Shaping your Organization around Service Delivery

Aligning municipal operations with asset management best practices

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CAO, City of Courtenay
In June 2015, Courtenay Council adopted an Asset Management policy.
WHAT’S IN THE ASSET MANAGEMENT POLICY?

• Sets guidelines for implementing Asset Management to achieve Sustainable Service Delivery across the organization.


• The *Asset Management for Sustainable Service Delivery: A BC Framework*. 

HOW ARE WE MEETING OBJECTIVES?

The City of Courtenay has taken considerable steps towards asset management implementation:

• Assets identified and assigned book values
• Condition assessments have begun
• National Asset Management Strategy (NAMS) training for City staff
• Business Case training for City staff
Annual Work Plans further the City’s goal of progressing from ‘basic’ to ‘advanced’ asset management implementation as per NAMS standards.

Asset Management Working Group coordinates the implementation of the overall Asset Management Program, and presents recommendations to the CAO for strategic decision making.
KEEPING UP WITH THE POPULATION:

• Substantial population growth in the City of Courtenay
• Increased demand for services
• Analyzing operations and staff capacity is a critical priority
• Operational Review ongoing since 2015
OPERATIONAL REVIEW OBJECTIVES:

• Identify the core business of each department
• Define the work performed within each department
  ▪ INTERACTIONS HR Solutions Inc.’s Organizational Enhancement Toolkit™ - Municipal Government Edition and The Accountabilities Model™
  ▪ Identify efficiencies & opportunities to enhance productivity
• In-depth review of the Asset Management Program
ASSET MANAGEMENT
BUSINESS/OPERATIONAL CHALLENGE:

“To ensure the City of Courtenay’s organizational structure and daily operations align with sound asset management practices to support sustainable service delivery.”
OPERATIONALIZING ASSET MANAGEMENT PRACTICES™:

Aligning organizational structure and human resources with the asset management practice continuum
PROPOSED SOLUTION:

“Achieve asset management practice excellence by aligning the structure of the organization with the continuum of asset management practices, rather than duplicating asset management practices across multiple departments.”
PROPOSED SOLUTION:

Aligning organizational structure and human resources with the asset management practice continuum.

1. Considers accountability for the delivery of core services and asset management practices.

2. Builds upon the strengths of the organization, maximizes existing internal resources, clarifies departmental mandates, and streamlines accountability for asset management practices.
PROPOSED SOLUTION:

Aligning organizational structure and human resources with the asset management practice continuum

3. Offers a blueprint for operationalizing asset management practices and is intended to set the City up for long-term success

4. Is an innovative, yet practical and straight-forward approach to operationalizing asset management practices
Allocate accountability for all in-service physical asset classes to the Public Works Services Department (Water, Wastewater, Drainage & Flood Protection, Transportation, Civic Facilities, Parks, and Fleet)

Aligning organizational structure & human resources with asset management
PUBLIC WORKS SERVICES: STRATEGIC ORGANIZATIONAL STRUCTURE

- Director of Public Works Services
  - Asset Management Technical Services
  - Public Works Services Administration
    - Transportation & Utilities Maintenance Division
    - Civic Properties Maintenance Division
    - Parks Maintenance Division
Allocate all Council approved capital renewal and disposal projects, regardless of physical asset class (Water, Wastewater, Drainage & Flood Protection, Transportation, Civic Facilities and Parks) to the Engineering Services Department.

Aligning organizational structure & human resources with asset management
• Allocate Asset Management Practices & Standards to the Asset Management Working Group (AMWG)

• Ensure representation on the AMWG is inclusive. At a minimum, AMWG membership should include representatives from all departments primarily accountable for asset management

Aligning organizational structure & human resources with asset management
Assign accountability to the AMWG for:

- monitoring adherence to the Asset Management
- managing requests for changing levels of service
- establishing, maintaining and implementing an Asset Management Training Program and Communications Strategy
• Allocate Long-Term Financial Planning to the AMWG
• Allocate Integrated Long-Term Financial Management and TCA Data Management (PSAB 3150) to the Financial Services Department
Allocate accountability and associated timelines for each critical step required to develop the annual capital budget

- **Asset Management Plans:** Public Works Services Department
- **Annual Asset Management Strategy:** Asset Management Working Group
- **Annual Capital & Disposal Project Financing:** Financial Services
- **Approved Capital and Disposal Project Detailed Cost Estimates:** Engineering Services
CAO Proposes Annual Capital Projects & Associated Budget for Council Approval

(Proposed changes to Levels of Services shall be approved by Council as per Policy 1670.00.02)

• CAO determines the Annual Capital Projects presented to Council for consideration during annual budget deliberations

• Council approves the Annual Capital Budget

Aligning organizational structure & human resources with asset management
WHAT ARE THE BENEFITS?

• Follows asset management best practices - annual capital project prioritization based on a holistic review and analysis of impartial and unbiased data

• Removing duplication decreases risk of departments inadvertently competing for annual capital funds

• Avoids fragmenting the City’s asset management efforts and capitalizes upon existing internal expertise

• Supports collaborative decision making in the best interest of the municipality
ASSET MANAGEMENT OPERATIONAL REVIEW

PROPOSED SOLUTION:

“Achieve asset management practice excellence by aligning the structure of the organization with the continuum of asset management practices”

The City of Courtenay has adopted this approach and is in the process of continuing our restructuring activities.

While this approach differs from what is commonly advocated, it is logical and resonates with leadership, management and staff.
AVOIDING UNINTENDED CONSEQUENCES

NOT MY JOB
WHAT ARE THE BENEFITS?

• Help achieve our asset management goals
• Help implement the NAMS approach to asset management
• Help ensure the reliability & integrity of asset management data
• Clarify roles across the organization for Asset Management practices
• Ensure the day-to-day work performed by our staff aligns with our Asset Management Program and established levels of services
• Streamline and enhance the overall budgeting process
WHAT ARE THE BENEFITS?

This approach supports the City’s pursuit of Asset Management Program excellence.

And most importantly:

“This approach ensures the City of Courtenay’s organizational structure and daily operations align with sound asset management practices to support sustainable service delivery.”
Questions?

Thank You