

CORPORATE ASSET MANAGEMENT - PROGRESS

Abstract

This report advises on the progress achieved in introducing Corporate Asset Management planning.

RECOMMENDATION

The Resources and Central Services Committee is recommended to note the contents of this report.

1 INTRODUCTION

At its meeting on 27 November 2001 the Personnel and Property Services Committee approved Report No 1365/01 CORPORATE ASSET MANAGEMENT detailing the Action Plan for establishing Corporate Asset Management for Angus Council.

This report details the progress achieved and future developments.

2 BACKGROUND

2.1 Preparation

A clear understanding of the information, which is to be gathered and used to assess the performance of buildings and their overall suitability, is an essential precursor to commencing the gathering of key data. This ensures that an efficient and effective process is established which fully meets the needs of all participants in the asset management planning process and is capable of being maintained and updated over time. It was concluded that the development of model asset management report would be an essential aid and an investigation of existing models and the views of other authorities was undertaken.

In November 2001, local authorities in England and Wales were already required, by central Government, to produce Asset Management Plans (AMPs) as an integral element of their capital budget bidding and setting process. It was anticipated that similar practices would become adopted in Scotland and that the AMP models used in England and Wales might be transferable to Scotland when considered in conjunction with guidance from the Audit Commission and the Chartered Institute for Public Finance and Accountancy (CIPFA). It was identified that there was no consistency of approach in England resulting in wide variations in quality and content, but Wales had adopted a standardised model successfully.

In 1997 local Education Authorities in Scotland were already required by the Scottish Executive to prepare School Estate Management Plans, to underpin the use of additional funding being made available, over a number of years, to improve the school estate. Following further Scottish Executive guidance issued in 2003, these became School Estate Management Plans (SEMPs),

In Angus the Directors of Education and Property Services concluded that this requirement could be best achieved through the appointment of a permanent Property Adviser, seconded from the Property Services department. The role of the Property Adviser is to develop an appropriate data gathering and reporting system and then populate it with information from the Education and Property Services departments. It was recognised that the AMP model adopted by the Council would benefit from the best practice gained by this development work.

Following detailed examination of the models available it was determined that the guidelines prepared by the Consortium of Local Authorities in Wales (CLAW) for all the Welsh authorities would be the best model for Angus to adopt. Discussions by the Scottish Branch of the Association of Chief Estates Surveyors and Property Managers in Local Government (ACES), where all Scottish local authorities are represented, lead to the setting-up of an AMP Working Party which agreed to recommend the CLAW model for all Scottish authorities.

Having established the appropriate AMP model, a temporary Estates Technician was engaged to undertake the detailed auditing of non-housing properties and the gathering and validation of associated data.

A phased programme of work was established with Phase 1, Operational Properties, being undertaken immediately and Non-Operational properties e.g. Economic Development properties, parks, cemeteries, country parks/parks etc being deferred to later phases. Most other Scottish local authorities have adopted this practice.

2.2 Progress

Angus Council submitted its first School Estate Management Plan to the Scottish Executive and received useful feedback, which enables the improvement of the submission.

The recent specific guidance issued by the Scottish Executive, developed with the assistance of the Federation of Property Societies (FPS) where the Director of Property Services represents the Association of Chief Architects in Scotland (ACASLA), has been very well received and provided a useful guide to promote uniformity of report structure and content. This guidance has been evaluated and appropriate elements incorporated in the AMPs.

112 of the 135 Operational properties been surveyed, data validated and entered into the supporting database system. A further 18 properties have been surveyed and data is to be validated and entered shortly. Other relevant property information has been gathered from existing Property Services, Client and Finance department systems.

A programme of updating key property record drawings is underway. Out-of-date records are being replaced with accurate versions, which will be subject to regular updating as changes occur. This ensures that all parties are able to assess the suitability of non-housing properties on the basis of accurate and reliable information. This information will also be available, in due course, through the corporate GIS to support other related uses.

Draft AMP reports have been produced and their content and style being fine-tuned as a precursor to being issued to client departments for consultation.

This progress compares well with that made by the other Scottish local authorities and places Angus in the leading group of those who have adopted the same approach albeit with different resource arrangements.

Experience with the existing Property Services data gathering and management systems

currently employed has identified opportunities for integrating a number of independent systems. Action is underway to establish one system, which will co-ordinate financial, energy, property estate and property development information, which will improve the gathering, and analysis of property related data, establish a fully integrated reporting system, and improve data updating and sharing to the extent that information will be able to be shared through the GIS.

2.3 Future Developments

2.3.1 Reporting

It is intended that Draft AMPs for each property will be finalised and issued to departments for consideration and comment in early September. Departments will comment on property suitability, both currently and in the context of future developments in accordance with departmental strategies and objectives.

This feedback will be incorporated within the data management system and incorporated in revised AMPs which will be used to inform the production of a report which will examine the current operational estate, its suitability for departments and recommend a course of action how this estate should be developed to both fulfil these departmental objectives whilst optimising the use of the estate as a corporate resource. It is anticipated that a programme of estate rationalisation and improvement will be identified for consideration by the Capital Budget Sub-group prior to submission to the appropriate committee. It is intended to complete this process by October 2004 in accordance with the timescale for the budget submission process for 2005/06.

2.3.2 System Development

Discussions with the Education department have concluded that the proposed integrated system could also support the production of School Estate Management Plans if adapted to include the specific needs of the Education department. It would be capable of being accessed by Education department employees through the Council network and both reduce the need to retain duplicate information and enable immediate access to the most recent information retained by the system. The Social Work department has also indicated that it would like to have similar access arrangements. Action is underway to incorporate the Education department requirements in to the integrated system.

2.3.3 Further Phases

Phase 2 of the programme will incorporate information on Economic Development together with further descriptive details for the Operational Properties, and is planned to be completed by October 2005.

Phase 3 will incorporate all remaining properties including parks, cemeteries, country parks etc and is planned to be completed by October 2006. These Phases will be progressed by the new Estates Surveyor, who has replaced the temporary Estates Technician, as one of a number of tasks.

It is essential that during 2005/06, there is Integration of the AMP process with Committee Reports, Capital Project Appraisals and Departmental Service Plans. It is also intended to recommence estate management discussions with partners in the Tayside Support Services Initiative.

3 FINANCIAL IMPLICATIONS

There are no financial implications specific to this report.

4 HUMAN RIGHTS ACT IMPLICATIONS

There are no Human Rights Act implications specific to this report.

5 CONSULTATION

The Chief Executive, the Director of Law & Administration, Director of Education and the Director of Finance have been consulted in the preparation of this report.

6 CONCLUSION

The Resources and Central Services Committee is recommended to note the contents of this report.

REFERENCES

<u>Committee</u>	<u>Date</u>	<u>Report No</u>	<u>Subject</u>
Personnel and Property Services	27 November 2001	1365/01	Corporate Asset Management

BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing the above report.

M G Lunny
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