

# 2025 Enterprise Asset Management Plan

## Introduction

---

Building new infrastructure and maintaining existing assets in a state of good repair is critical to the success of the Peel Region. Good infrastructure enhances Peel Region's ability to provide high quality and affordable municipal services to Peel's residents and businesses.

The Enterprise Asset Management Plan outlines the Peel's corporate strategy and plan to achieve the Peel's long-term infrastructure risk management goal of finding the balance between providing reliable, efficient services, and doing it at the lowest reasonable cost.<sup>1</sup>

## Overview of the Peel's Approach

Peel Region uses a risk-based approach to asset management guided by Council approved Asset Level of Service (ALOS) targets. These targets are tailored to each type of asset, considering its specific use and location. While some assets must be maintained in good condition to ensure the delivery of critical services to Peel residents, others can be allowed to degrade without significantly affecting service outcomes<sup>2</sup>.

The closer assets are to meeting their ALOS targets, the lower the risk of failing to deliver the desired service outcomes. To track progress, Peel uses **Infrastructure Risk Management Ratings**<sup>3</sup>, which assess how well assets align with ALOS targets.

Peel Region's long-term goal is to maintain Peel's infrastructure portfolios at a minimum overall rating of '**Good**'. This rating strikes a balance between ensuring assets are in sufficient condition to support service delivery and making infrastructure investments that are reasonable and affordable for the public.

The Enterprise Asset Management Plan leverages lifecycle models to forecast infrastructure condition, reinvestment needs, and asset-related risks

---

<sup>1</sup> **Appendix III** provides detail of the Peel's **Enterprise Asset Management Strategy**

<sup>2</sup> All current Council approved **Asset Level of Service** targets are included as **Appendix IV**

<sup>3</sup> Descriptions of the **Infrastructure Risk Management Ratings** are included in **Appendix II**

to service delivery. These models are customized to the Peel's assets and are based on the most up-to-date asset information available<sup>1</sup>.

- A 10-year forecast aligns with the Capital Plan and budget.
- A 20-year forecast supports coordination with master plans, Development charge horizons, and reserve contributions.
- A 100-year forecast provides strategic insights for long-term sustainability, aligning with the full lifecycles of the Peel's longest-lived infrastructure.

## Strategic connections to Asset Management

Enterprise Asset Management is an integrated part of the Peel Region's annual, strategic, and long-term planning practices. Asset Management supports the strategic objectives of Peel Region Council, the delivery of services to the public, and the sustainability of the Peel.

### Alignment with the Strategic Plan

**Vision:** Community for Life

**Mission:** *Working with you* to create a healthy, safe and connected community

Enterprise Asset Management is central to sustainable service delivery and as such, is key to the achievement of the Peel Region's 2015-2035 Strategic Plan.

- The **Vision** describes what we are working towards over the long-term.
- The **Mission** describes how we will deliver on our vision and the difference we want to make.

Peel Region's **Strategic Plan** is available on Peel's website under [Strategic Plan](#).



**Status of Peel's Infrastructure Assets:** Ongoing Asset Management services at Peel Region are tracked through progress towards the 20-Year outcomes. Key indicators include the **Status of Peels Infrastructure Assets**.

Enterprise Asset Management processes are directly aligned with the Strategic Plan's long-term goal of fostering community trust by ensuring that **"sustainability and long-term benefits for future generations are considered."**

## Contribution to service outcomes

Peel Region delivers a wide range of services, from Water Supply to Income Support, each with a defined **service outcome**. This Enterprise Asset Management Plan includes the infrastructure essential to supporting these services. Through Enterprise Asset Management, Peel Region effectively manages asset-related risks to ensure the achievement of these desired service outcomes.

## Asset Management Line of Sight

An important asset management principle is **Line of Sight**. Line of sight in asset management, achieves two important things:

1. People doing the physical work on the infrastructure can see how the work they do supports the strategic goals of the Peel Region.
2. People setting the strategic goals of the Peel Region can see how their decisions influence how we manage our infrastructure.

Enterprise Asset Management at Peel enables this line of sight, connecting the service outcomes down to the assets that support them.<sup>4</sup>

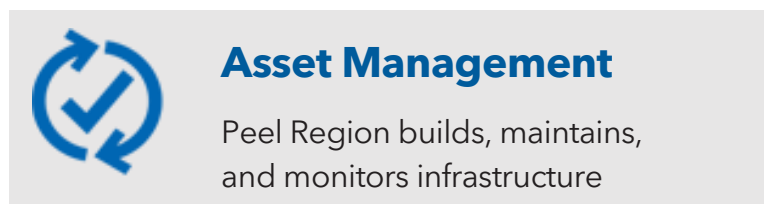
## Asset Management as a service

On top of enabling the line of sight for other services, Asset Management is a service itself. Peel tracks the progress towards the outcomes for each service using different metrics.

Infrastructure risk management rating is used as a performance measure to assess how well we are achieving our goals and where we need to improve operations. The result also informs decision-making and strengthen accountability.

---

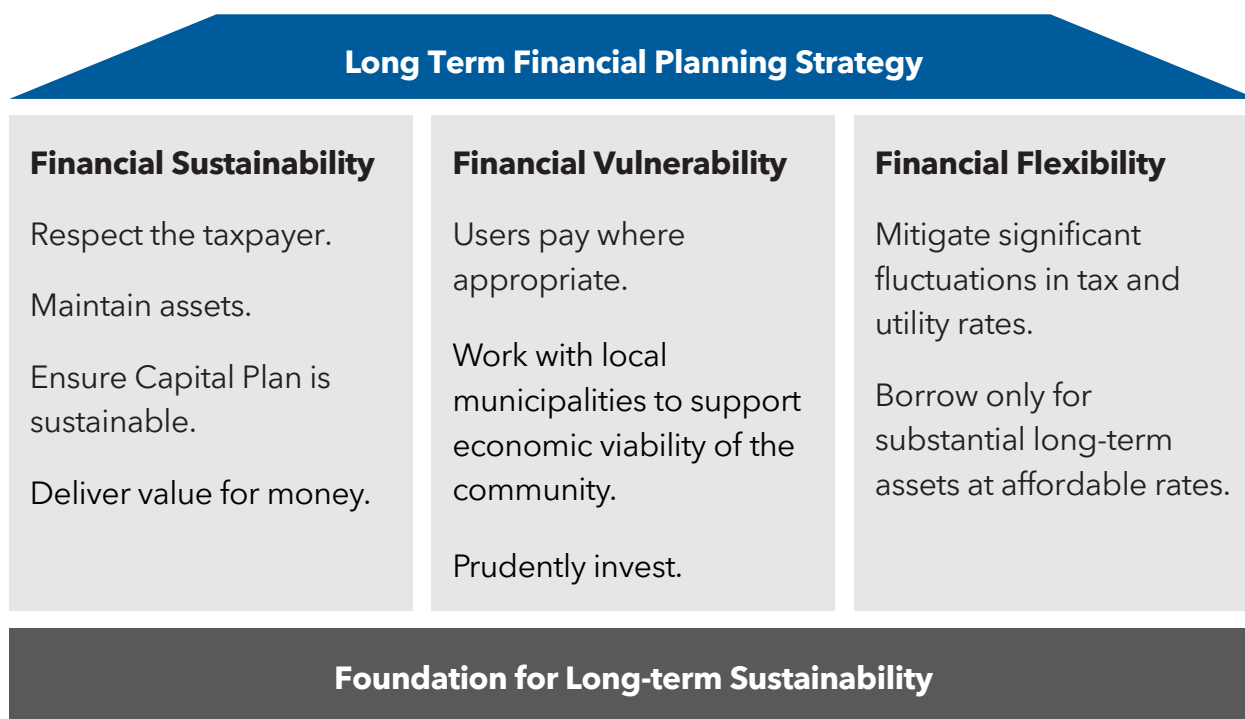
<sup>4</sup> **Appendix I** provides an example of the **Line of Sight** between a single asset and the Strategic Plan

**Figure 1. Performance measure**

The target is to achieve an overall infrastructure risk management rating of 'Good', where most assets are achieving the Asset Level of Service targets. This goal allows Peel Region to balance investing enough in the infrastructure to support efficient and reliable services while maintaining affordable tax and utility rates for the community. Peel Region is currently achieving a rating of 'Good'.

## The Long Term Financial Planning Strategy

The Long-Term Financial Planning Strategy (LTFPS) provides a framework through which Peel endeavors to achieve the long-term financial sustainability of Peel services and is available on Peel Region's website<sup>1</sup>. The LTFPS strives to maintain a balance between three pillars: Financial Sustainability, Financial Vulnerability, and Financial Flexibility.

**Figure 2. Three pillars provide a foundation for long term sustainability.**

Asset Management supports all three pillars of the Strategy:



### **1. Financial sustainability**

Peel Region's ability to provide and maintain planned service levels and infrastructure assets without unplanned increases in rates or disruptive cuts to services.



### **2. Financial vulnerability**

The degree to which the Peel Region is dependent on external funding sources that it cannot control; it is the level of risk that could impact the ability to meet existing financial obligations and commitments, including the delivery of Peel services.




### **3. Financial flexibility**

Peel Region's ability to change either debt levels or taxes and utility rates to meet financial obligations and ensure intergenerational equity.

The Financial scorecard provides indicators of the strength of the three financial pillars. The current overall status of the Peel infrastructure state of repair is “Good” because of ongoing capital programs to replace outdated and deficient assets with new modernized infrastructure. However, the reinvestments necessary to maintain the service levels that the public expects continue to increase. This is largely driven by aging infrastructure, growing climate change impacts and uncertainty, additions of infrastructure to address growth and any Council priorities, as well as renewed data and information on the existing infrastructure.

**Figure 3. Asset health score**

| Financial pillar  | Indicator                          |
|---|------------------------------------|
| <br>Financial sustainability | Asset Health Score<br>Target: Good |

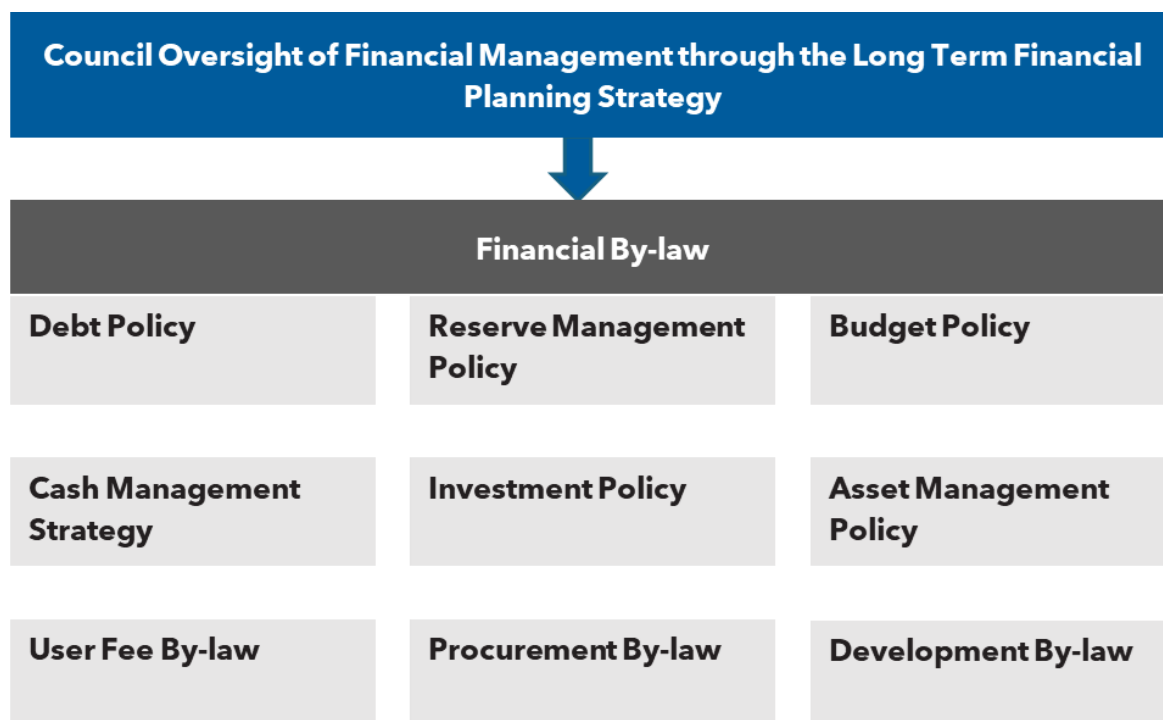
The Asset health score used as an indicator for financial sustainability is the same risk management rating provided in this report.<sup>5</sup>

To realize the objectives of the LTFPS, Peel takes an integrated financial management approach which combines the long-term financial planning and sustainability policies under the Financial Management By-Law. This ensures that asset management needs are not looked at in isolation, but rather planned and balanced with other financial management activities as can be seen in the graphic below.

The Asset Management Policy specifically supports the objectives of the Long-Term Financial Planning Strategy. This integrated approach ensures long-term capital projections which result from Enterprise Asset Management are directly input into other financial tools such as reserve management.

<sup>5</sup> Descriptions of the Infrastructure **Risk Management Ratings** which are used as the metric towards tracking the service outcome of Asset Management are included in **Appendix II**

Figure 4. Financial management By-law



The Figure 4 above provides a visual of the oversight of Peel's Financial Policies and Strategies.

To ensure alignment with the principles outlined in the Long-Term Financial Planning Strategy, Peel developed a Financial Management By-law ("the By-law"). This By-law embeds nine core financial principles that guide the development of financial policies and support long-term financial sustainability. It serves as a key tool for implementing the Finance Strategy by providing a consistent framework for decision-making, monitoring, and reporting to Council.

Additionally, the By-law governs a range of financial policies and strategies, establishing clear objectives, responsibilities, controls, and reporting requirements across key areas such as risk management, financial planning, debt and investment management, and revenue and expenditure control.

## Climate Change Master Plan

In 2019 Peel Region Council approved its first 2020 – 2030 [Climate Change Master Plan](#). Peel Region will lead by example, influence best practices, and transform to a climate resilient future.

The actions in the plan will reduce the Peel's corporate greenhouse gas (GHG) emissions and ensure its services, operations, and infrastructure can adapt to the changing climate. In doing so, Peel will be resilient in the face of climate change.

Peel Region will apply an integrated and systematic approach to combat the impacts of climate change by:

- Increasing readiness to respond to extreme events
- Proactively protecting Peel's existing infrastructure assets to maintain service delivery
- Reducing the impacts of heat and flooding through green infrastructure
- Planning and building assets and service delivery taking future climate projections into consideration
- Integrating climate change into the asset management planning process, by applying climate design and performance criteria to new and state of good repair infrastructure work
- Investing in innovative and sustainable approaches to finance action on climate change
- Monitoring, reporting, and understanding the progress of addressing Peel-funded climate change work



## The Asset Management Policy

Peel Region Council has approved an Asset Management Policy. The Policy establishes formal management controls for the responsible stewardship of capital infrastructure.

The Asset Management Policy is implemented through the Enterprise Asset Management Strategy.

The policy framework is divided into four key areas:

1. **Levels of Service** – Measures of quality or quantity of service which serves as a desired target for a particular activity, asset or service area as determined by Council.
2. **Risk Management** – Measures risks to assets and by extension to the services the assets provide is fundamental to the Enterprise Asset Management Strategy.
3. **Life Cycle Management** – Defines how assets are managed throughout the asset life cycle to maximize the assets' value to the organization and the service to clients; and
4. **Corporate Reporting on Asset Management** – Defines the requirements of corporate level reporting which is undertaken annually to give an organization-wide perspective on the Peel's infrastructure needs and priorities to enable better, more informed strategic planning and decision making.

The Enterprise Asset Management Plan and the Infrastructure Status and Outlook Report are updated annually for Council approval and are published on the [Peel Region's website](#).

## Non-infrastructure solutions

Peel Region ensures that growth is coordinated with existing infrastructure when additional service capacity is needed.

- Infrastructure investment is aligned with growth projections in the [Official Plan](#). Peel Region is forecasted to grow to 2.3 million people and 1,070,000 jobs by 2051. Peel Region Council passed By-law 20-2022 to adopt a new Peel Region's Official Plan (Peel 2051), approved by Minister of Affairs and Housing in 2022. Peel 2051 is developed to ensure a continued vision for growth.
- Master plans and service strategies look at growth needs and integrate new assets within existing infrastructure with the least economic and environmental impact.

Peel Region also coordinates with other levels of Government and agencies to deliver capital projects efficiently and effectively, including:

- Working with the Cities of Mississauga and Brampton and the Town of Caledon to minimize impact on residents during construction and optimize joint and overlapping infrastructure life
- Supporting delivery of large transit projects by coordinating infrastructure works with transit agencies
- Partnering with the Federal and Provincial Governments for funding and delivering supportive housing projects

Activities such as waste reduction and diversion initiatives, encouraging the use of transit supportive modes of transportation (e.g., walking, biking), and energy conservation practices also defer the need for capital reinvestment, while maintaining or improving services.

## Operations and maintenance activities

Most of the value an asset provides to services happens during its operation throughout its life. Standard operating procedures are in place to extend the life of the assets, by ensuring that they are meeting legislative requirements, and that they are operating safely and with the least amount of wear-and-tear.

Maintenance is routinely performed, to ensure assets meet their intended life, as well as monitoring the condition and performance compared to standards.

Planned restorative maintenance activities extend the service life of the assets. Minor repairs such as replacement of parts and patching minor defects save capital expenditures by preventing more serious damage to assets.

Ongoing operations and maintenance activities are considered in Lifecycle Strategies, as they are essential to ensuring that assets are owned at the lowest cost. Opportunities to better operate and maintain assets are explored through continuous improvement processes.

Operations and maintenance costs will be captured within Service Plans and will continue to be analyzed and optimized as business processes are improved and new tools, such as the Enterprise Asset Management system, are implemented.