

FIN(4) AM 07
Inquiry into Asset Management Survey
Response from Pembrokeshire County Council

Strategic links and leadership

1. **How does asset management fit within the organisation's overall strategy?**

Asset Management is a key tool in achieving service delivery and for realising capital receipts and efficiency savings.

2. **Does the organisation have an overall asset management strategy and published plans which support the corporate objectives?**

Yes, the Corporate Land and Building Strategy 2013 (CLBS) which sits beneath the Corporate Improvement Plan and incorporates appropriate links to the Corporate Improvement Objectives and to other corporate strategies.

a. **How does this strategy link into the capital investment strategy and wider financial planning?**

The CLBS sets out how the capital programme is managed through appropriate procedures and how the financial performance of property is continuously improved.

3. **Who has responsibility for leadership on asset management:**

a. **At a Cabinet/Board level?** The Leader of the Council

b. **At Executive level?** The Asset Management Group chaired by the Chief Executive

c. **At Service level?** The Head of Property and the Property Review Manager

4. **How are Council/Board Members engaged with property asset management and how regularly does the Council/Board review asset performance?**

The members are engaged through monitoring and approval of revenue budgets, the capital programme and the disposition of individual properties arising from various strategies, reviews and changes in service requirements.

5. **Is there a dedicated property division or similar? If so please detail its structure and relationship with other service divisions.**

The Property Division is responsible for asset management planning, defence of the estate, realising development opportunities, preparing assets for disposal, asset review, corporate property policy and strategy.

The Property Division also carries out day to day management of the estate and the marketing of surplus assets.

6. **Across the organisation (e.g. at Council/Board, Executive and Service level) can you demonstrate that property is utilised as a corporate resource and enabler of service provision?**

The Asset Management Group provides an over arching executive body to ensure that property is used and managed corporately. Where properties can be disposed of the

resulting capital receipt is put into the corporate capital pot (and does not remain with the last occupying service). The Improving Property Performance Action Plan is used to regularly review all property in the portfolio which requires action for improvement. This ensures that those properties are kept under the spotlight and action is driven forwards.

The Property Division ensures that all property is treated as a corporate resource and decisions are made to address; service needs (both individual and corporate), improving financial performance and the need to realise capital receipts. Formal Corporate Property Objectives guide this process seeking to optimise financial performance, utilisation, and other performance measures.

Systems and Processes

7. Can you demonstrate that property maintenance is supported by adequate information systems?

Yes.

Are these information systems used to:

- **Benchmark performance against that of other bodies; and/or**
- **Link with other relevant systems (e.g. geographical information systems)**

Yes

8. How often does the organisation conduct an options appraisal to ensure that the property maintenance backlog is being managed effectively?

a. Is there a programme of regular property reviews? If so, what do these consider and how often are they conducted?

Yes. Property Reviews are carried out by a specialist unit for geographical areas of the portfolio, property types, service areas and individual properties. Property Reviews consider property performance in the light of the Corporate Property Objectives, changing service needs, and realising capital receipts. These factors are collated to arrive at a wide range of options and preferred actions.

b. Is information on running costs and environmental impact available to the review team?

Yes

9. Can you demonstrate that decisions on new capital projects and other planned works are based on a clear business case, including options appraisal and whole-life costing?

Options appraisals are built into Property Reviews. Whole life costing is an important consideration in specifying capital projects.

10. How does the property division interact with service divisions, what are the arrangements for involvement/support?

The Property Division are in continual dialogue with other services to ensure that their emerging needs are addressed. Service Property reviews ensure that other services consider their property occupation as a whole and that it is put within the corporate context.

Resources and value for money

11. **What are the levels of resource available, at corporate level, to review property assets and running costs? Is this adequate?** There is a dedicated team carrying out property review functions and the level of resource is considered correct when set against the savings and receipts that have been produced from its work.
12. **What information on the property costs of the buildings occupied by services is available to senior management, and how is this utilised by them in considering service delivery?**

Revenue budgets for all buildings showing property costs, are available to senior management and the figures are used when assessing buildings for investment, alternative use or disposal.
13. **Does property maintenance have adequate resources to meet its policy objectives and is sufficient priority given to routine maintenance within the budget process?**

Yes

 - a. **Is funding (for) maintenance linked to the condition of assets?**

A condition survey of all significant property is used to inform maintenance priorities and the capital programme
14. **Given the current climate of reducing budgets, is there any perception at corporate, or service, level that resources should be diverted directly to front-line services rather than to property management?**

The major role to be played by property in producing a rising income stream, capital receipts and to support service savings is recognised.
15. **Can you provide examples of how the organisation works with partners to achieve economies of scale in asset management?**

Liaison meetings are held between the Estate managers of all publicly owned property in Pembrokeshire to seek joint use of facilities and exchange information on surplus property.

Examples of best practice include:-

Projects already underway

1. Accommodation of Police Authority Armed Response Unit at PCC Maintenance Depot
2. Sharing of "Shapes Store" with Health Trust (disabled equipment store)
3. Joint police, PCC and BT vehicle maintenance
4. Extra care co-located with primary care at Crymych
5. Creation of Community Schools
6. Joint use of office premises with Health Trust, co-locating complimentary services to provide one stop service to disabled clients.
7. Providing space for Customs and Revenues and the Passport office in our main customer service centre.
8. Merging of TIC and Cash Desk to provide single Customer Information centre at Fishguard Town Hall

9. Energy use in buildings – continuous programme reducing consumption and moving to renewable sources. (Possibility of joint procurement with other public bodies being investigated).

Projects under investigation or in production

1. Sharing of Grounds Maintenance Depot at Withybush with National Park
2. Sharing of call centres with other public bodies
3. Providing Credit Unions with space in PCC customer service centres
4. Joint public protection services with neighbour authorities
5. Rationalisation of office provision

16. **Can you please detail the framework in place to continuously review and improve the performance of property management?**

- a. Are there annual performance plans, agreed by Council/Board Members, setting clear targets for improvement?**

The Council's Property Division produces an annual Service Improvement Plan that includes the managed property portfolio (industrial estates, county farms, Haverfordwest Airport, harbours and markets). We do not have individual performance plans, but we are carrying out detailed reviews of each part of the portfolio with action plans being put in place as part of the process.

- b. Does the organisation include this information in public performance reporting?**

This information is not included in public performance reporting.

Guidance and good practice

17. **What if any, guidance is adhered to in conducting asset management in the organisation?**

Guidance of Welsh Government, RICS and CLAW

18. **Do you share good practice and lessons learned on asset management with other organisations/professional bodies, and if so, via what mechanisms?**

Through the regular CLAW Asset Management meetings.

19. **Would a central source of expertise and good practice be beneficial to the Welsh public sector, and if so where should this sit?**

Yes. This should be hosted by WG with Public bodies able to upload good practice examples.

- a. Would training in property/asset management be beneficial?**

This should continue to be provided through IPF/CLAW and the audience widened to include all public bodies, to encourage wider sharing of innovation and best practice

20. **Would the drive to improve asset management benefit from a repeat of the Wales Audit Office's 2010 report on buildings management?**

This is not considered necessary at this stage as Pembrokeshire has a mature Asset Management process in place as confirmed by the 2010 audit.