



CHRISTINA BENTY

STRATEGIC LEADERSHIP SOLUTIONS

ASSET MANAGEMENT DISCUSSION QUESTIONS:

A GUIDE TO BUILDING ASSET MANAGEMENT AWARENESS
FOR LOCAL GOVERNMENT STAFF AND ELECTED OFFICIALS

Christina Benty

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Introduction

Thank you for picking up this asset management awareness building discussion guide. This package is part of a growing suite of communication tools created for local government staff and elected officials to host a conversation about asset management.

Asset management is a process used in decision making that helps us care for the infrastructure that delivers valuable services to our community in a way that manages risks and opportunities, uses resources wisely and considers current and future needs.

This asset management discussion guide is designed to help initiate a conversation regarding the value of asset management to your organization. The purpose of this conversation is to help your local government move towards better asset management practices.

What is the purpose of local government? Why does it exist?

Local government is a service delivery agent. It was created to provide safe, sustainable, secure services in a predictable, cost-effective manner. These services have a direct impact on the health, safety, and quality of life for the residents of your community. As a responsible service provider, local government has a social, financial, economic, environmental, legal, and moral obligation to care for the assets and amenities that provide the services.

What is the overarching role of elected officials?

Although the staff manage, operate, maintain, and deliver the services that local government provides, the role of the elected officials is stewardship and governance over the organization that provides services. Proper stewardship and sound governance require strategic thinking.

The role as an elected official is to strategically think about:

- The services our community needs and wants now and, in the future, (and at what level)?
- The services our community is willing and able to pay for.

Discussion questions

Introductory discussion

1. What are some of the most important services that we deliver to our citizens?
2. Do we have the information we need to know that we are going to be able to continue providing these services over the long term?
 - a. Do we know what assets provide these services? What condition they are in? When they will need to be repaired or replaced? And how much it will cost over the long term to continue providing these services?
3. Which of our services absolutely must not fail or it would have a significant impact to the health, safety and quality of life for our citizens? Which of our assets provide these critical services?
 - a. How comfortable are we in knowing that we are investing enough in these assets to ensure our most critical services are sustainable?

4. What do we need to do to ensure we can answer these questions and feel like we have the right information to be responsible managers of our community's services?

In addition, you can use a combination of **some or all** of the following questions to familiarize yourself with where you are on your asset management journey. Start with the 11 highlighted questions. *

1. Do we have an accurate up-to-date inventory of all our assets including our critical assets such as our underground utilities?
2. Do we know what condition they are in? If not, do we know the condition of our critical assets?
3. What should we be considering in our Asset Management policy?
4. Have we defined our Levels of Service for each asset?
5. Is this the desired level of service that the community wants and is willing to pay for?
6. Assets are primarily funded by taxes, user fees and utility fees. Do we want to explore other funding mechanisms?
7. Do we know the risks associated with each of our assets and services including types of risk?
8. Do we know the likelihood and consequence of failure for each asset?
9. How long will the asset perform under the current maintenance and operation levels?
10. Do we have enough money to manage (operate, maintain and replace) our infrastructure and are we spending enough?
11. If not, how much do we need and how accurate are the numbers?
12. What is the cost of deferred maintenance? What is the appropriate level?
13. Have we identified the social, economic and environmental cost of failure?
14. Do we have the human and/or financial resources in place if we faced failure in any of our assets including our critical assets?
15. Do we have a long-term capital asset replacement plan in place including a timing schedule?
16. Have we considered the divestiture of non-critical, low value assets?
17. When we commit to new infrastructure, do we know the full life cycle costs including, capital, operating, preventative maintenance, and disposal costs?
18. Does our long term financial plan reflect the cost of replacing existing assets?
19. Have we considered how to protect our natural assets particularly those that provide a resource for our built assets? (i.e. aquifers)
20. How will climate change impact our asset management process?
21. What kind of reserves are in place now and what kind of reserves do we need?
22. What are our current debt levels? What is our borrowing capacity?
23. Do we have a reserve policy that links our reserves to our asset management strategy?
24. Is the staff capacity commensurate with the level of effort required for an asset management strategy?
25. Is there a multi-disciplinary team in place to share information and develop a tactical plan?

26. What does our organization need to do to get into a position where we can answer these questions with some degree of confidence?

27. How do we want to inform and engage with our citizens to face these infrastructure challenges together?

*These are modified from the Asset Management BC Framework

https://www.assetmanagementbc.ca/wp-content/uploads/Asset_Management_for_Sustainable_Service_Delivery_-_A_BC_Framework-Asset_Management_BC-September_16_2015.pdf

STAFF	ELECTED OFFICIALS
ROLE OF STAFF	ROLE OF ELECTED
<ul style="list-style-type: none"> ● Develop Asset Management competencies ● Provide information and recommendations based on facts, data, and expertise ● Outline risks and consequences ● Meet legislative Levels of Service (LOS) ● Meet customer LOS set by policy, bylaws etc ● Being Brave – speaking truth and providing fearless advice to elected officials 	<ul style="list-style-type: none"> ● Pursue a high level understanding of services, Level of Service (LOS), and cost to provide ● Provide strategic direction through policy, bylaws etc ● Allocate appropriate resources through the budget and Long-Term Financial Plan ● Assume risks and consequences ● Brag - advocating for the services your local government provides ● Being Brave – sharing the truth about the state of your infrastructure and your bold plan to manage your community’s assets in a sustainable manner

10 Takeaways for Communicating Asset Management

How confident are you when it comes to communicating the “what and why” of asset management? Here are 10 quick tips to keep you in front of your message and make your life a whole lot easier!

1. Start with a plan. Know what you need to communicate, to whom and how.
2. Know your audience. Know who you need to reach and how they perceive your intended message. Are there any barriers you can remove or benefits you can share?
3. Start from the inside out. Make sure everyone in your organization – from your elected officials through to the front line staff know what’s going on first. The people within are often our best ambassadors for our message.
4. Communicate early and often. Communication isn’t an afterthought. Make it part of the asset management planning process. And keep talking about it throughout the process both internally and externally. It’s integral to your asset management continuum.
5. Be useful. Provide relevant, timely information. Be sure to answer the four key questions:
 - What are you doing?
 - Why?
 - Why better or necessary?
 - What’s the call-to-action?
6. Speak their language. Ditch the technical terms and keep it simple. Write in a way that frames your message in terms they would understand, like checking the gas gauge in your car vs the cost to get it towed when you run out of gas, leaving your stranded.
7. Be consistent. Make sure Council/Board and staff are all on the same page. Share short one-pager updates on big projects, provide key messages and even posts for people to share on social media.
8. Be proficient. Keep up with professional development. Get training so Council and staff are fluent and passionate ambassadors of your sustainable service delivery message.
9. Get help. Don’t go it alone. There are plenty of resources out there. For communications tips, check out the free, award-winning Small Town PR Playbook, published by Northern Development Initiatives Trust (www.northerndevelopment.bc.ca/small-town-p-r-playbook/)
10. Celebrate small wins. Asset management is a journey. Don’t wait for the finish line because there isn’t one. Take time to celebrate small wins with each other and your community. You’ve got this!

Final Word



THE ASSET MANAGEMENT MINDSET

<https://www.youtube.com/watch?v=fU3rBOA4G9I>



THE ASSET MANAGEMENT SONG

<https://www.youtube.com/watch?v=f2gwNjh0Qsg&t=37s>

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