

EVALUATION OF THE SHORE-BASED ASSET READINESS PROGRAM

ABOUT THE EVALUATION

The evaluation was conducted between April and December 2019 and examined the performance and efficiency of the program over the period 2014-15 to 2018-19, including the ability of the program to maintain non-fleet assets and processes in place to ensure the application of a life cycle management approach. Evidence was gathered through interviews, document review, data analysis, case studies, and observation.

ABOUT THE PROGRAM

The Shore-based Asset Readiness (SBAR) Program is responsible for the life-cycle management of non-fleet assets and for ensuring that these assets are available, capable and reliable to support the delivery of Canadian Coast Guard (CCG) programs, including the Aids to Navigation (AtoN) and the Marine Communication and Traffic Services (MCTS) Programs.

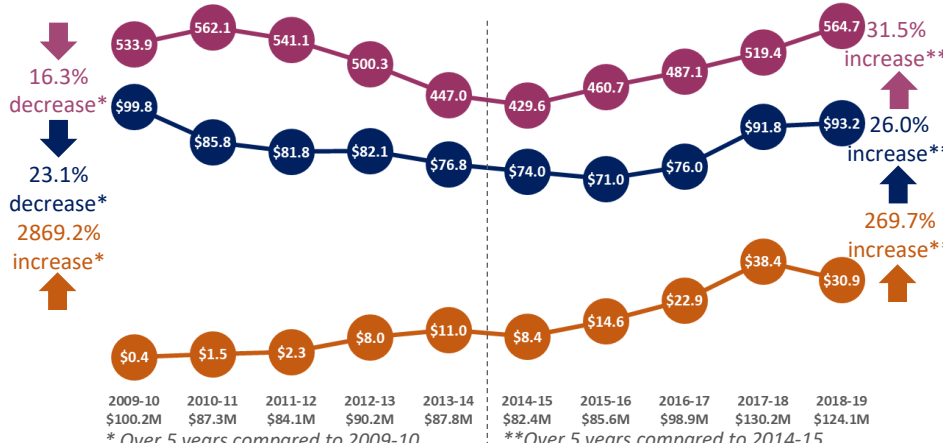
KEY FINDINGS

INVESTMENTS IN THE SHORE-BASED ASSET READINESS PROGRAM

After having little investment over at least a 5-year period, the SBAR program had limited capacity to apply a life cycle management approach for the management of assets. In addition, the condition of assets was deteriorating, resulting in an increased risk of critical asset outages.

Large investments were made in the SBAR program beginning in 2015-16, which saw an increase in both human resources and operations and maintenance.

SBAR Actual Expenditures, Special Project Expenditures (Millions) and Full-time Equivalents (FTEs) (2009-10 to 2018-19)



Investments in the program created challenges, as special projects were not part of the planning process, were unexpected and included short timelines. This put pressure on the program to deliver on significant short-term projects while keeping up regular program business.

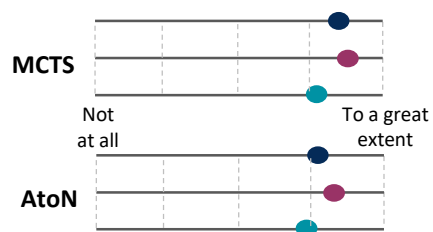
IMPACTS OF INVESTMENTS

The large investments in the SBAR program resulted in critical improvements and upgrades, the modernization of assets, and increases in staffing—all of which could not previously be addressed within the funding envelope for the program.

- Infrastructure Improvements**
 - Federal Infrastructure Initiative
 - Oceans Protection Plan - Radar
 - World-Class Tanker Safety System
- Equipment Modernization**
 - Communication Control System
 - Oceans Protection Plan - Operational Network
 - Four-Season Buoy Project
- Human Resources**
 - Comprehensive Review
- Gap Analyses and Studies**
 - World-Class Tanker Safety System

CONDITION OF ASSETS

Program representatives reported that the investments in the SBAR program have resulted in significant improvements to the condition of assets and that overall they are **available**, **capable** and **reliable**.



Limitations with respect to asset condition data and asset outage data make it difficult to use the data to accurately measure the condition of the assets.

KEY FINDINGS

CHALLENGES MAINTAINING ASSETS

While the investments in the SBAR program have improved the condition of assets, there are ongoing challenges in ensuring that assets are available, capable and reliable.

OPERATIONAL CHALLENGES

- Reliance on CCG vessels and helicopters to service SBAR assets.
- Increased workload due to special projects.
- Space shortages for employee offices and equipment storage.
- Some assets are still in poor condition or at end of life.

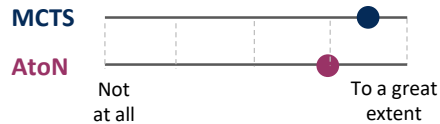
EXTERNAL CHALLENGES

- Geography and weather.
- Reliance on third-party telecommunications providers.

TARGETS FOR SERVICE AVAILABILITY

Service level agreements between ITS and its clients are either not in place or out of date. Despite this, clients indicated that ITS provides high quality services and meets expectations for the provision of service. In addition, ITS staff are highly skilled and knowledgeable and have identified and implemented innovative solutions to ensure the ongoing performance of assets and to find cost savings.

MCTS clients rated the extent to which expectations are met for service slightly higher than **AtoN** clients.



LIFE CYCLE MANAGEMENT APPROACH

The national asset management system in place to manage the assets (Maximo) is not being used as intended, which is affecting:

- the availability and reliability of data in Maximo required to effectively manage asset inventory;
- the ability to plan for asset purchasing; and
- the CCG's ability to transition to an accrual-based budget framework.

PROCUREMENT

Procurement of shore-based assets has been identified as one of the biggest challenges for the program.

A new DFO Procurement Team for CCG Goods and Construction was announced in October 2019 and is intended to provide multi-year procurement planning, prioritization and monitoring. However, the team currently has limited capacity to support a more strategic approach to contracting.

RECOMMENDATIONS

1. ASSET PERFORMANCE DATA: The CCG should put in place standard methodologies to collect data on asset conditions and service availability to support ongoing measurement of asset performance; and establish roles and responsibilities for collecting the data.

2. TARGETS FOR SERVICE AVAILABILITY: The CCG should clarify the expected targets for service availability for SBAR assets, including the approach for prioritizing maintenance; and establish a consistent method for reporting on performance against those targets at a national level.

3. MAXIMO DATA: The CCG should identify and implement ways to improve the availability and reliability of asset inventory data in Maximo to support the life cycle management of SBAR assets.

4. PROCUREMENT PROCESS: The Chief Financial Officer sector and the CCG should collaborate to review and identify where improvements could be made to the current procurement processes, tools, and support that are available for the in-service maintenance of assets.