

CORPORATE POLICY

POLICY TITLE: ASSET MANAGEMENT POLICY

POLICY NO.: 03.C.03

Section:	Administration & Legal		
Effective Date:	June 16, 2026	Date of Last Review:	Click or tap to enter a date.
Approval Authority:	Policy Owner:		
Council	DCM, Planning and Infrastructure Development		

POLICY STATEMENT
<p>The purpose of the Asset Management Policy is to ensure that the City has comprehensive information, knowledge, and understanding about the long-term affordability and fiduciary obligations related to public infrastructure decisions to ensure a healthy environment, vibrant communities and economic vitality for current and future generations.</p> <p>This is achieved by adopting a framework of systems and processes to enable the selection of the most efficient options for delivering infrastructure-related services while controlling exposure to Risk and loss. The framework, alongside the Term of Council priorities and Service Excellence Strategic Plan enable the production of the Asset Management Strategy and the various Asset Management Plans.</p> <p>The City commits to the development of infrastructure Risk Management processes that will utilize various resources in defining the Risk objectives, scope and strategies including the definition of “unacceptable Risks”.</p> <p>Asset Management emphasizes accurate financial valuation and prioritization of Asset renewal over new construction proposals. Assets inclusion in Asset Management Plans is based on their role in service delivery and the need for deliberate management by the City. This includes Assets delivered through the planning and development application process by private landowners and subsequently assumed by the City, which are incorporated into the City’s Asset inventory and Lifecycle Asset Management Framework upon assumption. The qualitative approach of this policy differentiates its requirements for identifying Assets from the capitalization thresholds in the Tangible Capital Assets policy (12.A.16), which are developed for the purpose of financial reporting.</p>

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

Levels of Service and performance measurements will link corporate goals and program objectives with legislative requirements and public expectations. The Levels of Service will be documented in the City's Asset Management Plans.

PURPOSE

The purpose of this policy is to align Asset Management with the City's financial planning and governance functions, ensure Risk Management efforts are proportionate to the likelihood and impact of potential events, and establish Asset Management as a core organizational capability that fosters collaboration and Sustainable Growth. This alignment supports informed decisions about service levels, affordability, and long-term community development in accordance with Vaughan's strategic vision.

The policy also provides direction for staff to identify, analyze, maintain, and document citizen expectations, regulatory requirements, and organizational objectives so that the City can clearly describe the services it intends to deliver. It establishes how Asset Management Plans will reference land use planning principles, concepts, and methodological assumptions to support transparency about the Costs and long-term implications of growth decisions. The City will integrate findings from the Asset Management Plans into its long-term financial planning and budgeting processes.

By aligning Levels of Service with Ontario's land use planning framework, the City will ensure that existing and planned Assets meet present and future needs in an Affordable and resilient manner.

SCOPE

Administrative Requirements:

This policy applies to the City of Vaughan's Council, City Manager, and internal departments, requiring their commitment to integrate Asset Management into municipal planning, validate and refine objectives, and ensure alignment with evolving community needs. the following responsibilities are included in the scope of this policy:

1. Council

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

1.1 Approve by resolution the Asset Management Plans and their updates every five years.

1.2 Conduct annual reviews of the Asset Management Plans implementation progress on or before July 1 of every year; that includes:

1.2.1 Progress on ongoing efforts to implement the Asset Management Plans.

1.2.2 Consideration of Asset Management policies.

1.2.3 Any factors affecting the ability of the municipality to implement its Asset Management Plans.

1.2.4 Consultation with department leads.

1.2.5 A strategy to address these factors including the adoption of appropriate practices.

1.3 Support ongoing efforts to continuously improve and implement the City's Asset Management Plans.

2. City Manager

2.1 Maintain compliance with the Asset Management Policy and provincial Asset Management regulations.

3. Internal Departments

3.1 Oversee Asset Management planning activities within their Service Area and in support of others.

3.2 Continue to integrate findings from Asset Management activities and plans into long-term financial planning and budgeting processes.

To bring these policies to life, the City recognizes residents, businesses, and institutions, based in Vaughan, as stakeholders. Accordingly, neighbouring municipal bodies, provincial agencies and regulated utilities are partners in service delivery. To support effective decision-making, the City's Asset Management Strategy and framework will strengthen ongoing engagement programs with these parties using comprehensive data by:

3.2.1 Providing opportunities for residents and other stakeholders served by the municipality to provide input in Asset Management planning.

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

3.2.2 Coordinating Asset Management planning with other infrastructure Asset-owning agencies, such as municipal bodies and regulated utilities.

3.2.3 Documenting changes to Asset Management roles and responsibilities to support evolving requirements, as needed.

Critical Assets and Business Risks

Critical Assets and infrastructure Risks will be identified using a multi-disciplinary approach for each Asset class with Risk mitigation actions balanced against required service levels and performance through operations, maintenance, disaster response, contingency funding, and capital investments.

Financial Requirements

The financial requirement part of the policy applies to all Assets whose role in service delivery requires deliberate management by the City and is not guided by capitalization thresholds used for accounting purposes. The Asset Management Plans and progress made on the plans will be considered annually in the creation of the City's capital budgets, operating budgets, and long-term financial plans.

Service Area personnel will reference the Asset Management Plans through a multi-disciplinary approach for their area in order to:

1. Look up forecasted spending needs identified in the plans.
2. Verify progress made on the plans to identify potential gaps.
3. Prioritize spending needs, across the gap identified in the plans and recent developments, for the years to be budgeted for.

The budgets prepared by each Service Area will be processed in accordance with the broader municipal budgeting process and prioritized in accordance with documented corporate budgeting practices that include continuously improving Asset Management planning processes.

Finance personnel will be involved in Asset Management planning to facilitate the bridge between:

4. The financial strategy developed in the Asset Management Plans.
5. The budget submissions of each Service Area.
6. The overall budgeting process they ultimately oversee.

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

Land Use Planning

Asset Management planning processes will endeavor to understand, coordinate and implement the linkages between major policy initiatives defined by the City's Growth Management Strategy, which includes the City's Official Plan, supporting master plans and associated studies.

1. Those responsible for managing services related to greenfield development and/or intensification will:
 - 1.1 Be consulted in City of Vaughan land use planning and infrastructure decisions through planning, development review, and corporate coordination processes, as appropriate to the scale and complexity of the proposed growth.
 - 1.2 Provide input to the analysis of to the financial viability of development and future servicing Costs; recognizing that long-term Lifecycle and Risk considerations are addressed through the City's Asset Management processes following assumption
2. The City's Asset Management Plans will reflect how communities, neighbourhoods and growth areas are projected to change and the related Asset impacts. To achieve this, the following framework for policymaking will provide a flexible assessment, planning and evaluation tool for strengthening the governance of Affordable and Sustainable Growth:
 - 2.1 The Asset Management Plans, in alignment with the Growth Management Strategy, promote clear communications adapted for public understanding. Quality improvements and resilience will be achieved by integrating Risk Management and infrastructure Lifecycle Costs with a flexible scenario-based approach for current and future Levels of Service, particularly in assessing the feasibility and impact of official plan amendments, innovations, and environmental initiatives.
 - 2.2 Council directs the City's organizational design and allocates authority to transparent and accountable processes that ensure healthy and safe growth that is financially and environmentally sustainable to allow for the development of complete communities.

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

2.3 Best value Asset Management practices inform land use planning and infrastructure planning decisions.

2.4 Asset Management Principles, Policy and Plans inform design decisions, including the evaluation, acceptance, and assumption of infrastructure, particularly where non-standard or unique infrastructure solutions are proposed.

2.5 An Official Plan review or an Official Plan amendment that incorporates Asset Management practices is initiated by the City and comprehensively applies the policies and schedules of the Provincial Growth Plan for the Greater Golden Horseshoe as amended from time to time. Detailed servicing capacity, infrastructure feasibility, and implementation considerations to be addressed through zoning by-law amendments and development approval processes, where appropriate.

Levels of Service

Levels of Service within this policy apply to stakeholders in engineering, finance, operations, information systems, management, contract and supplier management, human resources, and organizational development. Levels of Service attributes will include availability, quality, reliability, responsiveness, sustainability, suitability, accessibility, Cost, energy usage, and operating efficiency where applicable.

LEGISLATIVE REQUIREMENTS

The Asset Management Policy is guided by the Infrastructure for Jobs and Prosperity Act, 2015 and Ontario Regulation 588/17, Asset Management Planning for Municipal Infrastructure.

DEFINITIONS

The following definitions are provided in accordance with the International Infrastructure Management Manual and ISO/IEC (2014) 55000 – Asset Management:

1. **Asset:** Item, thing or entity that has potential or actual value to an organization. Value can be tangible or intangible, financial or non-financial, and includes consideration of Risks and liabilities.
2. **Asset Management (AM):** Systematic and coordinated activities and practices of an organization to optimally and sustainably deliver on its objectives through the Cost-effective Lifecycle management of Assets.

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

3. **Affordable:** As defined in the City of Vaughan Official Plan; includes criteria for ownership affordability over the Asset Lifecycle.
4. **Asset Management Framework:** Overarching AM hierarchy including the AM Policy, Objectives, Strategy, and the AM Plan.
5. **Asset Management Plan (AM Plan):** Long-term plans that outline the Asset activities and programs for each Service Area and resources applied to provide a defined level of service in the most Cost-effective way.
6. **Asset Management Policy:** Document that broadly outlines the principles and mandated requirements for undertaking AM across the organization in a systematic and coordinated way, consistent with the organization's strategic plan. It provides the framework for the AM Strategy and AM Plan.
7. **Asset Management Strategy:** High level long-term approach to AM including AM action plans and objectives for managing the Assets.
8. **Asset Management Steering Committee:** A cross-functional governance body responsible for providing strategic oversight, direction, and coordination for the Asset Management Framework.
9. **City:** The Corporation of the City of Vaughan.
10. **Clean Technology:** Products, processes, or services that reduce waste and require minimal nonrenewable resources.
11. **Climate Change Adaptation:** Systematic approach to planning adaptation of communities and infrastructure based on Risk Management to ensure resilience to a changing climate.
12. **Cost:** Monetary amount that is incurred or expended to acquire, maintain, operate, renew, and retire an Asset.
13. **Customer:** Any person who uses an Asset or service. Customers can be internal or external.
14. **Service Area:** Collaborative partners, typically own infrastructure Assets or manage operations and maintenance.
15. **Sustainable Growth:** Growth that supports environmental sustainability and economic development, as defined by the Vancouver Declaration on Clean Growth and Climate Change.

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

16. Levels of Service (LOS): Parameters or a combination of parameters, which reflect social, political, environmental and economic outcomes that an organization delivers from their Assets.

17. Lifecycle: Phases involved in the management of an Asset; planning, acquisition/creation, operations, maintenance, renewal, decommissioning/disposal.

18. Risk: The effect of uncertainty on objectives. It can be positive, negative, or both, and can address, create, or result in opportunities and threats.

19. Risk Management: Coordinated activities to direct and control an organization with regard to Risk.

POLICY

1. Strategic Alignment

Asset management planning will not occur in isolation from other municipal goals, plans and policies. Rather, an integrated approach will be followed to successively develop practical Asset Management Plans that align with the City's overarching accountabilities and aspirations.

Asset Management planning will be guided by the City's Strategic Plan, borrowing policy, and will leverage our community plans, master and financial plans including but not limited to our Long-term Drinking Water System Financial Plan, the Long-Range Fiscal Plan, the annual budget approval process, and the 10-year capital forecast.

This approach is supported through governance, and continuous improvement mechanisms, as outlined below.

1.1. Governance & Continuous Improvement

1.1.1. Council is responsible for overseeing, on behalf of citizens, a large range of services provided through a diverse portfolio of Assets. Council, as steward, is the final decision-maker on all matters related to Asset Management in the municipality.

1.1.2. Within Asset Management planning Framework, Council is responsible for:

1.1.2.1. Approving by resolution the City's Asset Management Plans and updates every five years.

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

1.1.2.2. Conducting annual reviews of management plan implementation progress on or before July 1 of every year.

1.1.2.3. Supporting ongoing efforts to improve and implement the City's Asset Management Plans.

1.1.3. The Asset Management Steering Committee is ultimately responsible for Asset Management planning across the municipality and maintaining compliance with minimum regulation requirements. Department leads are responsible for Asset Management planning activities that fall within their Service Area and support cross-collaboration with other departments.

1.1.4. Council Reports related to the annual Asset Management reviews will serve as the foundation for continual improvement. The annual review will be completed in consultation with the Asset Management Steering Committee and will include:

1.1.4.1. Monitoring progress on ongoing efforts to implement the Asset Management Plans.

1.1.4.2. Evaluating the Asset Management Policy and principles.

1.1.4.3. Reviewing factors affecting the City's ability to implement its Asset Management Plans.

1.1.4.4. Consulting with department leads.

1.1.4.5. Developing a strategy to address challenges, including the adoption of appropriate practices.

2. Policy Principles

These following principles guide the City of Vaughan's Asset Management practices by embedding service based, Risk informed, and value driven Asset Management:

2.1. Citizen Focused:

The City have establish clear Levels of Service and apply Asset Management practices to maintain the confidence of Customers in how City assets are managed.

2.2. Service Focused:

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

Asset decisions will be made in the context of service delivery and will recognize interrelationships between Assets as opposed to optimizing individual Assets in isolation.

2.3. Risk-based:

The City will manage the Asset Risk associated with attaining the agreed Levels of Service by focusing resources, expenditures, and priorities on Risk assessments and the corresponding Cost/benefit recognizing that public safety is the priority.

2.4. Value-based Affordable:

The City will choose practices, interventions, and operations that reduce the Lifecycle Cost of Asset ownership while satisfying the agreed Levels of Service. Decisions will balance service levels, Risks, and Costs.

3. Policy Objectives

3.1. Interdepartmental collaboration provide infrastructure and services that:

- 3.1.1. Support the quality of life, urban environment, and cultural fabric appropriate to the City of Vaughan;
- 3.1.2. Facilitate any required changes to neighbourhoods and communities for current and future needs; and,
- 3.1.3. Enhance the resilience of the City's infrastructure, neighbourhoods, and communities and reduce environmental impacts.

3.2. Implement a Lifecycle approach to the management of infrastructure Assets where:

- 3.2.1. Asset planning decisions are based on an evaluation of alternatives that consider the Lifecycle of an Asset.
- 3.2.2. The Lifecycle considers the current and future environmental, economic, cultural, and social outcomes. Infrastructure delivered through private development and assumed by the City is expected to support these outcomes through alignment with City standards and Lifecycle objectives.

3.3. Ensure that service delivery needs are the primary driver for infrastructure Asset Management practices by:

- 3.3.1. Establishing and monitoring Levels of Service for each Asset class through the Asset Management Plans; and,

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

3.3.2. Identifying and monitoring individual and network Risks to Assets and service levels for each Asset class.

3.4. Provide a sustainable funding model that provides Assets aligned with the City's long-term plans and community needs with a:

3.4.1. Funding model for all Asset related services extending at least 10 years into the future that addresses the need for funds, considers renewal peaks and troughs, and identifies how the funds will be sourced for current and projected growth both in terms of population and jobs as provided for in the Official Plan.

3.5. Develop and implement best value Asset Management practices that are environmentally sustainable and:

3.5.1. Encourage a flexible and scenario-based approach through systems and plans to allow for innovative use of Assets, particularly in environmental and resiliency initiatives;

3.5.2. Acknowledge Climate Change Adaptation and environmental protection are fundamental to sustainable Asset Management planning practices;

3.5.3. Reduce resource use and promote resilience by utilizing Clean Technology products, services, and processes wherever possible; and,

3.5.4. Incorporate local, regional, provincial, federal, and international sustainability criteria including climate resilient codes and standards into greenfield development, intensification, infrastructure projects, and procurement.

3.6. Provide reliable Asset and infrastructure data through supported digital platforms demonstrated by:

3.6.1. Open sourced for community use, where appropriate, such as with Asset Management Plans;

3.6.2. Implementation of sound data governance and data quality management; and,

3.6.3. Access to systems and information by mobile technology wherever possible.

3.7. Implement an integrated decision support system that:

3.7.1. Provides systems and tools necessary to achieve policy outcomes;

POLICY TITLE: ASSET MANAGEMENT

POLICY NO.: 03.C.03

3.7.2. Proactively interrogates and models data to support informed decisions;

3.7.3. Minimizes the Risk of corporate knowledge and data loss;

3.7.4. Manages information as efficiently as possible through the appropriate use of software, hardware and communication tools; and,

3.7.5. Reduces data duplication.

3.8. Ensure compliance with legislative requirements by:

3.8.1. Aligning with infrastructure planning principles from the Infrastructure for Jobs and Prosperity Act, 2015; and,

3.8.2. Maintaining clear policies, processes, and information to ensure that organizational objectives and legislative requirements are met.

ADMINISTRATION

Administered by the Office of the City Clerk.

Review Schedule:	Other (specify) As required by legislation.	Next Review Date:	July 1, 2031
-------------------------	--	--------------------------	--------------

Related Policy(ies):

Related By-Law(s):

Procedural Document: PRC.14 – 10 Step Asset Management Planning Process

Revision History

Date:	Description:
26-May-26	Approved at Council Report No. 24 Item No, 3

Click or tap to enter a date.

Click or tap to enter a date.