"/> We continue to validate and refine our corporate, service and AM objectives based on the evolving needs of our community.
 <p>Strategy and roadmap</p>	<input type="checkbox"/> We have identified the benefits that we want AM to deliver, and the benefits support organizational objectives.	<input type="checkbox"/> We have a strategy for our AM program . <input type="checkbox"/> We have a draft roadmap that outlines our approach for the next 1 to 3 years.	<input type="checkbox"/> We have a roadmap that details the actions for implementing our AM strategy over the next 3 to 5 years.	<input type="checkbox"/> We are achieving our AM policy objectives. The necessary workflows, documents, and reporting tools are in place. <input type="checkbox"/> We update our roadmap to address evolving needs.	<input type="checkbox"/> We follow our roadmap and continually improve our AM practices. <input type="checkbox"/> We document improvements to our AM practices.
 <p>Measurement and monitoring</p>	<input type="checkbox"/> We have identified short-term actions that will demonstrate early progress on AM.	<input type="checkbox"/> We are collecting baseline data on our current AM practices.	<input type="checkbox"/> We have established performance measures to monitor our asset management progress, outcomes, and the benefits to our community.	<input type="checkbox"/> We use performance measures to monitor AM progress, outcomes, and benefits.	<input type="checkbox"/> We monitor performance and use the feedback to prioritize and make ongoing refinements and improvements to AM practices.

Readiness level: You have achieved a readiness scale level when your organization can demonstrate achievement of all outcomes for that level.




Readiness level	Working on Level 1	Completed Level 1	Completed Level 2	Completed Level 3	Completed Level 4	Completed Level 5
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

People and leadership

By developing this competency, your organization is setting up cross-functional teams with clear accountability and ensuring adequate resourcing and commitment from senior management and elected officials to advance asset management.



Outcomes: Select the outcomes that your organization has achieved.

Outcome areas	Level 1	Level 2	Level 3	Level 4	Level 5
 <p>Cross-functional teams</p>	<input type="checkbox"/> We have identified the representation we need on our cross-functional AM team .	<input type="checkbox"/> We have a cross-functional AM team* that guides the planning and implementation of our AM program .	<input type="checkbox"/> Our AM team* works within our organization to lead, communicate, and support AM improvements and organizational changes.	<input type="checkbox"/> Our AM team* is permanent and tasked with guiding and supporting AM across the organization on an ongoing basis.	<input type="checkbox"/> Our AM team* guides and supports the ongoing improvement of AM within the organization.
 <p>Accountability</p>	<input type="checkbox"/> We have a champion who has been tasked with planning for our AM program .	<input type="checkbox"/> Our AM team* has a documented mandate to develop our AM program , which is outlined in a terms of reference and a one- to three-year roadmap . <input type="checkbox"/> Our AM team is accountable to senior management and council.	<input type="checkbox"/> Our AM team* is accountable for implementing our AM program . <input type="checkbox"/> AM roles and responsibilities are included in staff job descriptions.	<input type="checkbox"/> We have operationalized AM roles and responsibilities across our organization.	<input type="checkbox"/> We document changes to AM roles and responsibilities as needed to support our evolving requirements.
 <p>Resourcing and commitment</p>	<input type="checkbox"/> Council knows that resources must be dedicated to exploring the requirements for AM and for drafting an AM roadmap .	<input type="checkbox"/> Council demonstrates buy-in and support for AM and allocates resources (funding or staff time) to further develop the AM program .	<input type="checkbox"/> Council champions AM as a core business function and has approved funding to continue AM roadmap activities.	<input type="checkbox"/> Council funds ongoing AM monitoring and enhancement.	<input type="checkbox"/> The AM team measures and monitors progress. <input type="checkbox"/> Council demonstrates commitment to ongoing improvement of AM practices.

Readiness level: You have achieved a readiness scale level when your organization can demonstrate achievement of all outcomes for that level.

Readiness level	Working on Level 1	Completed Level 1	Completed Level 2	Completed Level 3	Completed Level 4	Completed Level 5
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* Note: Larger organizations may have both an AM team responsible for implementation and an AM steering committee to provide direction and oversee the work. Smaller organizations may group these functions together. This outcome may be better suited to an AM team or an AM steering committee, depending on the organization. In some small communities the AM team may be as few as two people.

Data and information


By developing this competency, your organization is collecting and using asset data, performance data and financial information to support effective asset management planning and decision-making.



Outcomes: Select the outcomes that your organization has achieved.

Outcome areas	Level 1	Level 2	Level 3	Level 4	Level 5
 <p>Asset data</p>	<ul style="list-style-type: none"> <input type="checkbox"/> We have asset inventory data, including approximate quantities of assets within most asset groups. <input type="checkbox"/> We have some anecdotal information on asset condition. Some age information exists. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have a basic inventory of most critical assets, including information on general asset properties such as size, material, location and installation date. <input type="checkbox"/> We are moving our data to a centralized location for use by the AM team (note: this does not require AM software). <input type="checkbox"/> We have defined critical assets and have some information on asset condition for these assets. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have a consolidated, basic inventory of all assets. <input type="checkbox"/> We have defined life cycle investment requirements for critical assets. <input type="checkbox"/> We have standardized condition rating systems defined for most asset groups. <input type="checkbox"/> We have asset condition information on all critical assets. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have expanded inventory data for some assets <input type="checkbox"/> We have evaluated the life cycle investment requirements associated with critical assets. <input type="checkbox"/> We update data according to cycles defined in our AM plans or strategy. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have expanded inventory data for most assets. <input type="checkbox"/> We have evaluated the life cycle investment requirements associated with most assets.
 <p>Performance data</p>	<ul style="list-style-type: none"> <input type="checkbox"/> We have informal or anecdotal approaches for measuring asset or service performance. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have some information on performance of critical assets, collected from a variety of sources. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have defined level of service measurements for some service areas. <input type="checkbox"/> We have captured data on current level of service performance for some service areas. <input type="checkbox"/> We have reviewed service levels and asset performance with council. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have defined level of service measurements for critical service areas. <input type="checkbox"/> We communicate the results from our level of service measurement program to staff and council regularly. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have defined level of service measurements for most or all service areas. <input type="checkbox"/> We continually improve how we collect data on level of service performance.

Outcomes: Select the outcomes that your organization has achieved.

Outcome areas	Level 1	Level 2	Level 3	Level 4	Level 5
 <p>Financial information</p>	<input type="checkbox"/> We have financial information on our assets, supporting minimum PS-3150 reporting requirements.*	<input type="checkbox"/> We have major capital renewal and operating & maintenance (O&M) expenditure data for some assets. <input type="checkbox"/> We have a strategy to link AM and financial information .	<input type="checkbox"/> We have capital (new and renewal) and O&M expenditure data for most assets. <input type="checkbox"/> We have linked AM and financial information for all critical assets . <input type="checkbox"/> We can demonstrate the gaps between forecasted infrastructure needs and current spending levels.	<input type="checkbox"/> We understand the cost of sustaining current levels of service for all critical assets .	<input type="checkbox"/> We understand the trade-offs between investment and the level of service we deliver and use this to optimize our financial plans.

Readiness level: You have achieved a readiness scale level when your organization can demonstrate achievement of all outcomes for that level.

Readiness level	Working on Level 1	Completed Level 1	Completed Level 2	Completed Level 3	Completed Level 4	Completed Level 5
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* PS-3150 is the Public Sector Accounting Board's standard guiding the treatment of tangible capital assets.

Planning and decision-making


By developing this competency, your organization is documenting and standardizing how the organization sets asset management priorities, conducts capital and operations and maintenance (O&M) planning, and decides on budgets.



Outcomes: Select the outcomes that your organization has achieved.

Outcome areas	Level 1	Level 2	Level 3	Level 4	Level 5
 <p>Documentation and standardization</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Our asset planning approaches vary across the organization. 	<ul style="list-style-type: none"> <input type="checkbox"/> Our departments follow a similar but informal asset planning approach. <input type="checkbox"/> We evaluate investment needs and priorities based on a mix of structured and ad-hoc practices and criteria. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have a structured asset planning approach, but application is inconsistent. <input type="checkbox"/> We set priorities using criteria based on organizational goals and objectives. 	<ul style="list-style-type: none"> <input type="checkbox"/> We employ a consistent structured asset planning approach for each of our critical services. <input type="checkbox"/> We set priorities using criteria that are fully aligned with our organizational goals and objectives. 	<ul style="list-style-type: none"> <input type="checkbox"/> We employ a consistent structured asset planning approach for all services. <input type="checkbox"/> We adapt our planning approach and criteria to align with evolving organizational goals and objectives.
 <p>Asset management plans</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Our approach to asset renewal focuses on reacting to basic needs (e.g. growth, regulations and known problems). <input type="checkbox"/> We evaluate priorities based on available information, staff experience, and input from council and management. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have draft AM plans for some asset classes, with forecasted financial needs based on estimated data. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have AM plans for critical services, based on a mix of estimated and actual data. <input type="checkbox"/> Our AM plans include available information about level of service (current and target) and risk management. <input type="checkbox"/> Our AM plans identify short-term issues and priorities. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have AM plans for most services based on actual data. <input type="checkbox"/> Our AM plans include basic needs forecasting and risk management strategies for critical assets. <input type="checkbox"/> Our AM plans are based on both short- and long-term issues and priorities. They balance short-term service objectives with longer-term goals and risks. <input type="checkbox"/> We keep our AM plans up to date through normal business. 	<ul style="list-style-type: none"> <input type="checkbox"/> We have AM plans for all services based on actual data. <input type="checkbox"/> Our individual AM plans are integrated across services. <input type="checkbox"/> Our AM plans include needs forecasts and risk management strategies for most assets. Plans address risks to both service and business goals.

Outcomes: Select the outcomes that your organization has achieved.

Outcome areas	Level 1	Level 2	Level 3	Level 4	Level 5
 <p>Budgets and financial planning</p>	<input type="checkbox"/> We prepare annual capital and operating budgets based on historical values. <input type="checkbox"/> We deal with new needs reactively, as they occur.	<input type="checkbox"/> We prepare annual capital and operating budgets based on a mix of historical values and new priorities.	<input type="checkbox"/> We prepare an annual capital budget based on an annual assessment of current needs. <input type="checkbox"/> We have a 3-year capital plan that addresses short-term issues and priorities.	<input type="checkbox"/> We prepare annual needs-based capital and operating budgets that are based on an annual assessment of risks and current needs. <input type="checkbox"/> We have a 5-year capital plan* and update it annually. <input type="checkbox"/> We update our long-term financial plan (at least 10-year) annually and understand the risks associated with our investment gap.	<input type="checkbox"/> We prepare multi-year needs-based capital and operating budgets that are based on our short- and mid-term needs. <input type="checkbox"/> We take a structured approach to address in-cycle changes.

Readiness level: You have achieved a readiness scale level when your organization can demonstrate achievement of all outcomes for that level.

Readiness level	Working on Level 1	Completed Level 1	Completed Level 2	Completed Level 3	Completed Level 4	Completed Level 5
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* Communities may benefit from long-term capital plans that extend beyond five years to ten years or more.

Contribution to asset management practice


By developing this competency, your organization is supporting staff in asset management training, sharing knowledge internally to communicate the benefits of asset management, and participating in external knowledge sharing.



Outcomes: Select the outcomes that your organization has achieved.

Outcome areas	Level 1	Level 2	Level 3	Level 4	Level 5
 <p>Training and development</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Our AM training and development approach is informal and largely driven by the personal initiative of staff. <input type="checkbox"/> Some staff conduct targeted research, seeking out basic information on AM concepts and techniques. 	<ul style="list-style-type: none"> <input type="checkbox"/> Our AM training and development requirements are defined by management based on short-term needs. <input type="checkbox"/> Selected staff are trained on basic AM concepts. <input type="checkbox"/> Council has opportunities to increase their understanding of AM concepts. 	<ul style="list-style-type: none"> <input type="checkbox"/> We provide all staff with basic AM awareness training. <input type="checkbox"/> Some staff undergo training on advanced AM concepts specific to their roles and responsibilities. <input type="checkbox"/> Staff and council are able to communicate the value of AM in their own words. 	<ul style="list-style-type: none"> <input type="checkbox"/> We define AM knowledge and skill requirements. A training plan is in place for all positions. <input type="checkbox"/> Council, management and staff receive role-appropriate AM training to establish needed capacity across the organization. 	<ul style="list-style-type: none"> <input type="checkbox"/> We train select staff members as internal experts to support the ongoing development of organizational capacity. <input type="checkbox"/> Proactive, role-based training serves as a support for career development and succession planning.
 <p>Internal communication and knowledge sharing</p>	<ul style="list-style-type: none"> <input type="checkbox"/> We are aware of the need to mitigate the risk of losing information held in the minds of long-term staff. 	<ul style="list-style-type: none"> <input type="checkbox"/> We mitigate the risk of losing information held in the minds of long-term staff, through improved record keeping. 	<ul style="list-style-type: none"> <input type="checkbox"/> A culture of knowledge sharing is emerging internally, supported by official initiatives. <input type="checkbox"/> We collect and maintain AM knowledge resources. <input type="checkbox"/> We communicate the benefits of AM internally to staff and council. 	<ul style="list-style-type: none"> <input type="checkbox"/> A culture of knowledge sharing exists and is supported by a mix of formal and informal initiatives. <input type="checkbox"/> We disseminate AM knowledge resources within the organization. 	<ul style="list-style-type: none"> <input type="checkbox"/> We capture AM knowledge and it flows freely throughout the organization. <input type="checkbox"/> Staff leverage internal and industry knowledge and leading practice resources.

Outcomes: Select the outcomes that your organization has achieved.

Outcome areas	Level 1	Level 2	Level 3	Level 4	Level 5
 <p>External communication and knowledge sharing</p>	<input type="checkbox"/> We are investigating AM-related organizations and resources.	<input type="checkbox"/> Staff or elected officials attend AM-related events. <input type="checkbox"/> We share basic information on current capital projects with the public.	<input type="checkbox"/> We are members of one or more AM organizations and actively share our AM experience. <input type="checkbox"/> We share basic information on our assets, the services we provide, and future needs with the public.	<input type="checkbox"/> We are actively involved in AM organizations and present at AM events. <input type="checkbox"/> We share information with our peers on our experience, innovations and lessons learned. <input type="checkbox"/> We rely on the data from our AM program to explain decisions to the public.	<input type="checkbox"/> We are a thought leader on AM within the municipal sector. <input type="checkbox"/> We are active in coaching others to improve the overall body of AM knowledge. <input type="checkbox"/> We communicate the benefits of AM to the public.

Readiness level: You have achieved a readiness scale level when your organization can demonstrate achievement of all outcomes for that level.

Readiness level	Working on Level 1	Completed Level 1	Completed Level 2	Completed Level 3	Completed Level 4	Completed Level 5
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Key concepts

Key concepts used in the Asset Management Readiness Scale are defined below.

Asset inventory: A list of assets owned and the attributes of the assets. **Basic inventory data** includes attributes such as size, material, location and installation date. **Expanded inventory data** includes additional information such as location (coordinates), criticality, and supplementary information that is relevant for the asset class (such as type, make, model, and design capacity).

Asset management (AM) plan: A detailed plan that outlines how assets will be managed in one or more service areas. An asset management plan identifies how assets will be maintained and renewed, and the cost, level of service and risk considerations in each service area.

Asset management (AM) policy: Outlines a municipality's commitment and mandated requirements for asset management. A policy is linked to the municipality's strategic objectives and is shaped by its values and priorities.

Asset management (AM) program: The set of policies, people, practices and processes that make up a municipality's formal approach to asset management.

Asset management (AM) roadmap: A step-by-step plan outlining the actions, responsibilities, resources and time scales needed to implement and deliver asset management objectives.

Asset management (AM) strategy: A document that lays out the direction, framework and approach for implementing the community's asset management policy.

Capital plan: A plan for facility and infrastructure investments, including cost and timing information on asset renewal, decommissioning, disposal and investments in new assets.

Critical assets: Assets that provide extremely important functions in service delivery, especially those for which there is no available redundancy or substitution. The consequences of failure of critical assets are serious.

Cross-functional team (asset management team): A team that works across departments or disciplines to ensure that decisions integrate all relevant perspectives and priorities.

Financial information: Information about the costs of acquiring, operating, maintaining and replacing the asset.

Levels of service: The parameters, or combination of parameters, that reflect the social, political, environmental and economic outcomes that the organization delivers. The parameters can include safety, customer satisfaction, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost and availability. (Source: ISO 55000:2014)




Long-term financial plan: A plan that balances the required costs and funding sources to meet infrastructure and service needs, over a minimum of 10 years.

Risk: The product of the likelihood and consequence of an undesirable event or circumstance. Risk includes both asset risks (e.g. a pipe failing) and strategic risks (e.g. insufficient funds for renewal of critical assets).




Assessment

Use this section to record your level for each outcome and competency, as well as to describe your current actions and documents and potential actions for improvements. Examples of completed assessments can be found at the end of this document.




Policy and governance

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 Policy and objectives			
 Strategy and roadmap			
 Measurement and monitoring			
Overall			




People and leadership

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Cross-functional teams</p>			
 <p>Accountability</p>			
 <p>Resourcing and commitment</p>			
Overall			




Data and information

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Asset data</p>			
 <p>Performance data</p>			
 <p>Financial information</p>			
Overall			

Planning and decision-making

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Documentation and standardization</p>			
 <p>Asset management plans</p>			
 <p>Budgets and financial planning</p>			
Overall			

Contribution to asset management practice




Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Training and development</p>			
 <p>Internal communication and knowledge sharing</p>			
 <p>External communication and knowledge sharing</p>			
Overall			

Example assessment: Community A




Population: 10,000

State of asset management practice: Asset management has been a focus for several years and a strong asset management team is in place. Council and senior staff show organizational commitment to continue improving the AM program.




Policy and governance

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Policy and objectives</p>	2	Administration has prepared, and council has passed, the Capital Asset Management By-law, which is similar in scope to standard AM policies adopted by other municipalities but has more legal clout and spells out the responsibilities for both administration and council.	<ul style="list-style-type: none"> • Implement the Capital Asset Management By-law • Identify performance measures to monitor AM program progress
 <p>Strategy and roadmap</p>	3	Council has adopted the Capital Asset Management Strategy and a governance framework for our program. The framework outlines the policies and procedures to be developed that will support what is set out in our strategy and will fulfill the obligations of the bylaw.	
 <p>Measurement and monitoring</p>	2	The strategy includes a multi-year development plan for our program and sets out program objectives and deliverables. This plan is linked with our annual business planning / budgeting processes, and each AM strategy tactic/project that makes it to the annual business plan is reported on to council via our monthly status reports.	
Overall	Level 2		




People and leadership

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Cross-functional teams</p>	2	We have formed a cross-functional AM team consisting of the CAO, the department heads of finance and operations, and three other key individuals. Regular weekly meetings are held to discuss, plan, and prepare documents to deliver on our AM program projects/initiatives.	<ul style="list-style-type: none"> Identify ways to communicate progress on AM to the wider staff group, with the AM team taking a leadership role Identify ways to increase council buy-in to support continued funding for AM activities
 <p>Accountability</p>	3	Our AM team has been formally established through approved terms of reference (ToR) and is accountable for the development of our AM program. The ToR include team mandate, clear responsibilities, and a commitment of dedicated resources as approved by the CAO. Job descriptions across the organization are being updated to reflect the commitment to our AM team.	
 <p>Resourcing and commitment</p>	2	Council demonstrated its support by passing the Capital Asset Management By-Law, adopting our AM strategy, and approving funding of our AM projects/initiatives in our budget.	
Overall	Level 2		




Data and information

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Asset data</p>	2	We developed the data collection aspect of our AM plan in three phases. In phase one, we took an inventory of major assets (roads, sidewalks/trails, sewer/water/storm mains, facilities, and fleet) and put this information into our asset registry. This database includes the location of each asset, condition data, material, size, installation date, and current value and replacement cost, among other data. Phase two and phase three will include an inventory of minor assets and the data will be collected in 2018 and 2019.	<ul style="list-style-type: none"> Continue developing our inventory (phases two and three)
 <p>Performance data</p>	2	Using established methodologies (inspection and predictive modelling) and indexes, we've rated all phase one assets in our registry.	
 <p>Financial information</p>	2	We have and are maintaining all financial information required for PS-3150 reporting. Our asset registry has captured all financial information required for capital decisions (renew, replace). We have captured the operating costs for our road network.	
Overall	Level 2		

Planning and decision-making

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Documentation and standardization</p>	3	We have a regimented business planning process that includes the decisions we make on asset investment. Such investments are considered first by each department and then as a whole management team. Investment recommendations from the departments are made through a mixture of formal and ad-hoc planning processes. Administration and council consider the priorities set out in the strategic plan in order to make decisions that won't create undue financial burden, environmental concerns or infrastructure instability.	<ul style="list-style-type: none"> Prepare AM plans for major assets
 <p>Asset management plans</p>	1	In 2017, we used our capital asset management program to develop our road network and water/sewer main investments using our AM program information. We do not have a long-term "AM plan" as of yet, but we do have a five-year capital plan that has been informed by our AM program information.	
 <p>Budgets and financial planning</p>	3	Our annual budget is based on our multi-year tactical plan. All capital investments are identified in our multi-year plan. Operational budgeting is based partially on strategic maintenance practices to extend the life of assets and represent a mixture of historical values and new priorities as identified by our multi-year plan.	
Overall	Level 1		

Contribution to asset management practice




Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Training and development</p>	2	Our AM training and development is based on our immediate need to grow the capacity of key staff in their current positions, primarily our AM team.	<ul style="list-style-type: none"> Investigate AM awareness training for all staff Explore ways to improve culture of knowledge sharing
 <p>Internal communication and knowledge sharing</p>	2	We have developed a policy that guides and establishes responsibilities for maintaining our asset registry and proper record keeping. We are currently documenting the practices staff follow to create schedules, checklists and other work flow documentation tools.	
 <p>External communication and knowledge sharing</p>	3	Three senior members of our AM team attended the 2017 Canadian Network of Asset Managers (CNAM) Conference and are working collaboratively to establish a community of practice group in the province.	
Overall	Level 2		

Example assessment: Community B




Population: 524

State of asset management practice: Just getting started.




Policy and governance

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Policy and objectives</p>	X	We have not yet developed a specific AM policy or AM objectives. We have developed a methodology for policy development but need senior management approval to begin.	<ul style="list-style-type: none"> • Confirm senior management commitment to formalizing an AM program • Develop AM objectives and measures • Draft a strategy and roadmap
 <p>Strategy and roadmap</p>	X		
 <p>Measurement and monitoring</p>	X		
Overall	Working on Level 1		




People and leadership

Outcome Areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Cross-functional teams</p>	1	Council has reviewed and discussed the proposed AM approach. Financial resources have been set aside for staff to explore AM requirements and to draft an AM strategy and roadmap. We do not have a champion yet to investigate our approach to planning for our AM needs.	<ul style="list-style-type: none"> • Identify internal AM champion to investigate AM requirements • Identify key internal stakeholders to support AM work
 <p>Accountability</p>	X		
 <p>Resourcing and commitment</p>	1		
Overall	Working on Level 1		




Data and information

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 Asset data	1	<p>We have basic inventory and financial information on our assets, including data to support our PS-3150 reporting requirements. Individual staff members are aware of some performance issues, but these have not been documented in any way. We are not sure if we have age information on our assets.</p>	<ul style="list-style-type: none"> Investigate what other inventory data already exists (e.g. age) Build a consolidated asset inventory using existing data and identify data gaps Document informal or anecdotal approaches for measuring asset condition or performance
 Performance data	X		
 Financial information	1		
Overall	Working on Level 1		

Planning and decision-making

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 Documentation and standardization	1	<p>The current approach is often subjective, with some support from engineering assessments specific to a select infrastructure item. Each department has its own approach to investment planning. There is no overall network-level assessment or decision management system in place. We deal with new needs as they arise. Issues are prioritized based on staff knowledge and council priorities.</p>	<ul style="list-style-type: none"> Document a capital planning and budgeting approach Develop a short-term asset investment plan Document new asset and asset renewal priorities to support the capital and operating budgeting process
 Asset management plans	1		
 Budgets and financial planning	1		
Overall	Level 1		

Contribution to asset management practice

Outcome areas	Readiness level	Notes: Describe current actions and documents	Potential actions for improvements
 <p>Training and development</p>	X	This is a new area for us and we have not started on any AM training for staff. Our organization does not have a history or culture of participating in knowledge-sharing networks, internally or externally.	<ul style="list-style-type: none"> • Explore resources for AM training for staff involved in preparing an AM strategy and roadmap • Provide regular reporting to council on AM progress and priorities • Identify if there are local AM-related groups or events for staff and council to attend
 <p>Internal communication and knowledge sharing</p>	X		
 <p>External communication and knowledge sharing</p>	X		
Overall	Working on Level 1		

