

2024

London Police Service Asset Management Plan

City of London

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Acknowledgement

Land Acknowledgment

We acknowledge that the London Police Service resides on the traditional lands of the Anishinaabeg, Haudenosaunee, Lenape and Attandaron. We acknowledge all the treaties that are specific to this area: the Two Row Wampum Belt Treaty of the Haudenosaunee Confederacy/Silver Covenant Chain; the Beaver Hunting Grounds of the Haudenosaunee NANFAN Treaty of 1701; the McKee Treaty of 1790, the London Township Treaty of 1796, the Huron Tract Treaty of 1827, with the Anishinaabeg, and the Dish with One Spoon Covenant Wampum of the Anishinaabek and Haudenosaunee. This land continues to be home to diverse Indigenous people (First Nations, Métis and Inuit) whom we recognize as contemporary stewards of the land and vital contributors to society. As representatives of the people of the London Police Service, we are grateful to have the opportunity to work and live in this territory.

Staff Acknowledgment

The Corporate Asset Management office would like to acknowledge the efforts of the London Police Service staff (both civilian and sworn officers) for the effort and support they put forth to help accumulate the data and develop the findings of this Asset Management Plan. We are also sincerely thankful to the London Police Services Board and City Council for their support.

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Section 1. Executive Summary

Summary	Maintain Current LOS	Achieve Proposed LOS
Replacement Value (\$millions)	\$175.5	\$175.5
Cumulative 10-Year Infrastructure Gap (\$millions)	\$94.5	\$186.2
Infrastructure Gap as a Percentage of Replacement Value	53.9%	106.1%

1.1: 2024 London Police Service Asset Management Plan Introduction

The London Police Service (LPS) infrastructure systems represent one of the critical backbones of providing municipal services to our community. They support a range of police services that enable the quality of life and feeling of safety experienced by residents, businesses, and other community partners.

This Asset Management Plan (AMP) is designed to enhance the management of LPS's infrastructure assets in a way that connects strategic LPS, City of London, and community objectives to day-to-day and long-term infrastructure investment decisions. This is accomplished by:

- Aligning with the regulatory landscape, by meeting the requirements of Ontario Regulation 588/17 – Asset Management Planning for Municipal Infrastructure (O. Reg. 588/17), and positioning LPS for capital grant funding applications.
- Understanding the current state of the infrastructure systems (value, quantity, age, condition, etc.).
- Measuring and monitoring levels of service (LOS) to quantify how well infrastructure systems are meeting expectations.
- Communicating asset lifecycle management activities (e.g., how infrastructure is operated, maintained, rehabilitated, and replaced).
- Determining the optimal costs and reinvestment rates of the asset lifecycle activities split between those that maintain current LOS and those that achieve proposed LOS;
- If necessary, establishing an infrastructure gap financing strategy to fund the expenditures that are required to meet

London Police Services Board (LPSB) approved LOS and associated lifecycle activities.

Based on this analysis key findings of the 2024 LPS AMP are:

- There are \$175.5 million dollars of infrastructure assets under LPS management;
- Overall, these assets are in Fair condition;
- Cumulative 10-year maintain current LOS and achieve proposed LOS infrastructure gaps of \$94.5 million and \$186.2 million, respectively, exist; and
- The average planned budget for 2023-2032 (based on the 2023 annual budget update) represents a reinvestment rate of 3.4%, which is less than the recommended average to maintain current LOS and achieve proposed LOS reinvestment rates of 9.6% and 15.1%, respectively.

A summary of these results is presented in the following tables and figures:

- Table 1.1 summarizes the infrastructure gaps and presents them as a percentage of LPS's infrastructure assets replacement value;
- Figure 1.1 summarizes the overall condition distribution of the assets between those that are in Very Good to Very Poor condition;
- Figure 1.2 shows the optimal maintain current LOS and achieve proposed LOS expenditures compared to planned budget and additional reserve fund availability, and the resulting infrastructure gaps;
- Table 1.2 presents the reinvestment rates for planned budget, maintain current LOS, and achieve proposed LOS.

Table 1.1 2024 AMP Summary Information

Summary Information	Maintain Current LOS	Achieve Proposed LOS
Replacement Value (\$millions)	\$175.5	\$175.5
10-Year Infrastructure Gap (\$millions)	\$94.5	\$186.2
Infrastructure Gap as a Percentage of Replacement Value	53.9%	106.1%

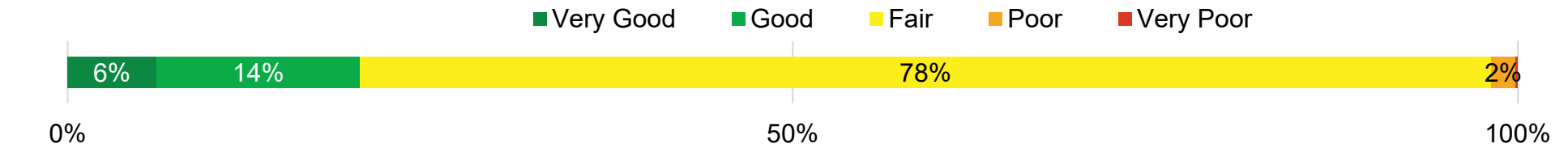


Figure 1.1 Overall Condition

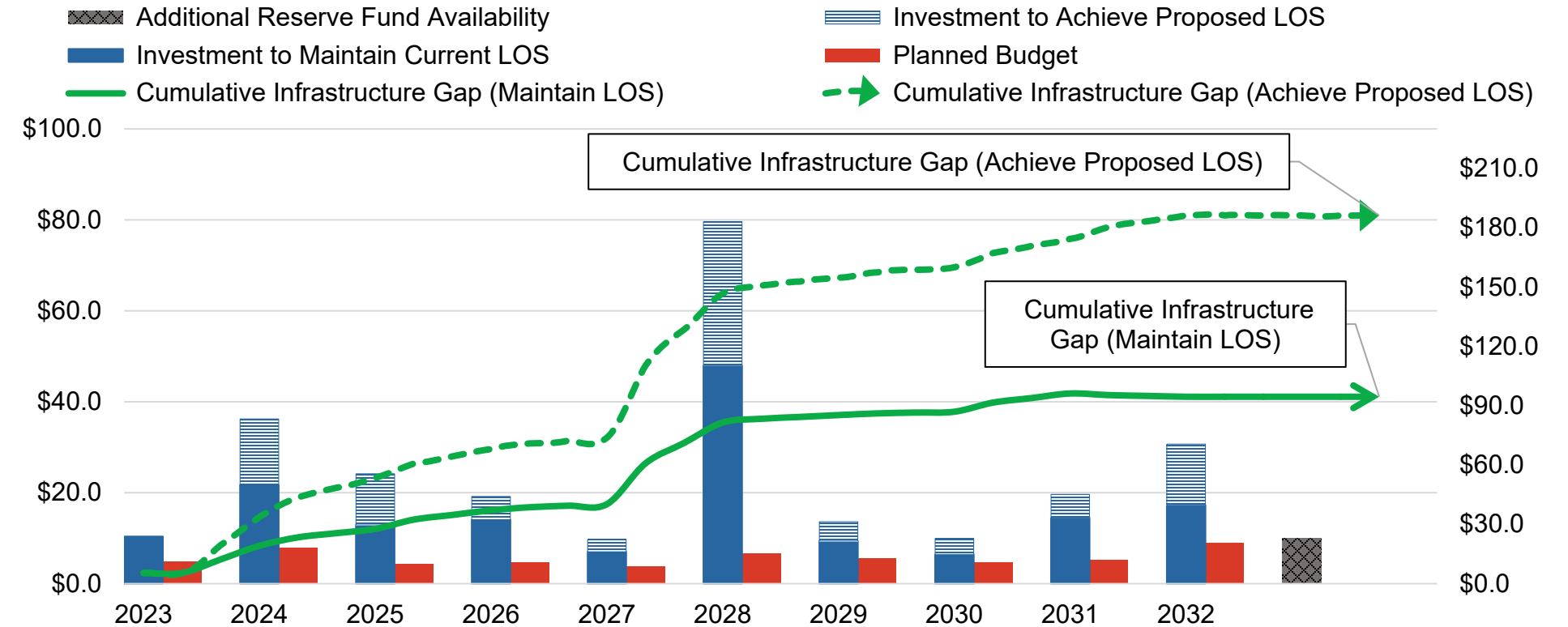


Figure 1.2 10-Year Planned Budget, LOS Investments and Infrastructure Gaps (millions)

Table 1.2 Approved Budget, Maintain Current LOS, and Achieve Proposed LOS Annual Reinvestment Rates

Current Annual Reinvestment Rate (Planned Budget)	Maintain Current LOS Recommended Annual Reinvestment Rate	Achieve Proposed LOS Recommended Annual Reinvestment Rate
3.4%	9.6%	15.1%

1.2: Summary of Asset Management Plan Structure

The AMP is designed to provide the reader with a strong functional knowledge of the basis of this report along with the process and data behind the development and results. This is achieved through the following report structure:

- **Introduction** section provides an overview of the provincial and municipal policies that govern asset management reporting requirements and the City's Corporate Asset Management (CAM) Program as well as a summary of the various components of the AMP that culminate together to provide meaningful information that supports asset and budget decisions.
- **Detailed Asset Management Plan** section summarizes the existing asset inventory, its replacement value, condition, age distribution, and how LPS stores its asset data. This section then explores the LOS delivered by the assets, the associated lifecycle management strategies and activities, and concludes with an analysis of the identified infrastructure gaps and supporting financing strategies.
- **Conclusion and Recommendations** section outlines the findings and observations made throughout the AMP development and reporting process and establishes the recommendations that will be used to guide future asset management activities, subject to LPSB approval.

- **Appendix A. O.Reg.588/17 Asset Management Plan Requirements** section encompasses a detailed mapping of the legislated requirements to the various sections and/or sub-sections of this AMP.

1.3: Executive Summary Conclusion and Recommendations

Based on LPS staff input and asset data, the LPS AMP is a tactical outcome of the City's CAM Program, setting out the details of the current plan for LPS to manage its \$175.5 million worth of infrastructure, and the required investments to expand the asset portfolio to meet maintain current LOS and achieve proposed LOS objectives. There are no easy solutions to how the entire infrastructure system works together to achieve an optimal delivery of police services. But this AMP, among other LPS strategic documents, helps to identify the additional efforts required to address the reported infrastructure gaps.

Based on the analysis, the 2023 maintain current LOS infrastructure gap of \$5.4 million compared to a \$175.5 million asset base is considered a well managed gap. There is no current 2023 achieve proposed LOS gap. This occurs because proposed investments commence in 2024 to align with the City's 2024-2027 Multi-Year Budget (MYB). However, the cumulative 10-year maintain current LOS and achieve proposed LOS gaps of \$94.5 million and \$186.2 million, respectively, are concerning. This growth in the infrastructure gaps has the potential to escalate beyond LPS's ability to manage services effectively. As there is no intent to allow this to occur, further action is needed

to address both the understanding and forecasted growth of the gaps.

Choices are available as to how LPS manages the infrastructure gaps:

- LPS can continue to deliver services at their current or proposed levels by committing to make required investments thereby mitigating or even eliminating the infrastructure gaps. This funding can come from either tax supported or non-tax supported sources of financing, noting within police services non-tax supported sources of financing are primarily contingent upon other levels of government policies. However, funding sources are limited, thus, LPS must continue to manage its services in an affordable manner with regard to community and staff impacts.
- Paying for the gaps is not the only opportunity. In rare cases, LPS can reduce LOS to match its ability to pay. However, there may be an unwillingness to give up services currently employed and a strong desire to improve services especially when considered in the context of public and staff safety and wellbeing. There is also recognition that some services are legislated and cannot be reduced or eliminated.
- A third opportunity for LPS is to find more efficient and effective ways of delivering services, including changing the asset mix that supports service delivery to the community. When possible, LPS strongly supports this direction and regularly invests in improvements. One element of this third approach is the work underway to enhance asset management practices.

Overall, LPS has a long-standing practice of pursuing all possible means to achieve service delivery goals and has been reasonably successful delivering quality services. In effect LPS

adopts a blend of the three approaches outlined and is continuously seeking to improve these strategies.

Recommendations

The City's CAM Program is founded on the principle of continuous improvement with the object of increasing line-of-sight quality of data/information and the tools and techniques that are used to inform services and asset management decision-making. This increased quality will lead to greater confidence in the analysis documented and decisions formed through the AMP and supporting processes.

Based on these objectives the Recommendations section of this AMP outlines administrative projects that will enhance the management of and reporting against LPS's \$175.5 million worth of infrastructure assets. These recommendations are structured to address short- and long-term asset management objectives and are categorized according to distinct asset management knowledge areas.

Each of these recommendations will be completed with leading support from the City's CAM staff per the approved asset management service level agreement, and there are no additional funding needs associated with the completion of these administrative projects (i.e., initial projects will be completed leveraging existing staff and other resources).



Section 2. Introduction

2.1: Supporting London Police Service Goals Through the Corporate Asset Management Program

LPS infrastructure systems support a range of police services that enable residents, businesses, LPS staff, and other City of London partners to live, work, and play safely in the City. These service delivery results are based on LPS's strategic community and organizational objectives established through the LPS Strategic Plan, which outlines the mission, vision, and values that guide LPS in a way that aligns with the core values of our community. The 2024-2027 LPS Strategic Plan¹ summarizes these objectives as follows:

Our Mission

To ensure the safety and well-being of London's communities.

Our Vision

To be respectful of, and responsive to, the changing needs of our community and our organization through strategic and collaborative partnerships.

Our Values

- Professionalism
- Excellence
- Inclusiveness
- Transparency
- Accountability
- Integrity
- Diversity
- Trust

The City's CAM Program is designed to enhance the management of the infrastructure assets (both City of London and Agencies, Boards, and Commissions assets) in a way that

connects strategic objectives to day-to-day decisions related to when, why, and how investments are made into infrastructure systems. Like the strategic planning and budgeting processes, this is an iterative process that continuously improves through each cycle. For further information regarding the CAM Program refer to the City's CAM Policy².

This AMP was developed through the City's CAM Program based on an approved Service Level Agreement between LPS and the City. By following this development process the AMP achieves the following:

- Sets out the plan for managing the infrastructure assets to ensure they can provide services at levels that meet the community and LPSB approved objectives.
- Forecasts the expected impact that the 2023 annual budget update, inclusive of 2023-2032 capital plan (hereon referred to as "planned budget"), will have on the state of the infrastructure assets.
- Understanding of the changes in lifecycle strategies and associated risks if there are funding gaps between the planned budget and the expenditures required to maintain current LOS or achieve proposed LOS.
- Fulfill O. Reg. 588/17 mandated requirements and maintain eligibility for current and future other levels of government capital funding programs.

¹ <https://www.londonpolice.ca/en/about/2024-2027-strategic-plan.aspx>

² CAM Policy <https://london.ca/council-policies/corporate-asset-management-policy>

2.2: Provincial Asset Management Planning Requirements

This AMP builds upon existing LPS asset management activities and leverages others that have been developing since the establishment of the City's CAM department and CAM Program. London's legislated asset management journey began in 2008 when Canada's Public Sector Accounting Board (PSAB) established new requirements for municipalities to practice tangible capital asset (TCA) accounting. This accounting process resulted in the development of the first comprehensive inventory of all assets owned by the City (both directly and non-directly owned assets). In 2012, the Province then published 'Building Together: Guide for Municipal Asset Management Plans' to encourage and support municipalities in Ontario to develop AMPs in a consistent manner.

Building Together outlines the information and analysis that municipal asset management plans are to include and was designed to provide consistency across the province for asset management. To encourage the development of AMPs, the Provincial and Federal governments began to frequently make AMPs a prerequisite to accessing capital funding programs.

In 2015, Ontario passed the 'Infrastructure for Jobs and Prosperity Act', which affirmed the role that municipal infrastructure systems play in supporting the vitality of local economies. After a year-long industry review process, the Province created O. Reg. 588/17 under the Infrastructure for Jobs and Prosperity Act. O. Reg. 588/17 further expands on the Building Together guide, mandating specific requirements for municipal asset management policies and AMPs.

Among others, these requirements mandated:

- Municipalities to complete Council approved and publicly available AMPs for all assets presented on the

consolidated financial statements, excluding Joint Water Boards. It is noted LPS financials are consolidated within the City's financial statements. The following dates are provincially required:

- By July 1, 2024, the O. Reg. 588/17 requires an AMP that documents the current LOS being provided, the costs to maintain them, and the financing strategy to fund the expenditures necessary to maintain current LOS for all infrastructure systems in the City.
- By July 1, 2025, the O. Reg. 588/17 requires an AMP that documents the current LOS being provided and the costs to maintain them, the proposed LOS and the costs to achieve them, and the financial strategies to fund the expenditures necessary to maintain current LOS and achieve proposed LOS for all infrastructure systems in the City.
- That these AMPs be updated annually and comprehensively reviewed and updated every 5-years.

For a complete reconciliation and mapping of how this AMP complies with all O. Reg. 588/17 requirements (both July 1, 2024, and July 1, 2025, requirements) see Appendix A. O.Reg.588/17 Asset Management Plan Requirements.

2.3: Developing the Asset Management Plan

This AMP is the culmination of efforts from staff across various LPS Divisions who are involved with managing infrastructure assets, including civilian and sworn officer staff involved with finance, technical staff involved with planning and executing the construction and maintenance of infrastructure assets, and on-the-ground staff who operate and maintain infrastructure assets.

Through this collaborative development process the AMP addresses the following questions:

- What do we own and why?
- What is it worth?
- What condition is it in?
- What are its current and proposed service levels?
- What activities do we employ to manage the assets?
- What does it all cost?

A more modern asset management question is also to ask, “Is this asset providing the community the service it expects and is willing to pay for?”

To answer these questions as best as possible, the CAM Program and this AMP are structured based on several interdependent development strategies that support answering or providing insight into the responses to these questions.

These development strategies and processes (steps) are categorized as:

- State of Local Infrastructure
- Levels of Service
- Asset Lifecycle Management Strategy
- Forecasted Infrastructure Gaps and Financing Strategies
- Discussion and Conclusion

To enhance readers understanding of the data and information presented, the following explanations are provided regarding each development strategies purpose, processes, and results.

2.3.1: State of Local Infrastructure

The State of Local Infrastructure is the initial building block of the AMP and is intended to provide the following information:

- Inventory of assets – What do we own?
- Valuation of assets (replacement value) – What is it worth?

- Age and expected useful life of assets – How old is it and when does it need to be replaced?
- Condition of assets – What Condition is it in?

This information is a fundamental building block of an AMP and helps inform future management of infrastructure assets based on individual and collective needs.

It is important to note replacement values seek to utilize best available information to identify all asset costs associated with replacing assets. As such this AMP reflects capital financing pressures that go beyond what can be accommodated in the LPS 2023-2032 planned budget.

A sample of the capital financing pressures captured in the AMP are:

- Inflation - the rising cost of goods and services can put additional strain on the budget for infrastructure projects to maintain current LOS,
- Climate – addressing the impact of climate change and implementing climate-related initiatives can require significant financial resources,
- Achieve Proposed LOS – meeting the desired LOS may require additional investments in existing or new infrastructure, and
- Aging Infrastructure – the need to upgrade or replace versus rehabilitating aging assets can contribute to capital financing pressures.

Additionally, due to evolving legislative changes and ongoing CAM Program development and implementation, the following capital financing pressures have not been fully analyzed, but are summarized here to provide information regarding potential future amendments:

- Growth – as the city expands and develops, additional infrastructure investments will be required to support the increasing population and demands, and
- More Homes Built Faster Act, 2022 – legislative changes may impact the City's funding of growth costs.

By acknowledging capital financing pressures and considering both current and future challenges, the AMP sets the foundation for strategic infrastructure planning and helps to prioritize and address infrastructure needs effectively.

2.3.2: Levels of Service

Asset related LOS are specific parameters that describe the extent and quality of asset related services; they are not an exhaustive presentation of all service levels provided to the community. These LOS link an asset's performance to target performance goals associated with LPS's strategic plans, budgets, and other relevant policies and reports. Additionally, in accordance with O. Reg. 588/17 requirements, these LOS are quantified and reported between the costs to maintain current LOS and achieve proposed LOS, which are defined as:

- **Maintain Current LOS** – is defined as the persistent efforts of an organization to manage its assets through comprehensive lifecycle activities and effectively allocating necessary financial resources with the aim of consistently delivering its services at the current established service levels.

- **Achieve Proposed LOS** – is defined as the strategic initiatives undertaken by an organization to modify its service levels represented in a new proposed standard of service provision. This could involve modifying the condition, scope, or accessibility of the services beyond their current levels, based on strategic goals (e.g., regulatory requirements, master plans, other LPSB approved targets, etc.). The achievement of these proposed service levels may require changes in quantity of assets and/or frequency and scope of asset related lifecycle activities.

LOS metrics are organized in a hierarchical manner. At the forefront are the direct LOS metrics, which serve as the primary benchmarks. From these, we can provide clear lines-of-sight to determine the cost to maintain current LOS and achieve proposed LOS. Next in line are the related LOS metrics. These are closely tied to the direct LOS metrics due to their primarily formal relationship. However, pinpointing their associated costs can be more intricate.

Overall, LPS strives to provide services to the community that are accessible, cost efficient, provide customer satisfaction, demonstrate environmental stewardship, reliable, and safe, with suitable scope. As shown in Figure 2.1, to obtain a desired LOS, LPS faces a complex trade-off challenge, which includes three parameters: Cost, LOS, and Risk.

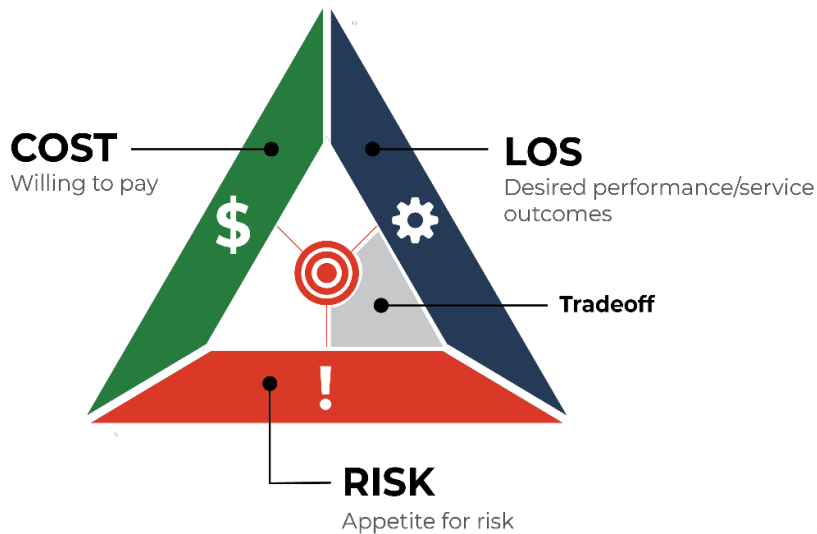


Figure 2.1 Trade-off Cost, Risk, and LOS

2.3.3: Asset Lifecycle Management Strategy and Activities

The asset lifecycle management strategies are the set of planned actions that will enable the assets to provide the approved LOS in a sustainable way, while managing risk, at the lowest lifecycle cost possible.

This part of the AMP describes the asset lifecycle activities applied to the assets. This includes the typical practices and actions, and risks associated with each asset activity. From here three scenarios that forecast the condition profile of the asset portfolio based on planned budget, the required budget to maintain current LOS, and the required budget to achieve proposed LOS are provided.

2.3.4: Forecasted Infrastructure Gaps and Financing Strategies

In this part of the AMP identified infrastructure gaps are summarized and illustrated in both table and figure format. The infrastructure gaps are a dollar amount based on the difference between:

- The amount of money that needs to be spent on assets to maintain current LOS and achieve proposed LOS for the community, and
- The amount of funding presently identified in the planned budget and capital reserve fund over a 10-year period (2023-2032).

In other words, what LPS plans to spend versus what the asset needs are. Ideally, the infrastructure gaps decline over time as greater investments are made to replace older infrastructure, to improve the condition of infrastructure, to minimize the risks associated with failing assets, and to acquire new infrastructure.

Next are the infrastructure gap financing strategies, which set out the approach to ensuring that appropriate funds are available to facilitate the delivery of infrastructure dependent services. These strategies are meant to strengthen current budgeting processes by reinforcing a long-term perspective on the impact of providing various asset-related LOS and the required investments versus the affordability to the community, which is consistent with the outcomes and expected results of the 2024-2027 LPS Strategic Plan and 2023-2027 City of London Strategic Plan.

2.3.5: Discussion and Conclusion

The discussion part of the AMP looks at current and future opportunities and challenges associated with addressing infrastructure gaps. This discussion includes opportunities and challenges that are both in and outside of the control of LPS and LPSB. Among others, this includes consideration of the following:

- Service delivery characteristics,
- Cost pressures, and
- Growth and service improvement planning.

The final element of the detailed AMP is the conclusion section. In this section the results are summarized and to facilitate interpretation of the AMP data accuracy and data reliability ratings with supporting commentary are provided. The goal is to transparently provide the reader with knowledge of the validity and limitations of the information provided and to highlight continuous data improvement plans.

2.4: Assumptions and Limitations

As previously stated, this AMP is designed to enhance the management of LPS infrastructure assets in a way that connects strategic objectives to day-to-day decisions related to when, why, and how investments are made into infrastructure systems. However, all AMPs are developed within the context of various assumptions and limitations.

The following points summarize the assumptions and limitations of this AMP:

- The scope of this AMP covers the assets directly owned by LPS as of December 31, 2022, and associated planned budgets approved in the 2023 annual budget update. Thus, timing differences exist between when this AMP was developed versus current 2024-2027 MYB approvals.

Based on O. Reg. 588/17 requirements these differences are permissible and are minimized through the AMP annual update process as well as the CAM Program continues to explore opportunities to limit such timing differences.

- This AMP is compliant with the July 2024 and July 2025 requirements of O. Reg. 588/17 in that it encompasses both maintain current LOS and achieve proposed LOS as well as associated forecasted infrastructure gaps and supporting financing strategies.
- The AMP addresses condition information in three ways:
 - Condition may be technically assessed and reported on in a quantifiable technique. This method is the most accurate and most expensive (e.g., facilities condition);
 - Condition may be assumed based on age and estimated useful life; and
 - Finally, condition may be based on the expert opinion of staff using the asset.
- Unexpected events (e.g., severe storms attributed to climate change, etc.) will not disrupt infrastructure replacement and renewal projects over the period of analysis.
- The planned budget and expected reserve fund availability will occur as planned over the period of analysis.



Section 3. Detailed Asset Management Plan

3.1: State of Local Infrastructure

3.1.1: Asset Inventory and Valuation

LPS owns and operates a broad array of assets with a replacement value of approximately \$175.5 million. These assets range from facilities, vehicles, and information technology (IT) to safety/protective equipment and canine gear. Each asset is managed and maintained to meet both legislated and non-legislated service requirements with an aim of providing the highest level of safety possible for both the community and staff.

Table 3.1 summarizes the assets by type, inventory/quantity, and replacement values. The asset replacement values have been identified using different LPS databases including J.D. Edwards, VFA Facilities Management software, and internal expert opinion. These replacement values aim to capture current market prices for the fully replacement of identified assets. For further information regarding costing refer to State of Local Infrastructure.

To further contextualize the complexity and necessity of these assets the following summarizes LPS's organizational and service delivery structures.

LPS is comprised of approximately 650 officers, 250 civilians and 22 cadets who are dedicated to serving the diverse community of London. Working as a team, LPS staff enforce federal statutes including the Criminal Code, provincial offences such as the *Highway Traffic Act*, and municipal by-laws. The operations of LPS are governed by the *Police Services Act*, which grants officers jurisdiction to operate within a mandated geographical area. LPS frontline services are primarily organized between Front Line Patrol, Patrol Support Units, and Criminal Investigation Division.

Front Line Patrol

Front line units positively impact the lives of people every single day. They respond to every type of call from simple advice calls to life saving events, and violent criminal arrests. To effectively deliver these services, officers are provided the best training possible to ensure they have the skills needed to serve the community.

Patrol Support Units

Front Line Patrol officers are supported by numerous units, such as:

- Emergency Response Unit
- Canine Unit
- Traffic Management Unit
- Bike Patrol Unit/Community Foot Patrol Unit
- Public Order Unit
- Community Services Unit

These support units are critical to both public and officer safety, and without them the delivery of police service would not be possible.

Criminal Investigation Division

The Criminal Investigation Division (CID) is responsible for conducting investigations into criminal activity and for providing investigative support to the Uniformed Division (UD). The overriding priorities are the reduction of crime, addressing the public's fear of crime, enhancing public safety, conducting thorough, detailed investigations and referral to victim support services.

CID is responsible for investigating incidents such as homicides, sudden deaths, robberies, sexual assaults, serious assaults, child abuse, break and enters, stolen vehicles, gun and drug offences, cyber-enabled and complex technological crimes,

frauds, internet child exploitation offences, human trafficking, and other occurrences requiring extensive follow-up investigation. Crime analysis provides a strategic approach

through identifying factors contributing to criminal behaviour, as well as, identifying high risk individuals, known offenders, criminal groups, and criminal activity.

Table 3.1 Inventory and Valuation

Asset Type	Asset	Inventory	Unit	Replacement Value (Thousands)
Facilities	Buildings	6	Each	\$129,853.6
	Furniture and Tools	Mix	Each	\$2,155.8
Information Technology (IT)	IT Infrastructure	Mix	Each	\$4,207.3
	Applications and Software		Each	\$2,153.0
	End User Devices and Applications		Each	\$11,027.6
	Multimedia Devices (cameras, audio video equipment, etc.)		Each	\$1,136.1
Fleet	Heavy Equipment	6	Each	\$2,880.0
	Vehicles	249	Each	\$12,846.0
	Tools	41	Each	\$251.9
	Trailer	11	Each	\$248.0
	Motorcycles/Bicycles	27	Each	\$227.8
	Small/Off Road Equipment	14	Each	\$124.6
	Marine	4	Each	\$106.5
Other Police Equipment and Assets	Various	Mix	Each	\$8,300.0
Total				\$175,518.2

Additional details relating to each asset type are provided.

Facilities

With a replacement value of \$129 million, the majority of assets in this category are Buildings. There are six distinct facilities, which are inclusive of the headquarters (HQ) administration building, HQ emergency vehicle garage, HQ explosion vehicle and equipment garage, HQ car wash, HQ fueling station, and the LPS communications building (external to HQ campus). Each of these facilities supports service delivery by providing safe and efficient work, meeting, detainment, training, and other spaces/functionality critical to policing and members of the public. The LPS Facilities division manages and maintains these assets, allowing them to meet the functional requirements, and building and safety codes, while operating in a safe and efficient manner.

Information Technology

IT assets have an approximate replacement value of \$18 million and without such assets it would not be possible to effectively use and manage all other LPS assets and their associated information. In today's modern era, connectivity, information, and data are strategic business assets. The IT division is responsible for the technology tools used to ensure the safety and protection of LPS data, information, computer systems, and continuity of services. They support all other LPS service areas in delivering their services to the public. IT assets include leased and owned assets, both of which have been included in this report. IT assets include hardware, software, audio-video equipment, information, and data. Like most municipalities and other public service corporations, the value, condition, and infrastructure gaps with respect to IT soft assets of 'data' and 'information' are not currently assessed nor is any methodology readily available to undertake such an assessment. Thus, any such assets are not presented in this AMP.

Fleet

With the third highest replacement value of \$16.7 million, LPS Fleet assets are comprised of a variety of frontline vehicles such as cars, trucks, SUVs, bicycles, motorcycles, a boat, light armoured vehicle, explosive disposal truck, command vehicle unmarked vehicles, and more. A safe, reliable, and right sized fleet is a key aspect to delivering police services. Fleet division accomplishes this through various inspection and maintenance programs that meet or exceed the Ministry of Transportation regulatory requirements, and vehicle replacement programs based on cost benefit risk analysis as well as the maintenance of vehicle availability ratios (number of available vehicles per on-duty officers).

Other Police Equipment and Assets

With a replacement value of approximately \$8.3 million, the Other Police Equipment and Assets category contains critical infrastructure that supports the safety of Front Line Patrol, Patrol Support Units, Criminal Investigation Division, and administration departments. Much of the equipment and assets contained within the category are confidential/covert in nature due to the policing functions they support. Thus, although further details exist and are used to effectively manage the assets, they are not presented publicly.

3.1.2: Age Summary

Figure 3.1 shows the LPS average asset age as a proportion of the average expected useful life. This comparison provides a visual representation of how close assets are to the end of their lifecycle, which demonstrates LPS's ability to replace such assets on-time. Overall, the data affirms that LPS facilities are beginning to age past their expected useful life while primarily all other asset types are well within their expected useful life.

Facilities

The ages of all facilities were calculated using the recorded construction date in the VFA Facilities Management software. Overall facility assets have exceeded their average industry standard expected useful life of 40-years. This leads to an increase in the operation and maintenance cost of these facilities. It is important to note that 40-years was selected as the expected useful life based on the non-structural components of buildings which have the longest expected useful life. In practice the many components that comprise a building are slated for renewal based upon a combination of factors including age, condition, consequence of failure, likelihood of failure, etc., and the practical expected useful life is largely indefinite while the building continues to serve its intended/required purpose in its given geographic location. Nevertheless, the age of LPS facilities and the evolving demands and best practices of police service delivery have given rise to the need for a comprehensive assessment and change management plan to modernize LPS facilities based on current and forecasted requirements. This assessment was completed and reported to the LPSB through the 2019 LPS

Long Term Facility Accommodation Plan and 2023 LPS Facility Master Plan. Further details and financial impacts of these plans are provided in Asset Lifecycle Management Strategy – Maintaining Current and Achieving Proposed Levels of Service.

Information Technology

IT asset average age and expected useful life are based upon internal expert opinion. The analysis excludes Applications and Software assets as these are assumed to be operational until replacement needs are identified. This approach is taken as application and software age and expected useful life are impacted by regular upgrades/renewals. Thus, data is not readily available to calculate traditional age and expected useful life assumptions. In absence of age and expected useful life profile predictions for applications and software, operational risks are mitigated by periodically assessing asset condition and forecasting expected capital financing needs. For IT Infrastructure, End User Devices, and Multimedia Devices there are detailed data listings tracking the age of assets, noting for these assets the average age and expected useful life are 5-years and 5 to 7 years, respectively.

Fleet

The age for all Fleet vehicles is calculated using the recorded acquisition date in the J.D. Edwards tangible capital asset databases. All Fleet asset types except for Motorcycles/Bicycles are within their average industry standard expected useful life, noting although some Motorcycles/Bicycles have past their expected useful life these assets have been maintained within established standards and are not in need of immediate replacement.

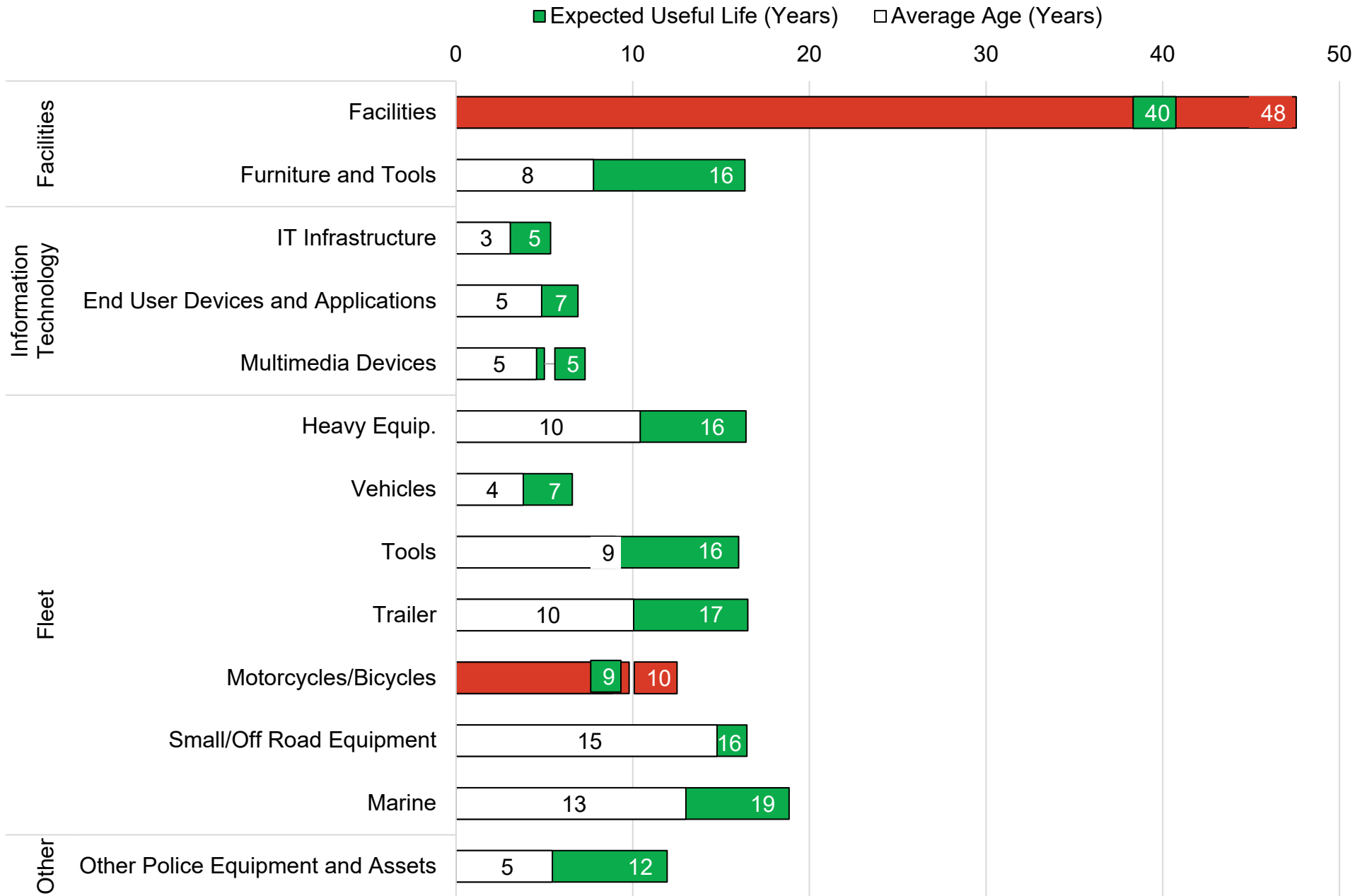


Figure 3.1 Average Age and Expected Useful Life

3.1.3: Asset Condition

The condition of the assets was determined using one of the three methods below based on data availability and accuracy:

1. Existing condition rating systems (e.g., Facility Condition Index, etc.),
2. Estimated based on age and the remaining expected useful life of the assets, and
3. Estimated based on expert opinion, in the absence of 1 or 2 above, or where there was low confidence that age and

expected useful life appropriately represented the asset condition.

Based on these methodologies, asset conditions are recorded on a ratings scale of 1 to 5. Table 3.2 provides the definitions of each condition scale used in the CAM Program and in this AMP.

Table 3.2 Condition and Scale Definitions

Grade	Summary	Definition
1	Very Good Fit for the future	The infrastructure in the system or network is generally in very good condition, typically new or recently rehabilitated. A few elements show general signs of deterioration that require attention.
2	Good Adequate for now	The infrastructure in the system or network is in good condition; some elements show general signs of deterioration that require attention. A few elements exhibit significant deficiencies.
3	Fair Requires attention	The infrastructure in the system or network is in fair condition; it shows general signs of deterioration and requires attention. Some elements exhibit significant deficiencies.
4	Poor At risk	The infrastructure in the system or network is in poor condition and mostly below standard, with many elements approaching the end of their service life. A large portion of the system exhibits significant deterioration.
5	Very Poor Unfit for sustained service	The infrastructure in the system or network is in unacceptable condition with widespread signs of advanced deterioration. Many components in the system exhibit signs of imminent failure, which is affecting service.
-	Not Assessed	This category is reserved for assets where data is either missing, not updated, or cannot be considered reliable. Flagging this data helps identify where gaps in information exist and may allow for the development of assessment plans to improve future data.

Figure 3.2 presents the condition distribution of all LPS assets. It shows that approximately 98% of the assets are in Very Good to Fair condition. However, the majority of this 98% are in Fair condition (78% Fair), which is cause for concern given the nature of police services and the criticality of the assets to service delivery.

Although pressures exist, assets are overall maintained in safe, serviceable condition, with replacement of non-facility assets occurring for the most part on a planned basis as assets reach

their optimum lifecycle stage. When possible retired assets such as vehicles are sold off and the associated proceeds used to offset the purchase of new ones. If resale is not suitable, assets are either maintained as spares or disposed of using appropriate protocols.

Figure 3.3 provides a detailed condition distribution. Findings associate with Facilities, IT, and Fleet are provided by asset. Whereas Other Police Equipment Assets are presented at the asset type level due to their immateriality.

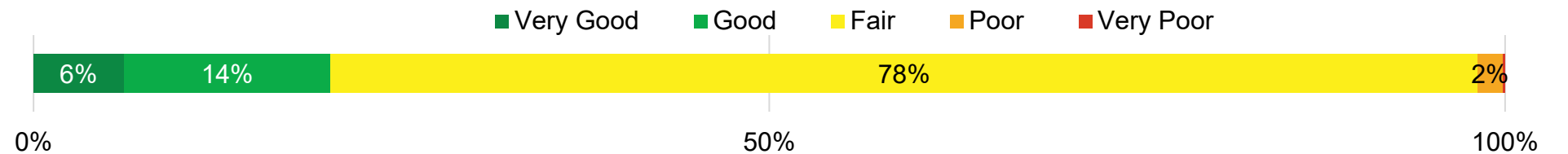


Figure 3.2 Overall Condition

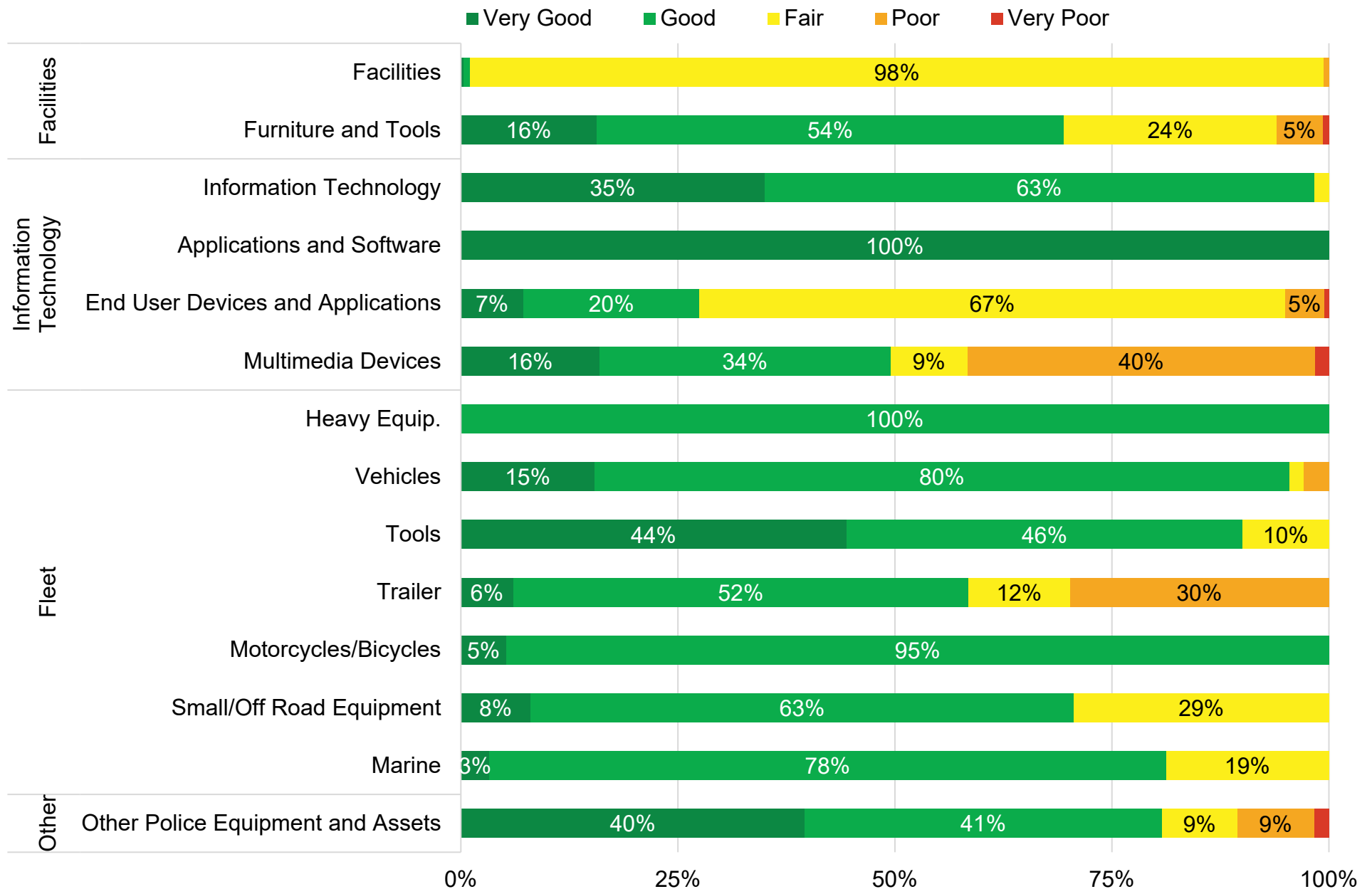


Figure 3.3 Asset Condition Detail

Facilities

The conditions of LPS facilities assets are regularly evaluated through comprehensive condition assessments, which establish and update an industry-standard Facility Condition Index (FCI) that reflects the overall condition of the facilities and their sub-components (building envelope, mechanical and electrical systems, etc.). These assessments are used as a primary source in identifying the repair, rehabilitation, and/or replacement strategies for each asset. Note, the facilities condition ratings present the physical condition of the buildings and are not a representation of the functionality required to satisfy police service delivery (i.e. size, location, ability to accommodate certain types of functions or equipment, etc.).

The current condition assessment identifies that 98% of facilities assets are in Fair condition. In the context of police service delivery requirements, such as material amount of facilities assets in Fair condition is indicative of a need for lifecycle reinvestment in the short to medium term. Furthermore, specific facility conditions of note are the Emergency Vehicle Garage and Communications Building locations, which are both in Poor condition and require immediate reinvestments.

Information Technology

Overall, approximately 94% of IT assets are in Very Good to Fair condition. IT asset conditions were evaluated based on internal expert opinion and industry standards. Performance and condition concerns of IT assets are captured on a proactive basis through monitoring and alerting applications. It also occurs through routine maintenance programs or problems reported by end users.

Within the overall condition score, 67% of the End User Devices are in Fair condition, and 40% of Multimedia Devices are in Poor condition. The largest component of End User Devices is

radio communications equipment, and Multimedia Devices primarily consist of a varied collection of digital and analog audio video policing equipment. Both observations signal a large portion of these assets are near the end of their expected useful life and will be up for replacement soon.

The Applications and Software condition score of 100% Very Good is based on internal expert opinion. The methodology of this expert opinion considers the functional requirements of applications and software based on LPS needs. If needs are being met, condition is maintained at Very Good until significant software updates or new software needs are deemed necessary.

Fleet

Over 97% of Fleet assets are in Very Good to Fair condition. The condition of these assets is based on age and expected useful life estimates for each unit as well as LPS Fleet division condition assessments and maintenance records.

Of this asset base Vehicles represent the largest value of Fleet assets (\$12.8 million of \$16.7 million total), and 95% of these assets are in Very Good to Good condition. This condition performance aligns with expectations as vehicle operability is a critical component of service delivery. The realization of this condition level is achieved through a rigorous maintenance program that includes daily, monthly, and more extensive biannual and annual inspections and repairs/replacements.

The next largest Fleet asset base is Heavy Equipment, which consists of LPS's freight trucks. Given their construction and modality of use within LPS's operations, these assets have expected useful life of greater than 15-years and are all presently in Good condition. Other areas of note within Fleet assets are general signs of deterioration of Trailers, Small/Off-Road Equipment, and Marine assets. It is noted that the

percentage of these assets in Fair to Poor condition is within reasonable limits, however, lifecycle renewal/replacements will be required in the near future.

3.2: Levels of Service

Asset management LOS link strategic plans and budget service delivery objectives to corresponding asset performance metrics. As such this AMP strives for LOS performance measures linked to:

- 2024-2027 LPS Strategic Plan,
- 2019 LPS Accommodation Master Plan
- 2023 LPS Facilities Master Plan,
- 2023-2027 City of London Strategic Plan, and
- 2023 Annual Budget Update.

These LOS foundations guide the establishment of customer service deliver values (herein referred to as “customer values”), which in turn guide the development of overarching AMP LOS objectives. Informed by these objectives, LPS and CAM staff collaborate to formulate effective metrics that can be linked to asset performance. Table 3.3 lists the LOS customer value definitions created through this development process.

The selection and development of meaningful LOS linked to decision making and cost, requires a long-term continuous improvement methodology. Thus, the LOS used in the 2024 LPS AMP are focused on traditional asset management metrics like reinvestment rate and condition. Continuous effort will be made towards expanding costed LOS as part of future LPS AMP development processes and practices.

Table 3.3 Customer Values Definition

Customer Value	Corporate Definition and Description
Accessible	Service is accessible by the community, not exclusive, it is inclusive to those who wish to/may use the service to the greatest extent possible, regardless of age, ability, etc. Includes metrics related to asset accessibility and legislated requirements. For example, <i>Accessibility for Ontarians with Disabilities Act (AODA)</i> .
Cost Efficiency	Presents service area budgets, and where possible measures financial performance in terms of providing the maximum service outcomes (more output for less cost) out of the available operating and capital budgets. Examples include annual cost to provide the service, asset lifecycle budget as a percentage of current replacement value.
Customer Satisfaction	Service is satisfactory/meeting expectations from the perspective of a customer or community. Includes a diversity of metrics that cover the performance of a service based on customer experiences. Metrics consist of descriptions from customer surveys and the like. Example includes percentage of customers satisfied with assets or service delivery.
Environmental Stewardship	Service is provided in a means that considers, controls, or reduces impacts to the environment. Includes metrics related to the assessment of service provision based on environmental stewardship and sustainability practices. Examples include annual monitoring of utility usage by square footage of facility space, or fuel consumption-based greenhouse gas emissions.
Reliability	Service is fit for its purpose. Includes metrics related to the reliability of services such as condition of assets.
Scope	Service is extended to/covers a defined range, or description of service range provided through municipal infrastructure. LPS future customer value reporting will be related to implemented Facility Master Plan percentage.

Direct and Related LOS

Selected LOS metrics are organized in a hierarchical manner. At the forefront are the direct LOS metrics, which serve as the primary benchmarks. From these, we can readily determine the cost to maintain current LOS and achieve proposed LOS. Next in line are the related LOS metrics, which are closely tied to the

3.2.1: Direct Levels of Service

Table 3.4 Direct Levels of Service

Customer Value	Focus	Service Performance Measure	2022 Performance	Proposed Target (2022 to 2031)
Cost Efficiency	Technical	Overall reinvestment rate	3.4%	9.6%
Environmental Stewardship	Technical	Annual electric energy consumption kilowatt-hour per square foot	18.18 kWh/sf	Positive Downwards
		Annual natural gas consumption cubic meters per square foot	2.88 m3/sf	Positive Downwards
		Annual water consumption cubic meters per square foot	0.06 m3/sf	Positive Downwards
		Fleet Vehicle Average annual greenhouse gas emissions	6.54 tonnes per year per vehicle	Positive Downwards
Reliability	Customer	Percentage of LPS assets in Fair or better condition	98.1%	Maintain current
		Percentage of Fleet assets within optimum service life	93%	Maintain current

3.2.2: Related Levels of Service

Table 3.5 Related Levels of Service

Customer Value	Focus	Service Performance Measure	2022 Performance
Accessible	Technical	Percentage of public entrances that are FADS compliant	100%
		Percentage of employee entrances that are FADS compliant	80%
		Percentage of public washrooms that are FADS compliant	90%
		Percentage of employee washrooms that are FADS compliant	70%
Cost Efficiency	Technical	Fleet patrol operations (cruisers) cost per km (\$/km)	\$0.64/km
Reliability	Customer	Percentage of Facilities in Fair or better condition	99.4%
		Percentage of IT Assets in Fair or better condition	94.4%
		Percentage of Fleet assets in Fair or better condition	97.3%
		Percentage of Other Police Equipment and Assets in Fair or better condition	89.5%
		Percentage of Furniture and Tools in Fair or better condition	94.0%
Reliability	Technical	Percentage of Fleet past their optimum service life	7%
		Percentage of Fleet annual preventative maintenance inspections completed	99.6%
		Percentage availability of LPS core computing environment	100%

direct LOS metrics but in some cases cannot be readily costed. After review with LPS staff, direct LOS considered most representative of asset-based services and able to be costed over a 10-year projected period (2023-2032) are documented in Table 3.4, and the support related LOS are documented in Table 3.5.

3.3: Asset Lifecycle Management

3.3.1: Asset Lifecycle Management Activities

The asset lifecycle management activities are the range of actions funded through the operating and capital budgets that

are practiced on the assets. Asset lifecycle activities are generally grouped into the categories shown in Table 3.6.

Table 3.6 Definitions for Lifecycle Activities

Activities	Description
Non-Infrastructure Solutions	Actions or policies that can lower costs or extend useful lives.
Maintenance	Including regularly scheduled inspection and maintenance or more significant repairs and activities associated with unexpected events.
Renewal/Rehab	Significant repairs designed to extend the life of the asset.
Replacement/Construction	Activities that are expected to occur once an asset has reached the end of its useful life and renewal/rehab is no longer an option.
Disposal	Activities associated with disposing of an asset once it has reached the end of its useful life or is otherwise no longer needed by the municipality.
Service Improvement	Planned activities to improve an asset's capacity, quality, and system reliability.
Growth	Planned activities required to extend services to previously unserved areas – or expand services to meet growth demands.

3.3.2: Asset Lifecycle Management Strategy

LPS employs a combination of lifecycle management activities to maintain current LOS while striving to optimize costs based on defined risks. This strategy includes activities for maintenance, rehabilitation, replacement, disposal, and regular investments in master planning studies, while continuing to prepare for growth and introduce service improvements.

When feasible, LPS also strives to further optimize these lifecycle activities by coordinating and synchronizing work across multiple assets or asset categories, which can result in cost and service efficiencies. Additionally, with significant asset investments, LPS seeks to optimize asset use and redundant capacity, often achieved through risk benefit cost analyses and cost effectiveness analyses.

This strategy is not static. Selected lifecycle activities are reviewed and modified based on continual industry benchmarking, staff training, professional networking, online reviews, consultant recommendations, and trial and error through scenarios and pilot programs. LPS also invests in climate change adaptation and mitigation planning through strategic planning exercises, which may trigger asset investment needs.

The current LPS lifecycle management activities (practices and planned actions) are presented as follows:

- Table 3.7, Table 3.8, and Table 3.9 list specific asset management practices or planned actions by lifecycle activity for Facilities, IT, and Fleet assets.
- Table 3.10 lists generic lifecycle activities for all other LPS assets.
- Table 3.11 lists specific risks associated with asset management practices or planned actions by lifecycle activity.

Table 3.7 Facilities Current Asset Management Practices or Planned Actions

Activity	Specific Asset Management Practices or Planned Actions
Non-Infrastructure Solutions	- Facilities are maintained and renewed through a specialized Facilities Team and their use of VFA software (supplied through Gordian) and other facilities management applications, which combined with comprehensive condition assessments and Facilities Team experience, determines the lifecycle management needs of a facility. - Needs include the direct care of the building envelope, mechanical and electrical systems, etc.
Maintenance	A work order system and online interface exists for LPS Facilities Team employees to generate and document capital works requests and completions.
Renewal/Rehabilitation	Facilities are regularly evaluated through comprehensive condition assessments, which establish and update an industry-standard Facility Condition Index (FCI) score that accurately reflects the overall condition of the facilities (splits into components of building envelope, mechanical and electrical systems, etc.). These condition assessments, the expertise of Facilities Team, and computer software programs used, determine the cost and timing of renewal requirements.
Replacement/Construction	Facilities are regularly evaluated through comprehensive condition assessments, which establish and update an industry-standard Facility Condition Index (FCI) score that accurately reflects the overall condition of the facilities (splits into components of building envelope, mechanical and electrical systems, etc.). These condition assessments, the expertise of Facilities Team, and computer software programs used, determine the cost and timing of replacement requirements.
Disposal	Appropriate and proper disposal occur when assets are replaced or renewed.
Service Improvement	Strategic plans, and consultation with community partners and users of facilities determines service improvement needs.
Growth	See Table 3.10.

Table 3.8 Information Technology Current Asset Management Practices or Planned Actions

Activity	Specific Asset Management Practices or Planned Actions
Non-Infrastructure Solutions	IT Infrastructure and End User Devices and Applications • Monitor and track age and amount of time the asset considered a priority as to when the asset should be replaced. • Soft strategies (i.e., policies) to mitigate adverse effects of high rises on communication system are continuously updated. Applications and Software • Focus is to ensure that assets are considered ‘in support’ to mitigate potential malware/cyber-attacks and ensure assets are operating efficiently for individuals using them.
Maintenance	IT Infrastructure, Applications and Software, End User Devices and Applications • Users of LPS hardware and software assets provide asset concerns on proactive basis through alerting applications and preventative maintenance programs. • Concerns are also addressed through routine maintenance programs reported by the user to the IT Team.
Renewal/Rehabilitation	IT Infrastructure, and Applications and Software, End User Devices and Applications • Generally, not rehabilitated.
Replacement/Construction	IT Infrastructure • Scheduled replacement programs in place. Applications and Software • When applications and software no longer receive support, they are replaced with new supported applications and software. End User Devices and Applications • Replaced when asset reaches end of useful life or unexpected event occurs with asset.
Disposal	• Assets are disposed of via an electronics recycler once they reach end of life. Hard drives are either wiped or physically destroyed.
Service Improvement	• Strategic plans, and consultation with community partners and users of IT assets determines service improvement needs.
Growth	• See Table 3.10.

Table 3.9 Fleet Current Asset Management Practices or Planned Actions

Activity	Specific Asset Management Practices or Planned Actions
Non-Infrastructure Solutions	• Fleet assets are rigorously maintained to support the reliable delivery of front-line service. They receive monthly and more rigorous biannual and annual inspections. • Ongoing lifecycle management reviews and condition assessments are completed at end of life. • Test extending lifecycle and assess impact on performance, cost, and risks.
Maintenance	• A work order system and online interface exists for LPS Fleet Team employees to generate and document capital works requests and completions. • Vehicles and equipment are monitored, and problems addressed when triggered by staff observations. • Tender and request for proposal specifications are modified based on experience from usage of vehicles and equipment, to minimize recurrence of the issues, where possible. • Carrying out regular preventive maintenance on all vehicles and equipment. Target is to minimize unplanned non-standardized work and asset down time. • Reactive maintenance for circumstances that cannot be easily mitigated (e.g., vehicle accidents requiring immediate repair, faster than anticipated vehicle breakdown, etc.). • Empowering staff to make decisions regarding elective repairs.
Renewal/Rehabilitation	• Regular preventative maintenance programs assist in determining renewals/rehabilitations required; major overhauls or reconditioning Fleet assets are very costly and generally do not add enough extended life. • Review opportunities to repurpose add on equipment, attachments, and outfitting components. • Equipment is generally not considered a rehabilitation option. The lifecycle activity is regular maintenance and the decision to replace the asset.
Replacement/Construction	• Optimal asset lifecycle assessed to determine timing of replacement that minimizes maintenance/repair work and maximize salvage value. • Notice to all shop supervisors and managers of end-of-life assets to help with service and repair decisions to mitigate non-value-added expenditures. • Vehicle and equipment assets ideally are used to end of useful life. When unexpected events occurs then the asset would have to be immediately replaced. • Maximize “in warranty” status of asset a consideration of replacement.
Disposal	• Optimal lifecycle analysis results in salvage value. Salvage amount can vary but an average of 15% of replacement value is consistently achieved. • Fleet planning to stagger sales of similar assets at auction to ensure maximum returns and not over flooding resale market. • Fleet labor used to prepare assets for disposal helping maximize return.
Service Improvement	• Extended warranties and enhanced service agreements negotiated when possible. • Request for proposals procurement practices to acquire higher quality assets with longer lifecycles.
Growth	• See Table 3.10.

Table 3.10 Generic Asset Management Practices or Planned Actions (All LPS Assets)

Activity	Generic Asset Management Practices or Planned Actions
Non-infrastructure Solutions	- Continuously improve procedural controls and approvals, computerized maintenance management systems, and financial planning strategies to control costs. - Updating and applying design standards. - Ongoing search for additional funding. - Improvements to employee capabilities, communications, training, etc. - Changes to LOS. - Developing asset management program and staff training for asset knowledge and efficient use. - Leadership networks with peers through conferences and committees to learn from other's experiences.
Maintenance	- Scheduled preventative maintenance programs for most assets. - Scheduled inspection programs for key assets.
Renewal/Rehab	Adopt the latest technology and assets that maintains the current LOS.
Replacement/Construction	Adopt the latest technology and assets that maintains the current LOS.
Disposal	Dispose of assets under the applicable procurement policy for London Police Services Board, aligned with other regulatory and environmental standards.
Service Improvement	- Based on internal committee reviews, implement service deliver changes that improve asset performance, cost, and risk. - Adopt the latest technology that enhances current or achieves proposed LOS.
Growth	Participate in discussions surrounding or related to the impacts of growth on service delivery and participate in Development Charges Background Studies and Assessment Growth Policy processes to secure appropriate levels of growth funding (subject to provincial legislation requirements and City of London policy).

Table 3.11 Risks Associated with Asset Management Practices or Planned Actions

Activity	Specific Risks Associated with Asset Management Practices or Planned Actions
Non-Infrastructure Solutions	• Lack of a realization of the benefit from the activity (e.g., the life is not extended or the cost of managing an asset increases rather than decreases). • Need for revised plans, reports, and recommendations. • Asset management plans or proposed network solutions not followed. • Poor quality asset information/planning assumptions incorrect. • Occurrence of climate change, adverse weather/unforeseen events, and emergencies, resulting in funds being diverted to assets that were not originally planned. • Growth projections not as planned or service provision changes. • Extending useful life past optimum can increase the risk of critical failure of major components. • Assets beyond expected useful life can have significantly higher maintenance costs and reduced salvage value. • Inability to mitigate malware/cyber-attacks resulting from deteriorated and non-supported asset. • Financial risks – economic fluctuations, inflation, expenditure type changes (e.g. change in IT industry – shift to operating licenses financed through operating budgets versus historical capital expenditure nature), etc.
Maintenance	• Completing planned maintenance activities while managing the need to execute reactive maintenance activities. • Incorrectly planned maintenance activities can lead to premature asset failure. • Enough resources available to complete a series of unplanned, urgent work requests that are submitted in close succession. • Overscheduling preventative maintenance can lead to excessive maintenance and additional costs with no actual benefits.
Renewal/Rehabilitation	• Incorrect assumptions regarding improved expected useful life after rehabilitation.
Replacement/Construction	• Cost over-runs during large, complex design and construction projects. • Lack of knowledge regarding best practices and market offerings (e.g., new offerings and standards). • Minimizing service and repairs at end of life increases the chance of failures.
Disposal	• Disposal incorrectly performed or cost overruns resulting from increase disposal requirements compared to initial estimates. • Timing for replacements has an operational impact. Delaying or holding inventory requires storage and can adversely affect the function and value of the retiring asset.
Service Improvement	• Service improvement is either not required or incorrectly assessed.
Growth	• Incorrect growth assessments may result in overabundance or underabundance of assets. • Risk of insufficient or excess funding to construct/acquire or maintain new assets. • Potential insufficient knowledge of and supporting policies for new asset types.

3.3.3: Lifecycle Management Scenario Forecasts – Planned Budget, Maintain Current LOS, and Achieve Proposed LOS

General Approach

The type and frequency of lifecycle management strategies and activities impact both an asset's condition and its ability to enable service delivery. Because of this relationship, the AMP presents three different lifecycle management scenarios and their associated funding requirements. To align with the categories of Asset Lifecycle Management Activities outlined above, each scenario is broken down by the operating, renewal (inclusive of replacement, rehabilitation, and disposal), service improvement, and growth funding requirements. Growth activities and funding requirements are constrained to those identified in the 2021 Development Charges Background Study Update. Thus, no growth infrastructure gaps are presented. In summary these scenarios are defined as:

1. **Planned Funding** – This scenario presents the budget constrained to the level of expenditure approved in the 2023 annual budget update.
2. **Maintain Current LOS** – This scenario forecasts the level of investment required to maintain current LOS. The approach to establishing the maintain current LOS budget is to forecast the lifecycle and service improvement activity expenditures required to maintain the current levels of performance (performance as of December 31, 2022), which is inclusive of new legislated requirements.
3. **Achieve Proposed LOS** – This scenario forecasts the level of investment required to achieve proposed LOS. The approach to establishing the achieve proposed LOS budget is to consider the desired LOS documented in LPS's strategic plans (e.g., 2024-2027 LPS Strategic Plan, 2023-2027 City of London Strategic Plan, 2019 LPS Long Term Facility Accommodation Plan, 2023 LPS Facility Master Plan, etc.), and forecast the lifecycle and service

improvement activity expenditures required to achieve proposed levels of performance.

Each scenario is further explained in the following sections. After each scenario is presented, the Forecasted Infrastructure Gap and Financing Strategy section provides an overview of the results along with the short- and long-term financing strategies that will be used to manage the gap and work towards long term service, financial, and infrastructure sustainability.

A. Scenario One: Planned Funding

The LPS average annual activity and planned funding is summarized in Table 3.12. This scenario presents the budget constrained to the current level of planned expenditures. If there is insufficient budget in any particular year to complete a rehabilitation or replacement activity on an asset that has reached its expected useful life age trigger, then the asset remains in a Poor or Very Poor condition state until there is sufficient budget in a future year to complete the lifecycle activity.

For this analysis, average annual activity for operating and capital budgets are presented as the average expenditure budget from the 2021 and 2022 fiscal years. Planned funding operating budget is equal to the 2023 fiscal year budget. Planned funding capital budgets (e.g., renewal, service improvement, and growth) are the annual average of the approved 10-year capital plan for 2023-2032.

Growth activities are analyzed using the 2021 Development Charges Background Study Update. The major ongoing growth project is the expansion of LPS facilities, which stems from the facility needs analysis conducted in 2018. There is one additional growth project related to the significant costs involved in outfitting new officers, noting current costs estimates for non-personal gear and radio is approximately \$6.8 thousand per officer.

Table 3.12 Scenario One – Average Annual Planned Budget (\$Thousands)

Activity Type	Average Annual Activity for 2021 and 2022	Planned Funding
Operating	132,617	137,311
Renewal, Replacement, Rehabilitation, Disposal	4,534	5,699
Service Improvement	300	None Identified
Growth	10,052	6,031

B. Scenario Two: Maintain Current LOS

The cost to maintain current LOS are summarized in Table 3.13. The approach to establishing the cost to maintain current LOS is to forecast the lifecycle activities that are required to maintain the current (fiscal year 2022) performance of the direct LOS condition metric, and to account for changes in legislated service requirements outside the control of LPSB. To achieve this, the analysis first considers the current age of assets along with the expected useful life age triggers for rehabilitation and replacement activities to forecast the funding requirements into the future. The variables in the analysis are adjusted until the forecasted condition profile meets the current condition profile of assets. Next, information regarding known changes to legislated service delivery requirements is collected and used to forecast associated infrastructure needs.

For this analysis, planned funding remains the same as in Scenario One. Also, to enhance the accuracy of the maintain current LOS infrastructure gap calculation, available reserve fund drawdowns, if any, are reported and factored into the calculation.

The maintain current LOS analysis forecasts a 10-year average annual infrastructure gap of approximately \$9.5 million. LPS facility pressures are the primary contributor to the gap. These

needs include a broad mix of rehabilitation and replacement of existing infrastructure systems and service improvements associated with legislated changes.

Rehabilitation and replacement investments are based on VFA Facilities Management software and draft 2024-2027 MYB business case #P-57 – London Police Service Facilities Masterplan and Protective Services Training Campus requirements. Business case requirements reflected in Scenario Two are solely inclusive of 2019 LPS Long Term Facility Accommodation Plan and 2023 LPS Facility Master Plan investments that address facilities lifecycle renewal, noting the service improvement investments of are reflected in Scenario Three costs to achieve proposed LOS.

Facility service improvements in the maintain current LOS needs represent legislated Next Generation 911 (NG911) funding requirements per the draft 2024-2027 MYB business case #P-L8 – Next Generation 911 Centre. The investments in NG911 systems will enhance the capabilities of 911 networks, allowing compatibility with more types of communication, providing greater situational awareness to dispatchers and emergency responders, and establishing a level of resiliency not previously possible³. LPS fully supports adoption of NG911 as it

³ SafeCom – Transition to Next Generation 911 - <https://www.cisa.gov/safecom/transition-next-generation->

911#:~:text=NG911%20systems%20enhance%20the%20capabilities,of%20resiliency%20not%20previously%20possible.

will result in improved community and member safety, operational efficiency, and decision making.

Additional Scenario Two pressures of note include:

- Fleet funding gaps related to replacing existing vehicles based on industry best practices as it relates to expected useful life and offsetting salvage values as well as the rightsizing of vehicle complements LPS service areas based on the need to maintain existing service levels. Rightsizing requirements are based on the draft 2024-2027 MYB business case #P-29 - Police Vehicle and Equipment Requirements.
- Response to Active Attacker Incidents Regulation presents a financial pressure to maintaining legislated policing requirements. Specifically, the regulation establishes requirements for the response to, and management of, incidents involving an active attacker. Among others, this represents equipment needs beyond LPS's current service delivery capacity. These needs are based on draft 2024-2027 MYB business case #P-L9 – *Community Safety and Policing Act, 2019* – Response to Active Attacker Incidents Regulation.

LPS departments have been able to mitigate some of the risks associated with these capital financing pressure through enhanced preventative maintenance and inspection programs as well as other procedures and protocols. However, these non-financial measures have reached the point that they are no longer sustainable for both legislated and non-legislated reasons. Thus, long term financing strategies are needed to ensure the ongoing safety and wellbeing of the public and LPS staff.

Aligned with the City's Climate Emergency Action Plan (CEAP), like-for-like lifecycle rehabilitation and renewal activities tied to maintain current LOS will be substituted with green-for-like whenever feasible. This means that instead of simply replacing existing infrastructure with a similar one (like-for-like), there will be an increased focus on incorporating more energy efficient and greenhouse gas (GHG) emissions friendly infrastructure solutions (green-for-like). Such investments will incrementally support long term LPS climate change mitigation targets, which are currently under consideration and development.

Table 3.13 Scenario Two - Average Annual Cost to Maintain Current LOS (\$Thousands)

Activity Type	Planned Funding	Additional Reserve Fund Drawdown	Cost to Maintain Current LOS	Maintain Current LOS Infrastructure Gap
Operating Budget	137,311	None identified	137,311	None identified
Renewal, Replacement, Rehabilitation, Disposal	5,699	996	16,149 ⁴	9,454
Service Improvement				
Growth Activities	6,031	None identified	6,031	None identified

C. Scenario Three: Achieve Proposed LOS

The cost to achieve proposed LOS are summarized in Table 3.14. This scenario forecasts the enhanced lifecycle and service improvement activities that are required to achieve the proposed LOS. Investing in the proposed LOS provides benefits related to meeting strategic plan objectives, which go beyond the scope of maintain current LOS condition profiles and legislated changes.

The analysis considers the current age of assets along with the expected useful life triggers for rehabilitation, replacement, and service improvements activities associated strategic plans and the alike to forecast the funding requirements into the future. The variables in the analysis are adjusted until the forecasted condition of existing assets and implementation of new assets meets the expectation of the LPS staff involved with the management of the assets. The future lifecycle and service improvement activities that are required to achieve the desired asset profiles (asset condition and composition) are then used to establish the annual level of investment required to achieve the proposed LOS.

The achieve proposed LOS analysis forecasts a 10-year average annual infrastructure gap of approximately \$18.6

million, which is inclusive of the \$9.5 million average annual maintain current LOS gap.

Like the maintain current LOS infrastructure gap, the major component to the achieve proposed LOS gap relates to the draft 2024-2027 MYB business case #P-57 – London Police Service Facilities Masterplan and Protective Services Training Campus. This proposed facilities level of investment addresses enhanced lifecycle renewal, service improvement, and growth needs in building infrastructure, equipment, and systems so that LPS's infrastructure fits the evolving community and police service needs, including accessibility.

⁴ Cost to maintain current LOS includes mix of lifecycle rehabilitation, renewal, and service improvements per VFA Facilities Management software and 2024-2027 MYB business cases 29 and 57 as well as legislated service improvements presented in 2024-2027 MYB business cases 8 and 9.

Through this additional investment the three phases of the 2019 LPS Long Term Facility Accommodation Plan and 2023 Facility Master Plan will be fully implemented, noting the phases are:

- Phase 1 – LPS Service and Renovate Additional Property Space,
- Phase 2 – Protective Services Training Campus (LPS and London Fire Department), and
- Phase 3 – London Police Service Headquarters Expansion.

Next, the achieve proposed LOS gap reflects infrastructure needs associated with capital service improvements in draft 2024-2027 MYB business case #P-28 – Public Safety and Infrastructure Modernization. From a capital perspective these investments allow for the modernization of LPS technology and equipment to ensure London area citizens are safe and service to the community is effective, efficient, and transparent.

Examples of capital service improvements achieved include:

- Body-worn cameras, in-car cameras, and interview room technology, which support service delivery, trust, transparency, and police legitimacy.

- Modernization of technologies associated with digital and video evidence review and management, human resource information systems as well as budget and business analytics applications, which provide for improved operational and management monitoring, reporting and decision making.

The final component of the achieve proposed LOS infrastructure gap is based on LPS Fleet service improvement objectives. These objectives expand LPS vehicle and equipment (inclusive of conducted energy weapons and training simulator) to complement industry standards and evolving needs. They are also aimed at supporting the development and implementation of an electric vehicle (EV) strategy. Such investments will improve community and member safety, ensure effective police response, enhance community trust during high-risk incidents, and contribute towards GHG reduction targets and other CEAP objectives. These needs represent select items contained in the draft 2024-2027 MYB business case #P-29 - Police Vehicle and Equipment Requirements.

Table 3.14 Scenario Three - Average Annual Cost to Achieve Proposed LOS (\$Thousands)

Activity Type	Planned Funding	Additional Reserve Fund Drawdown	Cost to Maintain Current LOS	Incremental Cost to Achieve Proposed LOS ⁵	Achieve Proposed LOS Infrastructure Gap ⁶
Operating Budget	137,311	None identified	137,311	None identified	None identified
Renewal, Replacement, Rehabilitation, Disposal	5,699	996	16,149	9,169	18,624
Service Improvement					
Growth Activities	6,031	None identified	6,031	None identified	None identified

⁵Incremental investment to achieve proposed LOS based on 2024-2027 MYB business cases 28, 29, and 57; noting for cases 29 and 57 AMP assumes 50% relates to achieve proposed LOS requirements.

⁶Infrastructure gap to achieve proposed LOS is inclusive of maintain current LOS infrastructure gap and incremental investment to achieve proposed LOS.

3.4: Forecasted Infrastructure Gaps and Financing Strategy

3.4.1: Forecasted Infrastructure Gaps

The infrastructure gaps are a dollar amount based on the difference between:

- the amount of money that needs to be spent on LPS assets required to provide services, and
- the amount of funding presently identified in budgets and reserve funds over a 10-year period (2023-2032).

In other words, what LPS plans to spend versus what the assets need. Ideally, the infrastructure gaps decline over time as greater investments are made to replace older infrastructure, to improve the condition of infrastructure and to minimize the risks associated with failing assets and insufficient asset compliments.

The LPS identified infrastructure gaps are summarized below in Table 3.15 and illustrated in Figure 3.4. Over the 10-year analysis period, the cumulative maintain current LOS and achieve proposed LOS infrastructure gaps are expected to be \$94.5 million and \$186.2 million, respectively.

The gap to maintain current LOS is 53.9% of LPS’s \$175 million infrastructure replacement value. This significant gap is influenced by many factors outside the control of LPS. Examples of such influences are legislated changes to 911

operations (NG911) and active attacker incidents as well as facility needs driven by, among others, accessibility, safety, and technology needs. For efficiency and cost effectiveness, these pressures have been historically managed through temporary measures aimed at maintaining compliance and operational capacity until a more material investment is required. As demonstrated in the 2019 LPS Master Accommodation Plan, 2023 LPS Facility Masterplan, and 2024-2027 MYB these pressures have now surpassed LPS’s ability to manage through temporary measures and immediate and material investment is required.

The incremental gap to achieve proposed LOS is 52.2% of LPS’s infrastructure replacement value (combined gaps represent 106.1% of replacement value). This amount represents facility, IT, fleet, and other police equipment investments aimed at improving community and member safety and wellbeing, ensuring effective police response, enhancing community trust, contributing towards energy efficiency and GHG reduction, and overall technology modernization.

Both gaps were brought forward for funding as part of the 2024-2027 MYB. Thus, future updates to this AMP will present significantly reduced infrastructure gaps.

Table 3.15 Average Annual Budget and Gap Analysis (\$Thousands)

Asset Type	Planned Funding	Reserve Fund Availability	Investment to Maintain Current LOS	Incremental Investment to Achieve Proposed LOS	Infrastructure Gap to Maintain Current LOS	Infrastructure Gap to Achieve Proposed LOS
London Police Service	5,699	996	16,149	9,169	9,454	18,624

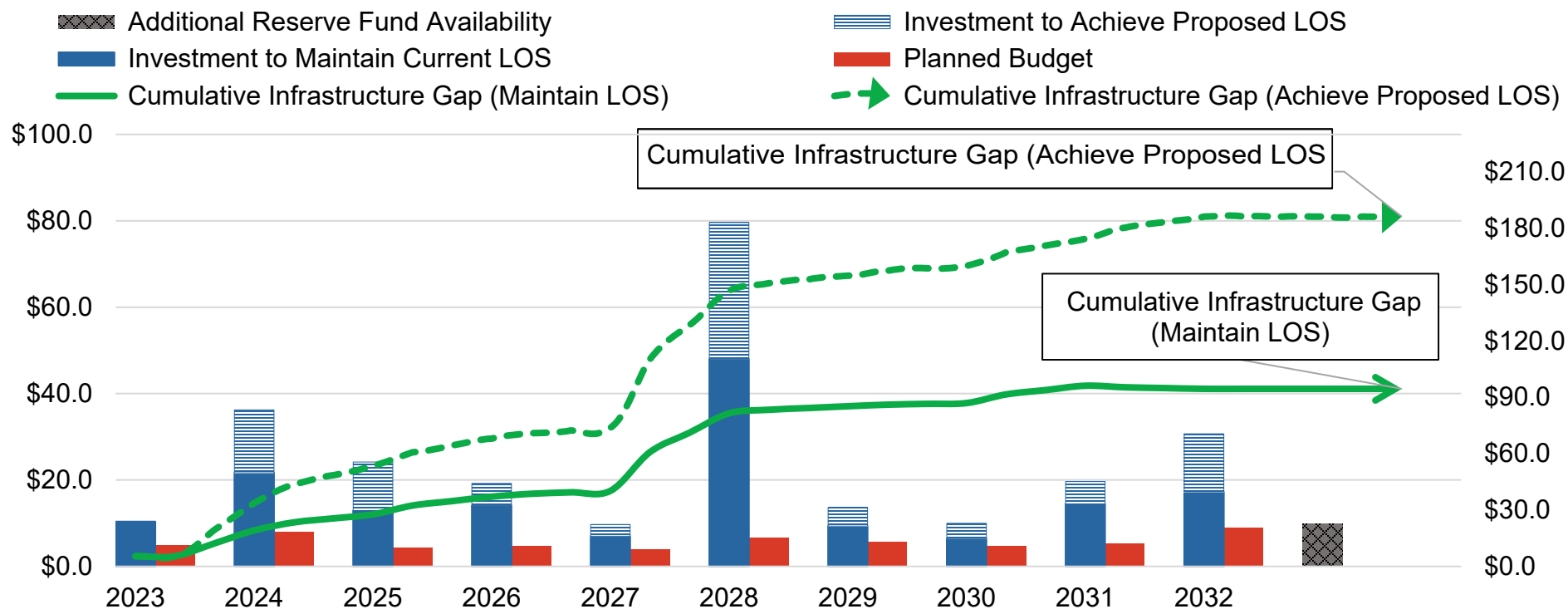


Figure 3.4 Maintain Current and Achieve Proposed LOS Cumulative Infrastructure Gap (Millions)

3.4.2: Infrastructure Gap Financing Strategy

At present, Canada lacks a defined standard or guidance for assessing the acceptability of municipal infrastructure gaps. Nevertheless, the fundamental objective of asset management is that LPS actions are collectively (both financial and non-financial) anticipated to tackle the growth in projected infrastructure gaps.

Typically, the infrastructure gap financing strategies supports this objective by setting out the approach to ensuring that appropriate funds are available to support the delivery of infrastructure dependent services. This is done by completing

the AMP well in advance of the multi-year budgeting process so that its results help inform the requested operating and capital budgets. However, due to lagging impacts of the pandemic, the AMPs for all the City's agencies, boards, and commissions were delayed post 2024-2027 MYB development. As such this infrastructure gap financing strategy does not present alternative financing options. In replacement of alternative financing strategies, in 2025, this AMP will be updated and reported to LPSB and Council based on the approved 2024-2027 MYB and 2025 annual budget update.

3.5: Discussion

3.5.1: Lifecycle Management Scenarios

The lifecycle management section included three scenarios – planned budget, maintain current LOS, and achieve proposed LOS.

Scenario One planned budget is identified to have constraints on LPS's capacity to effectively maintain infrastructure. This leads to a deterioration in asset condition. This decline might not be immediate but, over time, it becomes more visible to the public and causing operating problems, increasing the operating and maintenance costs, and potentially leading to higher repair or replacement costs in the future.

Scenario Two maintain current LOS funding is greater than what is currently allocated, illustrating the financial strain of maintaining a healthy asset portfolio and police services. This scenario acknowledges the need for continual investment in assets to maintain their current state, eliminating the degradation seen in the first scenario. It prevents further decline and enhances the condition of the assets as well as ensures legislated requirements are met.

Scenario Three achieve proposed LOS represents service improvements inline with strategic plans, evolving industry standards and community needs, plus energy efficiencies and GHG reductions consistent with City CEAP initiatives. This level of funding is greater than both the planned budget and the one needed to maintain current LOS. The advantages of this approach are improved public and staff safety and wellbeing, transparency and community trust in police services, enhancement of asset conditions, climate change mitigation, and potential long term cost savings.

These three scenarios result in different LOS depending on the funding provided for asset lifecycle renewal and service improvement actions. Thus, the choices made will have an implication for public and staff safety and wellbeing, community trust, police legitimacy, asset conditions, operational effectiveness, and climate change (green infrastructure implementation).

3.5.2: Current and Future Challenges

General

Both now and into the future, LPS faces a dynamic collection of opportunities and challenges that impact service delivery and infrastructure. For example, some of these conditions and trends include:

- Political/Legal (e.g., public policy/legislation, oversight, partnerships)
- Economic (e.g., budget pressures/inflation, unemployment)
- Social (e.g., population demographics, police legitimacy, diversity)
- Technology (e.g., innovation, automation, digital strategy, cyber crime)
- Environmental (e.g., sustainability, climate change, urban versus rural development)
- Organizational (e.g., engagement and partnerships, recruitment, and retention)

To help navigate these factors the LPS 2024-2027 Strategic Plan provides a framework for the development of proactive, leading-edge strategies designed to ensure the changing needs of our community, and our members, are supported through meaningful engagement and collaboration, investment in our people and infrastructure, and effective and efficient service delivery.

The following commentary summarizes the main current and future challenges impacting infrastructure needs and costs.

Inflation

As Canada's economy has emerged from the pandemic, inflationary pressures beyond those accounted for within the 2020-2023 MYB and associated 10-year capital plans started developing in 2021 and continued throughout 2022 and into 2023 due to COVID-19 induced supply chain disruptions and supply-demand imbalances. As of 2023, these higher input costs have been incorporated into the 2024 LPS AMP and are a material component of the infrastructure replacement values and 10-year infrastructure gaps reported. These capital financing pressures represent a significant risk to the condition and LOS associated with police infrastructure assets.

Technology

Changes in technology continue to influence how crime is perpetrated, investigated, and criminally prosecuted. From a public safety perspective, the use of technology in all forms of crime has created significant challenges for law enforcement. On the other hand, technology advancements have also gone a long way in helping police to detect, detain, and prosecute crime. These increasingly complex characteristics of crime and policing highlight opportunities and challenges associated with staff recruitment and training, technology infrastructure needs, organizational and public safety, and personal privacy and ethics.

Climate Change

In 2019, London City Council declared a climate emergency at the urgency of the community. As it relates to LPS's impact on climate, there are current and future challenges that must be contended with. It is important to address these challenges thoroughly and promptly if we are to leave a positive legacy for future generations. This AMP incorporates preliminary facilities

and fleet energy efficiency and GHG reduction investments (i.e., green for like lifecycle renewal and green service improvement costs) consistent with those presented in the 2024-2027 MYB.

Aging Infrastructure

Like most Canadian municipalities, City of London and LPS own and maintain aging infrastructure. In the case of LPS, this is most materially representative in the headquarters facility which is approximately 48-years old. Facilities at this age often need substantial capital investments to maintain their condition and operational functionality. For example, this could include replacing many building elements such as the roof, and repairing and updating mechanical, electrical, and plumbing systems. Additionally, facilities at this age contain outdated designs and features that are not barrier-free or able to meet modern service delivery needs.

Growth

London is experiencing steady to above average population and employment growth. This growth triggers a surge of service and asset capacity needs, resulting in a proportional boom in new and/or enhanced infrastructure construction and acquisition. As the asset portfolio increases due to growth, ongoing renewal of these new assets require more resources. To accommodate the tax-supported financing pressures Council approved the Assessment Growth Policy to ensure new property tax dollars attributable to growth are used to fund the long-term operating and capital financing needs of applicable City services and assets.

Additionally, this growth may correspond to increased demand on existing assets, such as increasing 'wear and tear' due to volume. As a result, maintaining existing infrastructure capacity and quality, especially with climate change impacts as well, poses continuous challenges as intensification occurs and as additional urban and rural development continues.

3.6: Conclusion

Valued at over \$175 million, the LPS assets are overall in Fair condition, indicating that historically there has been sufficient investment in sustaining these assets to maintain the current LOS. However, to maintain current LOS and achieve proposed LOS additional investments are required, with preliminary calculations at approximately \$94.5 million and incremental \$91.7 million, respectively, over 10-years (2023-2032). It is also

noted that if supply chain issues and rising costs continue, the timely rehabilitation, replacement, and acquisition of LPS assets will be in jeopardy and could result in degradation of the services ultimately delivered. Table 3.16 presents the summary of the State of Local Infrastructure, Infrastructure Gap, and Reinvestment Rates for LPS assets.

Table 3.16 Summary of the State of Local Infrastructure, Infrastructure Gap, and Reinvestment Rates (Millions)

Asset Type	Replacement Value	Current Condition	Infrastructure Gap Maintain Current LOS ⁷	Infrastructure Gap Achieve Proposed LOS	Current Annual Reinvestment Rate	Recommended Annual Reinvestment Rate ⁸
London Police Service	\$175.5	Fair	\$94.5	\$186.2	3.4%	9.6% to 15.1%

⁷ This projected infrastructure gap is reduced by the forecasted reserve fund drawdown availability over the next decade.
⁸ Source: Reinvestment rates based on investment to maintain current LOS and achieve proposed LOS (net of select assets funded from operating budget).

Reliability and Accuracy Commentary

To facilitate interpretation of the AMP results Figure 3.5 visually presents LPS and CAM staff assessment of AMP data reliability and accuracy with supporting commentary following. This assessment rates data reliability as moderate and data accuracy as moderate to low.



Figure 3.5 Accuracy Reliability Scale

Based on the materiality of assets, key rating considerations and conclusions are:

- Facilities valuation and needs is based on VFA information and corroborated with Altus standard costing. However, full implementation of VFA Facilities Management software within Facilities division operations is undergoing a phased approach, which was not complete at the point of AMP completion.
- IT, Other Police Equipment, and Furniture and Tools asset inventories are an amalgamation of data sources. Majority of valuation, condition, and investment actuals and forecasts are primarily based on expert opinion. Further processes, systems, and controls are required to improve these data sets.

These ratings are consistent with many City of London service areas. To improve these ratings, a review of systems and processes that support LPS asset registries is recommended over the 2024-2027 MYB and beyond. Such investments will

raise the reliability and accuracy of the data, noting the long-term goal is to have all asset registries within advanced asset management focused software applications.



Section 4. Conclusion and Recommendations

4.1: Conclusions

4.1.1: Key Findings

LPS infrastructure systems are an integral piece of police services and play a key role in achieving LPS 2024-2027 Strategic Plan objectives and goals.

This AMP is a strategic document that describes the state of LPS's infrastructure and the approach to managing assets over their lifecycle to maintain current LOS and achieve approved LOS at the lowest lifecycle cost possible. It was produced through extensive efforts of LPS and City CAM staff leveraging the City's CAM Policy and Program as well as knowledge gained from the City's 2014, 2019, 2023 AMPs. Over time, each successive AMP will play a larger role in informing infrastructure and service decision-making.

The key findings of the AMP are:

- There is \$175.5 million worth of infrastructure under the direct ownership and control of LPS. This infrastructure represents a diverse array of assets including facilities, IT equipment, vehicles, and other specialized policing equipment.
- The overall condition of LPS assets is rated as Fair.
- Fair condition indicates that the infrastructure shows general signs of deterioration and requires attention, some elements exhibit significant deficiencies.
- Based on the existing LPS planned funding, the annual average of the 10-year maintain current LOS infrastructure gap is approximately \$9.5 million and the annual average of the 10-year achieve proposed LOS infrastructure gap is approximately \$18.6 million.
- Through the 2024-2027 MYB a significant portion of this gap has been approved for funding by the LPSB and at the

time of writing this AMP, the budget is currently being deliberated by City of London Council.

- Future AMPs will be brought forward to align with the development of MYBs and will present financing strategies to mitigate remaining infrastructure gaps annual growth while balancing the impact of taxation affordability on the community.

4.1.2: Ontario Regulations 588/17 Compliance

O. Reg 588/17 has a phased approach with two timelines of July 1, 2024, and July 1, 2025, that are applicable to the City's agencies, boards, and commissions (ABCs). The July 1, 2024 timeline is where all City infrastructure assets, including those of ABCs, will have an AMP documenting maintain current LOS and financial strategies to fund these expenditures. The final deadline of July 1, 2025, builds on the July 1, 2024 deadline with the additional requirement to document achieve proposed LOS and financial strategies to fund these expenditures for all types of municipal infrastructure assets.

This AMP is compliant with the July 1, 2024, and July 1, 2025 O.Reg. 588/17 requirements. A detailed reconciliation of this AMP's compliance with the O. Reg. 588/17 requirements is contained in Appendix A. O.Reg.588/17 Asset Management Plan Requirements.

4.2: Recommendations

The City's CAM Program is founded on the principle of continuous improvement with the object of increasing line-of-sight quality of data/information and the tools and techniques that are used to inform services and asset management decision-making. This increased quality will lead to greater confidence in the analysis documented and decisions formed through the AMP.

Based on these objectives, Table 4.1 recommendations will ensure that this process and AMP continues to help LPS manage its \$175.5 million asset portfolio to provide affordable and sustainable service delivery and keep compliant with the regulatory requirements. These recommendations are structured to address short- and long-term objectives and are categorized according to distinct asset management knowledge areas, considering the current state, future needs, and overall

LPS strategic objectives and goals. Short term objectives are those that are recommended for completion over the 2024-2027 MYB period. Long term objectives are those that are recommended for completion beyond the 2024-2027 MYB period. Each of these recommendations will be completed with leading support from the City's CAM staff per the approved asset management service level agreement, and within existing staff, other resources, and budgets.

Table 4.1 2024 LPS AMP Recommendations

Category	Improvement Initiative details	Key Benefits	Time Period
Asset Inventory/Knowledge	Enhance data attributes and data accuracy of existing asset registries (asset inventory databases).	Provides a sound basis for decision making on the asset base and enables more efficient reporting.	Short Term
	By asset type, develop a standardized methodology for determining asset conditions.	Enables consistency of asset management practices across LPS assets and improves decision-making.	Long Term
Level of Service	Develop more asset related LOS metrics and their performance targets.	- Ensuring the consistent delivery of services at expected standards, thereby aligning operational performance with customer expectations and strategic objectives. - Lifecycle cost saving, better focused investment planning and more informed decision-making.	Long Term
Lifecycle Management and Decision Making	Develop and implement investment strategies for LPS infrastructure based on asset registries and strategic plans.	Enables a clear understanding of the investment priorities for each asset type and investment period.	Short Term
	Incorporate and align the AMP into LPS strategic planning exercises to better reflect asset and service delivery capability.	Strategic plans developed on a sound basis reflecting the actual capability of the asset base and required capital investments to achieve desired LOS.	Long Term
	Develop and implement a Maintenance Management Strategy incorporating enhanced maintenance practices.	Lifecycle cost savings, and productivity and LOS improvements.	Long Term

Category	Improvement Initiative details	Key Benefits	Time Period
Risk Management	Enhance LPS asset risk framework in line with the City's CAM Risk Management Strategy.	• Better targeted asset interventions. • Increased ability to sustain service levels.	Long Term
Financial Management	Improve infrastructure funding through appropriate alignment of operating and capital budgets.	• Clarity in financial planning and reporting. • Enhanced investment strategies.	Short Term
	Explore opportunities to address the infrastructure gap through various financing strategies.	• Achieve service and financial sustainability.	Long Term
Systems and Technology	Leveraging either City or LPS software solutions, implement centralized asset registry technology.	• Implementation will streamline asset management, enhancing operational efficiency, decision-making accuracy, and compliance.	Long Term
People and Staff	Enhance asset management governance within each LPS service area.	• Enhances oversight of asset interventions and reporting.	Long Term
	Add asset management duties in relevant positions job description.	• Proactive identification of staff, skills, and qualifications. • Improved asset management.	Long Term
Monitoring and Reporting	Develop a comprehensive AMP every 4-years aligned with the City's multi-year budget process.	• Informed budget decision-making. • Regulatory compliance.	Short Term
	Annually assess the progress of this AMP. The annual progress review will address implementation of the recommendations and any factors impeding completion progress.	• Regulatory compliance.	Short Term
	With the support of City CAM staff, when possible incorporate infrastructure related data and public feedback opportunities in existing LPS public engagement practices.	• Enhanced adaptability to changing operational environments and stakeholder needs. • Improved customer satisfaction and engagement. • Increased efficiency and effectiveness in asset management operations.	Short Term



Appendix A. O.Reg.588/17 Asset Management Plan Requirements

A1. O.Reg.588/17 Asset Management Plan Compliance Reconciliation

Table A1.1 O.Reg.588/17 July 1, 2024 Requirements

O.Reg.588/17 Section	Requirement	Mapping to AMP
0	Summary of assets in each category	Sections - #3.1.1
5.(2) 3.	Replacement cost of assets in each category	Sections - #3.1.1
5.(2) 3.	Average age of assets in each category	Sections - #3.1.2
5.(2) 3.	Condition of assets in each category	Sections - #3.1.3
5.(2) 3.	Description of municipality's approach to assessing condition of assets in each category	Sections - #3.1.3
5.(2) 1.	Current levels of service	Sections - #3.2.1 and #3.2.2
5.(2) 2.	Current performance measures of assets in each category based on established metrics	Sections - #3.2.1 and #3.2.2
5.(2) 4.	Lifecycle activities needed to maintain current levels of service for 10 years	Sections - #3.3.2
5.(2) 4.	Costs of providing lifecycle activities needed to maintain current LOS, based on assessment of lifecycle, options, risks, lower cost	Sections - #3.3.3
5.(2) 4.	Link or description of assessment of current LOS lifecycle, options, risks, lower cost	Sections - #3.3.2
5.(2) 5.	For population <25K, description of population or economic forecast assumptions, and how these connect to lifecycle cost projections for current LOS	Not Applicable
5.(2) 6.i.	For population 25K or more, population and employment forecasts	Not Applicable
5.(2) 6.ii.	For population 25K or more, lower tier in Greater Golden Horseshoe (GGH), Sched 7 or portion of upper tier growth plan forecast, or assumptions	Not Applicable
5.(2) 6.iii.	For population 25K or more, upper/single tier outside GGH, population and employment forecasts, or assumptions	See City of London 2023 CAM Plan ⁹
5.(2) 6.iv.	For population 25K or more, lower tier outside GGH, portion of upper tier growth plan forecast	Not Applicable
5.(2) 6.vi.	For population 25K or more, capital and significant operating costs for each of 10 years, to maintain LOS to accommodate increase in demand cause by growth	Sections - #3.3.3
7.(1)	Date of review and update of AMP - within 5 years	Include once finalized
8.	Endorsement of AMP by executive lead	Include once finalized
8.	Approval of AMP by municipal Council resolution	Include once finalized
9.(1)	Date of municipal Council review of AM progress - before July 1 every year	Include once finalized
9.(2)	Annual municipal Council review includes progress, factors impeding implementation, strategy to address factors	Include once finalized
10	Website availability of policy and AMP, copy provided if requested	Include once finalized

⁹ <https://london.ca/sites/default/files/2023-10/Corporate%20Asset%20Management%20Plan%202023.pdf>

Table A1.2 O.Reg.588/17 July 1, 2025 Requirements

O.Reg.588/17 Section	Requirement	Mapping to AMP
6.(1) 1.	Proposed levels of service for each of 10 years	Sections - #3.2.1
6.(1) 2.	Explanation of why proposed LOS are appropriate, based on options, delta, achievability, affordability	Sections - #3.3
6.(1) 2.	Link or description of assessment of proposed LOS options, delta, achievability, affordability	Sections - #3.3
6.(1) 3.	Proposed performance measures of assets based on metrics established by the municipality (e.g. measures for energy usage, operating efficiency, etc.)	Sections - #3.2
6.(1) 4.	Lifecycle management strategy: Identification of lifecycle activities needed to provide proposed levels of service for a 10-year period, based on assessment of full lifecycle, options, risks, lowest cost	Sections - #3.3.3
6.(1) 4. i.	Link or description of assessment of proposed LOS lifecycle, options, risks, lower cost	Sections - #3.3.3
6.(1) 4. ii.	An estimate of annual costs for undertaking identified lifecycle activities over a 10-year period.	Sections - #3.3.3
6.(1) 4. iii.	Projections for annual funding to be available to undertake identified lifecycle activities over a 10-year period	Sections - #3.3.3
6.(1) 4. iii.	Explanation of the options examined to maximize the funding projected to be available	Sections - #3.3.3 and #3.4.1
6.(1) 4. iv.	Identification of funding shortfalls for lifecycle activities over a 10-year period	Sections - #3.4.1
6.(1) 4. iv.	Identification of lifecycle activities that will be undertaken if there is a shortfall	Sections - #3.3.3
6.(1) 4. iv.	Explanation of how risks associated with not undertaking any of the lifecycle activities will be managed.	Sections - #3.3.3
6.(1) 5.	For population <25K, description of population or economic forecast assumptions, and how these connect to lifecycle cost projections for proposed LOS	Not Applicable
6.(1) 6.	For population 25K or more, capital and significant operating costs for each of 10 years, to achieve proposed LOS to accommodate increase in demand caused by growth	Sections - #3.3.3
6.(1) 6. ii.	For population 25K or more, funding projected to be available, by source, due to growth	Sections - #3.3.3
6.(1) 6. iii.	For population 25K or more, overview of the risks associated with implementation of the AMP	Sections - #3.5
6.(1) 7.	Explanation of other key assumptions	Sections - #2.4

Glossary

Definitions

Achieve Proposed Levels of Service: is defined as the strategic initiatives undertaken by an organization to modify its service levels represented in a new proposed standard of service provision. This could involve modifying the condition, scope, or accessibility of the services beyond their current levels, based on strategic goals (e.g., Regulation Requirements, Master Plans or Strategic Plan Targets). The achievement of these proposed service levels may require changes in frequency and/or scope of asset lifecycle activities.

Asset: Non-financial assets having physical substance that are acquired, constructed, or developed and:

- are held for use in the production or supply of goods and services for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible assets;
- have useful economic lives extending beyond an accounting period of one year;
- are to be used on a continuing basis; and
- are not for resale in the ordinary course of operations.

For the LPS, capital assets have the following characteristics:

- Beneficial ownership and control clearly rests with LPS, and
- The asset is utilized to achieve LPS plans, objectives, and services with the intention of being used on a continuous basis and is not intended for sale in the ordinary course of business.

Asset Management: is an integrated approach, involving all organization departments, to effectively manage existing and new assets to deliver services to customers. The intent is to

maximize benefits, reduce risks and provide satisfactory levels of service to the community in a sustainable manner.

AMP: The LPS Asset Management Plan which combines multi-disciplinary management techniques (technical and financial) over the life-cycle of infrastructure assets to provide a specific level of service in the most cost effective manner and manage risks associated with municipal infrastructure assets. This typically includes plans to invest, design, construct, acquire, operate, maintain, renew, replace, and decommission assets.

CAM Program: A set of interrelated or interacting components of the City and its agencies, boards, and commissions that establishes asset management policies and objectives and the processes needed to achieve those objectives. An asset management program also includes the organization structure, roles, responsibilities, business processes, plans, and operations of asset management practices.

Capitalization Threshold: The threshold represents the minimum cost an individual asset must have before it is to be recorded as a capital asset on the statement of financial position.

City: The Corporation of the City of London.

Consequence of Failure: A measure of the direct and indirect impacts on the city in the event of an asset failure.

Core Municipal Infrastructure Asset: Defined by O.Reg 588/17, any municipal infrastructure asset that is a, Water asset that relates to the collection, production, treatment, storage, supply or distribution of drinking water; Wastewater asset that relates to the collection, transmission, treatment or disposal of

wastewater, including any wastewater asset that from time to time manages stormwater; Stormwater management asset that relates to the collection, transmission, treatment, retention, infiltration, control or disposal of stormwater; Road; or Bridge or culvert.

Critical Asset: An asset for which the financial, business, or service level consequences of failure are sufficiently severe to justify proactive inspection, rehabilitation, or replacement, and is considered a municipal infrastructure asset.

Customer: Any person or entity who from the municipal infrastructure asset or service, is affected by it or has an interest in it either now or in the future.

Direct Levels of Service: Levels of service that are most representative of a municipal service and can be costed over a 10-year projected period.

Green Infrastructure Asset: Defined by O.Reg. 588/17, means an infrastructure asset consisting of natural or human-made elements that provide ecological and hydrological functions and processes and includes natural heritage features and systems, parklands, stormwater management systems, street trees, urban forests, natural channels, permeable surfaces and green roofs.

Infrastructure Asset: All or part of physical structures and associated facilities that form the foundation of development, and by or through which a public service is provided to the city, such as highways, bridges, bicycle paths, drinking water systems, social housing, hospitals, courthouses, and schools, as well as any other thing by or through which a public service is provided to the city.

Maintain Current Levels of Service: is defined as the persistent efforts of an organization to manage its assets

through comprehensive lifecycle activities and effectively allocating necessary financial resources with the aim of consistently delivering its services at the current established service levels.

Metrics: Information that supplements levels of service (whether direct, related, or required under Ontario Regulation 588/17). Considered useful but a lagging indicator, meaning they do not readily provide strategic insight or can be easily costed to a municipal service.

Municipal Infrastructure Asset: An infrastructure asset (core and non-core municipal infrastructure assets), including a green infrastructure asset, directly owned by a municipality or included on the consolidated financial statements of a municipality, but does not include an infrastructure asset that is managed by a joint municipal water board.

Public: Residential, commercial, industrial, and institutional partners, and any other party that rely on municipal infrastructure assets.

Related Levels of Service: Levels of service that have a causal relationship with direct levels of service but cannot be easily costed over 10-year projected period.

Replacement Value: The cost LPS would incur to completely replace a municipal infrastructure asset, at a selected point in time, at which a similar level of service would be provided. This definition can also be referred to as 'Replacement Cost'.

Tangible Capital Assets (TCA): A legislative reporting requirement specified by Section PS 3150 in the Public Sector Accounting Board Handbook to identify asset inventories, additions, disposals, and amortization on an annual basis.

Acronyms

ABC: Agencies, Boards, and Commissions

AMP: Asset Management Plan

AODA: Accessibility for Ontarians with Disabilities Act

CAM: Corporate Asset Management

CAM Plan: Corporate Asset Management Plan

CEAP: Climate Emergency Action Plan

DC: Development Charges

FCI: Facilities Condition Index

GHG: Green House Gases

IT: Information Technology

kWH/sf: Kilowatt hours per square foot

LCR: Lifecycle Renewal

LPS: London Police Service

LPSB: London Police Services Board

LOS: Levels of Service

MESL: Maintain Existing Service Levels

m3/sf: Cubic Meters per Square Foot

MYB: Multi-Year Budget

O. Reg.: Ontario Regulation

RF: Reserve Fund

RV: Replacement Value

TCA: Tangible Capital Asset

VFA: Facilities Management Software

For more information visit **london.ca/CAM** or contact
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