



PARTNERSHIP AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY PANEL

PROPERTY ASSET MANAGEMENT PLAN (2018/19 to 2027/28)

REPORT BY HEAD OF FINANCE AND PROPERTY SERVICES

A. PURPOSE OF REPORT

To invite the Panel to scrutinise the proposed Property Asset Management Plan for 2018/19 to 2027/28.

B. RECOMMENDATION

To note the proposed Property Asset Management Plan for 2018/19 to 2027/28 and the intention to report the plan to Council Executive for approval.

C. SUMMARY OF IMPLICATIONS

I Council Values	Being honest, open and accountable; making best use of our resources, Working in partnership
II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)	The council is required to demonstrate Best Value through a structured framework for the management of its property assets. The establishment of this plan will support achievement of this.
III Implications for Scheme of Delegations to Officers	Not Applicable
IV Impact on performance and performance Indicators	The implementation of the Property Asset Management Plan will sustain and where appropriate improve the performance measures highlighted in the plan.
V Relevance to Single Outcome Agreement	<p>The Property Asset Management Plan supports activities under a number of outcomes including the following:</p> <p>Outcome 1 -We make West Lothian an attractive place for doing business in Scotland.</p> <p>Outcome 3 – we are better educated, more successful, renowned for our research and innovation</p> <p>Outcome 10 – we live in well designed, sustainable places where we are able to access the services we need</p> <p>Outcome 12 – we value and enjoy our built and natural environment and protect it and enhance it for future generations</p>

	Outcome 14 – we reduce the local and global environmental impact of our consumption and production Outcome 15 - Our public services are high quality, continually improving, efficient.
VI Resources - (Financial, Staffing and Property)	Corporate property revenue and general services capital investment will support the implementation of the Property Asset Management Plan 2018/19 to 2027/28.
VII Consideration at PDSP	The plan is being presented to PDSP for consideration
VIII Other consultations	The plan has been prepared with consultation with the relevant services.

D. TERMS OF REPORT

D1 Background

At its meeting on 13 February 2018 Council approved the new ten year general services capital programme for 2018/19 to 2027/28 together with the Corporate Asset Management Strategy for 2018/19 to 2027/28. The Corporate Asset Management Strategy (CAMS) establishes the priorities set out in the corporate plan and how these relate to the management of all the councils assets, together with aligning to the resources set out in the capital programme. The Property Asset Management Plan (PAMP) distils these priorities and how they relate to the management of property assets. In addition the PAMP re-establishes the corporate framework for the management of property.

The proposed PAMP included in the appendix applies to the period from 2018/19 until 2027/28 and has at its core the overall aim to manage our property assets efficiently and effectively whilst continuing to improve performance. The plan is for a ten year period progress and will be reported annually. The plan will be formally reviewed and recalibrated in 2022/23.

Property assets of the correct type, size and condition in the right location can make the difference between good and poor service delivery. Properties owned and managed by the council are high in our community's perception of the council and the services we deliver from them. It is therefore essential that they are looked after properly to ensure that they benefit future generations.

D2 Plan Contents

The plan sets out the council's approach to the management of its property assets. It supports the delivery of the council's priorities by:

- Establishing a corporate framework for the management of our property assets;
- Highlighting corporate outcomes and priorities and how they will be supported through the effective and efficient management of property assets;

- Presenting an overview of the extensive property assets owned by the council;
- Identifying the internal and external influencing factors and challenges affecting property;
- Identifying a number of activity themes to improve the performance of property asset management; and
- Outlining the investment we will make in our property assets over the next ten years.

D3 Corporate Asset Management Performance Measures

The monitoring of performance is critical to measuring the success of the plan's implementation. The key performance measures which reflect the Corporate Asset Management Strategy are:

- Compliance;
- Condition;
- Suitability;
- Sufficiency;
- Utilisation;
- Accessibility; and
- Sustainability

Specific performance measures that relate to each of these are detailed in the appended plan. These will be reported on an annual basis throughout the life of the plan.

D4 Governance

Management and decision making processes are outlined in the plan and will continue to be structured to ensure effectiveness and transparency. The Plan sets a management hierarchy that incorporates both elected member decision making and officer level delegated authority.

D5 Performance Improvement Activity Themes

To drive improvement in performance a number of themes have been identified which will concentrate on specific activities and property types. In summary these areas follows:

- Learning Estate Modernisation – This area will concentrate on the modernisation of the learning estate to ensure long terms sustainability and suitability.
- Corporate Property Modernisation – Activities in this area will continue the ongoing process of modernising, rationalising and improving utilisation of our office and administrative accommodation;
- Community Property Modernisation – This theme will concentrate on modernising, rationalising and improving utilisation of our community facilities (community centres and pavilions etc) together with encouraging asset transfer.
- Commercial Property Portfolio Modernisation – Activities in this area will seek to improve the overall financial performance of our commercial properties whilst continuing to support economic development;

- Information and Performance Management – This theme encompasses a number of individual projects to improve the use of ICT (asset management software and digital property records and portal) together with performance management and benchmarking;
- Financial Management and Resource Deployment – This activity will seek to build upon the effective prioritisation and efficient deployment of resources towards corporate priorities and property performance measures;
- Risk management and compliance – Activities in this area will concentrate on implementing a comprehensive framework for managing risks associated with our property assets and prioritising statutory compliance;
- Governance, Project Management and Delivery Models – This theme will build upon the effective governance and decision making arrangements and will review delivery models for the management and procurement of projects.
- Partnership working – Activities in this area will concentrate on establishing a framework for the management and development of existing and new property assets with our partners;
- Energy and Sustainability – This area will encompass a number of projects and initiatives to reduce our energy usage, increase our generation from renewable sources and ensure buildings meet their expected life; and

Timescales and performance impacts for the individual activities within each of the themes outlined above are highlighted within the proposed plan.

D6 Capital Investment

The Plan also highlights the capital investment that will be made in our property assets over the next ten years from 2018/19 to 2027/28. This totals over £256m and includes a number of key areas, such as:

- School Estate Planned Improvements – £30m
- Schools Estate Projects (Early Years, Additional Support Needs and estate wide projects and programmes) – £48m.
- Schools for the Future (match funding) – £14.5m
- New School and Increased Education Capacity projects – £52m
- Operational buildings modernisation – £22m
- Statutory Compliance and Accessibility Works – £16m
- Partnership Centres (including new Whitburn Centre) – £7.2m
- Social Policy Property Planned Improvements – £2m

These significant resources demonstrate the councils commitment to sustaining and improving property asset performance and will support the implementation of the proposed plan.

D7 Property Asset Management Best Practice

The council has been at the forefront of property asset management for a number of years and has been active in a number of professional body and government working groups which have developed various guidance and best practice. This has included involvement through the Scottish Heads of Property with the Scottish Government on the development of new condition and suitability assessments for schools and the development of a scorecard approach to measuring the performance of assets.

The plan has been produced in accordance with national best practice guidance and recognises good asset management practices deployed by the council in support of our corporate priorities and seeks to progress these further.

E. CONCLUSION

The proposed Property Asset Management Plan has been prepared to reflect and support the priorities of the Corporate Plan and Corporate Asset Management Strategy. It sets out a framework and resource requirements for the next ten years to ensure we manage our property assets effectively and efficiently whilst ensuring we seek continuous improvement.

F. BACKGROUND REFERENCES

Corporate Asset Management Strategy and General Services Ten Year Capital Investment Strategy Year 2018/19 to 2027/28 Report approved 13 February 2018.

Appendix: Property Asset Management Plan 2018/19 to 2027/28

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Date: 7 December 2018