

Bridgend County Borough Council (BCBC) Responses re:

Research Service: Enquiry Y Gwasanaeth Ymchwil: Ymholiad

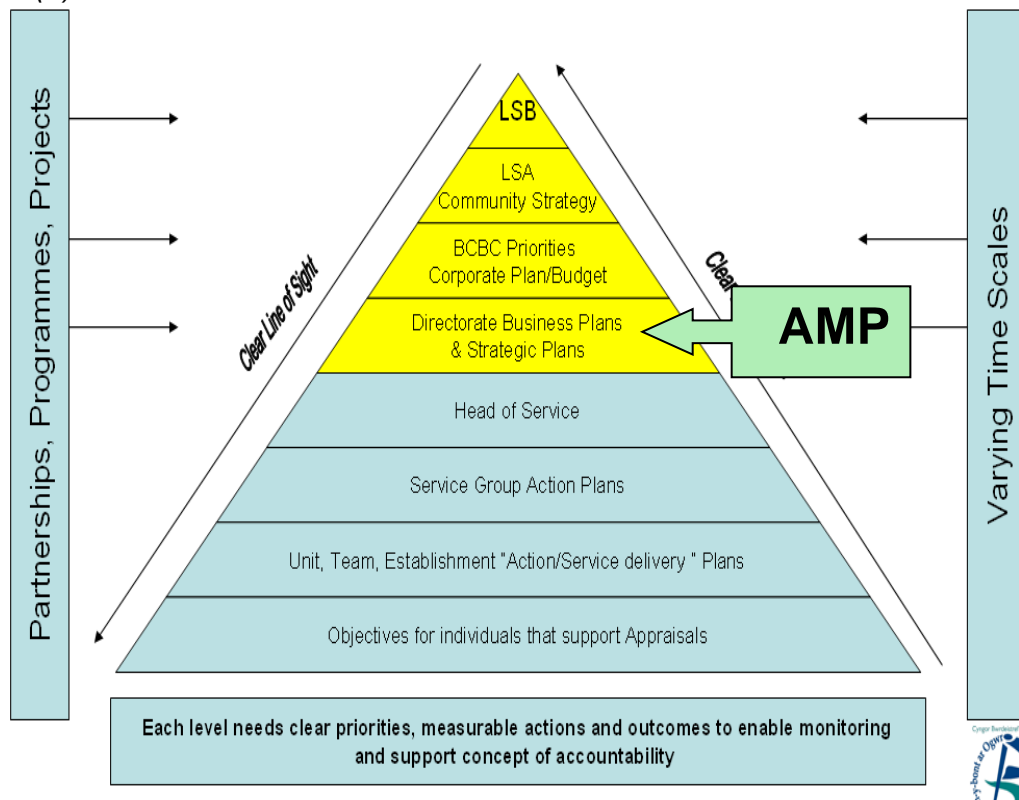
further detailed information in relation to the process and practice of asset management within your organisation and would appreciate it if you could provide the information requested below, as fully as possible, and provide examples where you feel it is appropriate.

Strategic links and leadership

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

The following diagram (1) taken from our Asset Management Plan 2021 (AMP2021) illustrates BCBC planning frame work. The AMP 2021 fits in with strategic plans.

Diagram (1)



The Corporate plan sets out the Council's key priorities and gives strategic direction to the work of the Authority. This plan is influenced by the Community strategy which also reflects issues that are the responsibility of other agencies and partners. The Community Strategy is built around the priorities identified by the Local Services Board.

It is important to note that our AMP2021 was developed in 2009 as a process document designed to be flexible and dynamic to deliver a corporate approach that enables us to close the gap from where we are now to where

we want to be. It focuses around 3 asset actions: Retain Remodel and Release. It has been identified as a Directorate priority to refresh our AMP2021 5 years in, i.e. in 2014.

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

Bridgend Planning Framework as illustrated in diagram 1 "drives" us. The process ensures that at every level, the organisation is unified in working towards meeting the objectives and priorities that have been identified.

Each year the Council reviews, evaluates and confirms its strategic objectives and priority themes. This process ensures that resource allocation is aligned to current priorities and gives an opportunity to assess the progress toward achieving these priorities.

The AMP 2021 is a process document which provides the processes for deciding the future of each aspect of our asset base in line with our priorities.

These processes facilitate release of surplus underperforming properties, investment and remodelling of our property to meet 21st century needs and maintenance and retention of the right property.

As part of the AMP2021 refresh it is intended to review processes to increase the contribution of our assets to meeting our corporate objectives.

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

The Council's Medium term financial strategy (MTFS) puts the public service aspirations into a financially challenging context. There are many areas and initiatives which need future investment – among our highest priorities are:

- ▶ Schools Modernisation Programme
- ▶ Adult Social care re-modelling
- ▶ Office Accommodation and Depots
- ▶ Regeneration

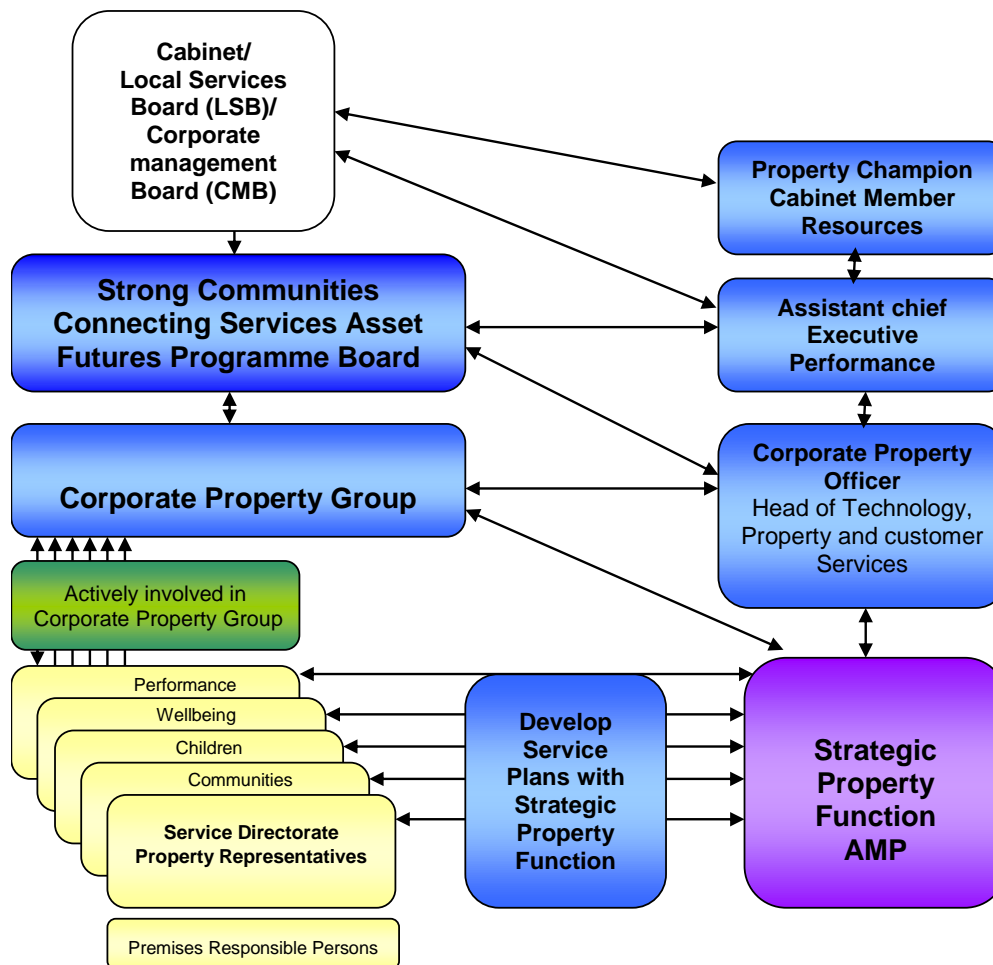
Each year the budget process which is directly linked to the AMP process in respect of assets provides a mechanism for considering Corporate and Service priorities through our Capital Programme bid submission process, based on the 5 model business case.

As part of the AMP2021 refresh it is intended to strengthen the challenge process

3. Who has responsibility for leadership on asset management:
 - a. At a Cabinet/Board level?
 - b. At Executive level?
 - c. At Service level?

The following updated diagram (2) from our AMP2021 illustrates the roles and responsibilities:

Diagram 2



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

Cabinet approves our Asset Management Plan and considers reports as and when appropriate with linked service asset management plans, for example Schools Modernisation. Overview and Scrutiny generally review performance and delivery of the AMP 2021 on an annual basis.

The local Services Board receives reports as appropriate in respect of asset management, focusing on maximising opportunities arising from a collaborative approach. Corporate Management Board meets weekly with every fourth week being a Programme Board meeting reviewing performance of the SCCS Asset Futures Programme Board.

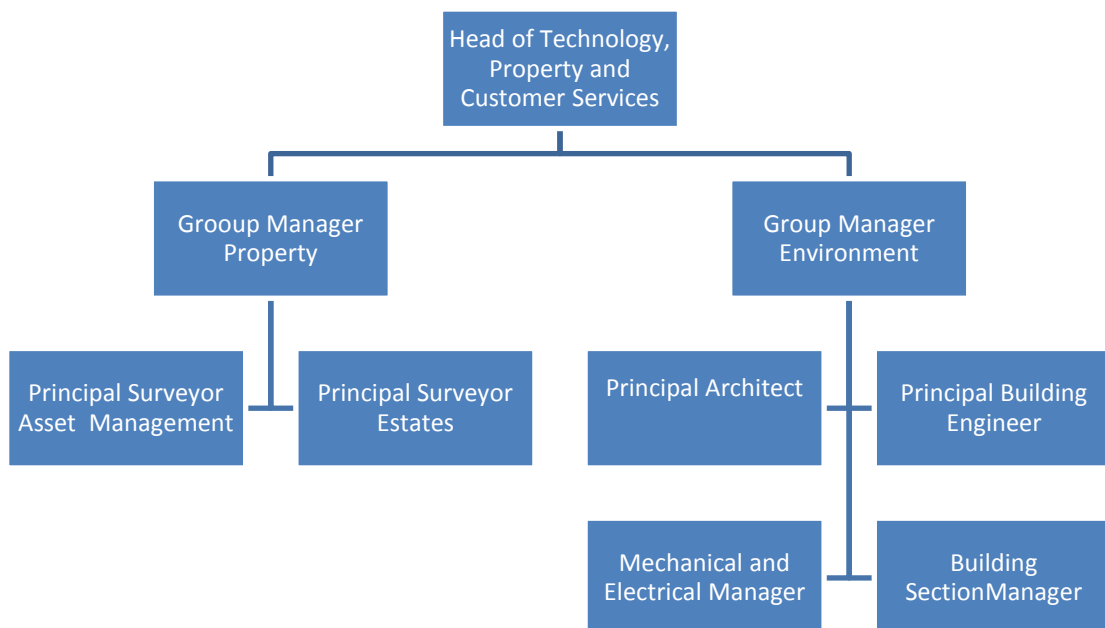
Strong Communities Connected Services Asset Futures programme Board meets 6 weekly; this meeting includes partners from Health and the Police, focusing on strategic opportunities to meet the defined vision:

“That public service assets are being maximised in terms of usage, capital receipt and energy efficiency through a collaborative approach which is beneficial to the people of Bridgend County Borough.”

Corporate Property Group meet 6 weekly with representatives from each of the Directorates. This group focuses upon property processes and protocols, delivery of schemes and day to day matters. A Carbon Reduction Group also meet 6 weekly with a focus on delivery “energy wins” and reducing our Carbon emissions – property linked schemes are fed directly into the CPG and SCCS Asset Futures Programme Board

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

There is a dedicated property division with a specialist asset management function within it. The high-level structure is illustrated below diagram (3):



The property structure is responsible for delivering Council's assets fit for purpose. Our AMP 2021 identifies the roles and responsibilities, which have been updated below:

Property Services and Built Environment:

Property Services

- ▶ Manages Key Property Data
- ▶ Challenges property use and ownership internally and with partners
- ▶ Produces corporate AMP
- ▶ Informs Service AMP's – linking with Directorates
- ▶ Informs property maintenance and capital spend
- ▶ Generates Capital Receipts
- ▶ Development appraisal
- ▶ Manages commercial estate – producing circa £1.5m pa (landlord & tenant) and (lease negotiations)
- ▶ Disposals/ Acquisitions
- ▶ Facilities management of public offices

Built Environment

- ▶ Informs property maintenance and capital spend
 - Cyclical maintenance
 - Planning maintenance
 - Reactive maintenance
- ▶ Asbestos and legionella management
- ▶ Alarm monitoring and out of hours call out service
- ▶ Feasibility and options appraisal
- ▶ Architectural Service and project delivery
- ▶ Mechanical and electrical
- ▶ Quantity surveyors
- ▶ Energy management
- ▶ Landscape Design
- ▶ Structural Engineers (Street Scene)

Relationship with other service divisions:

Finance

- ▶ Feasibility funding
- ▶ Capital programme
- ▶ Minor capital works
- ▶ Revenue budget
- ▶ Grant funding

Directorates

- ▶ Provides point of contact for service and property
- ▶ advise on property issues as they affect the running of their directorates and future service needs
- ▶ Develop in conjunction with Property and Finance Service Asset Management Plans (SAMP) for their service priorities.
- ▶ Responsible for day to day facilities management & managing building managers
- ▶ Hold all budgets other than repairs & capital works

Partners

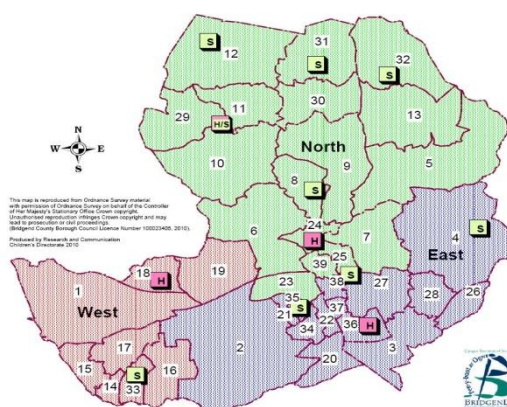
- ▶ Meeting the SCCS vision
- ▶ advise on property opportunities to meet future service needs
- ▶ Develop in conjunction with partners asset management actions and projects to meet priorities.

6. Across the organisations (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?

This is delivered through our organisational arrangements and processes in our AMP 2021; these extend beyond our organisation to those of our partners examples include:

Strong Communities Connecting Services: Asset futures Reviews.

‘Strong Communities – Connecting Services’ is an initiative aimed at ensuring that the council and its key partners are maximising the potential to deliver effective integrated services within communities, providing services in a joined up manner through the effective use of our assets, maximising opportunities to share and deliver better and more cost effective services.



In order to take this work forward the county borough was divided into 3 sub regions known as Neighbourhood Networks , which corresponds with the sub regional networks used by the Health Board and South Wales Police as illustrated above. The AMP team, linking with partners reviewed over 1000 assets and delivered individual detailed SCCS reports for 9 sub areas which were then clustered to correspond with the three neighbourhood network areas (identified in the diagram above) and reported to the Local Services Board, identifying asset opportunities and actions.

Childrens: Schools Modernisation

Asset management planning is one of the key criteria used to determine priorities in the Council’s School Modernisation Programme. The asset management planning process acts to link in other service directorate initiatives to maximise efficiencies and returns.

The link with SCCS facilitates positive outcomes in terms of:

- Site identification
- Determining school buildings to be retained, remodelled and released
- Linked opportunities for example including other community services e.g. libraries, Police base, leisure facilities etc.

Key recent and on-going examples include:

- Alterations and remodelling of schools across a number of sites facilitating joined up service provision and release of sites
- Programmed disposals of released sites to deliver £11.1m of funding to support our schools modernisation programme (2012-2020)

Childrens: Residential Homes

Retention and remodeling of 2 homes enabling release and disposal of a third home.

Healthy Living Partnership Project

Partnership delivery of leisure services under a 15 year contract transferring council assets under 15 year leases with repair and maintenance responsibilities and capital development schemes, which will ensure the remodeling of the leisure assets including investment of £4.2m in respect of Bridgend Recreation Centre.

Adult Social Care Remodeling.

Work with the ABM University Health Board in the development of residential re-ablement at a BCBC residential home.

Remodeling and intensifying use of assets delivering a new day care delivery model and enabling release and disposal of a development site.

Improving Your Space (IYS), sharing accommodation and Depots

Offices: The Office Accommodation Strategy sits under the AMP 2021 and defines the strategic approach to managing our offices.

In basic terms the 2009/12 strategy (phase 1) delivered:

- Release of 10 leases
- Total rental savings of £280K. p.a.
- Acquisition of a £2.8m asset (Raven's Court)
- remodeling works (IYS) completed on level 3 Civic Offices and Telephone Contact Centre
- New improved registrars' accommodation together with a new reference library.
- Disposal of our former dilapidated reference library, to Wales and West Housing, which together with the release and sale of a former Matrons House generated capital receipts totaling £634K

The Office Accommodation Strategy 20012/15 has been finalised and bids for capital funding submitted with explicit objectives:

- To have sustainable, fit for purpose office accommodation with IYS completed in all of our core offices & investment decisions leading to a more efficient estate
- Successful integrated working in core buildings, network hubs and flexible satellites.
- Management and space efficiencies
- Financial efficiencies and savings
- Reduced CO2 emissions
- Corporate facilities management.

Sharing of asset accommodation with other organisations due to collaboration

Integrated working hubs and satellites

There is a growing demand to prioritise integrated working with social care and other partners, in terms of our offices, delivering hubs and satellites providing integrated social care, comprising Health Officers, District Nurses, Occupational Therapists, Social workers and Health Visitors. Broad requirements and actions for hubs and satellites identified below:

- o Integrated Headquarters: an interim agreement for the ABM UHB Locality HQ is now completed.
- o Interim Wellbeing East Hub: located in a central BCBC core office planned completion April 2013.
- o West Hub: location agreed at Pyle Life Centre, and works currently being undertaken for Adults and Children, planned completion April 2013.
- o Integrated Wellbeing North Hub operational at Bryncethin. Childrens North hub located at Coleg Cymunedol Y Dderwen planned completion September 13.

Shared accommodation protocols

Sharing running costs: An assessment was carried out in 2010 to identify the extent of collaborative working between BCBC and other public agencies. A protocol was thereafter agreed at Corporate Property Group on how best to record these arrangements. It also included a basis for calculating accommodation charges. The protocol has been used to a limited extent and is now being reviewed. . A separate review has recently been undertaken by ABMUHB to identify the locations where BCBC and Health staff work collaboratively. This information will be used by BCBC to reassess how best to account for the accommodation costs incurred the two organisations.

Depots and Joint Fleet Services Depot

Our depots at Waterton and Bryncethin are in poor condition. Feasibility studies and a master planning exercise have been undertaken to determine the options for the sites for retention, release and remodeling. Current actions are linked and include:

- o A project to deliver a joint fleet depot at Bryncethin in partnership with South Wales Police.
- o Relocation of the building maintenance and highways maintenance functions from Waterton to Bryncethin
- o Review of smaller depot sites
- o Delivering:
 - Business efficiencies
 - Facilities and management efficiencies
 - Facilitating delivery of Parc Afon Ewenni – generating capital and regeneration

Systems and Processes

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

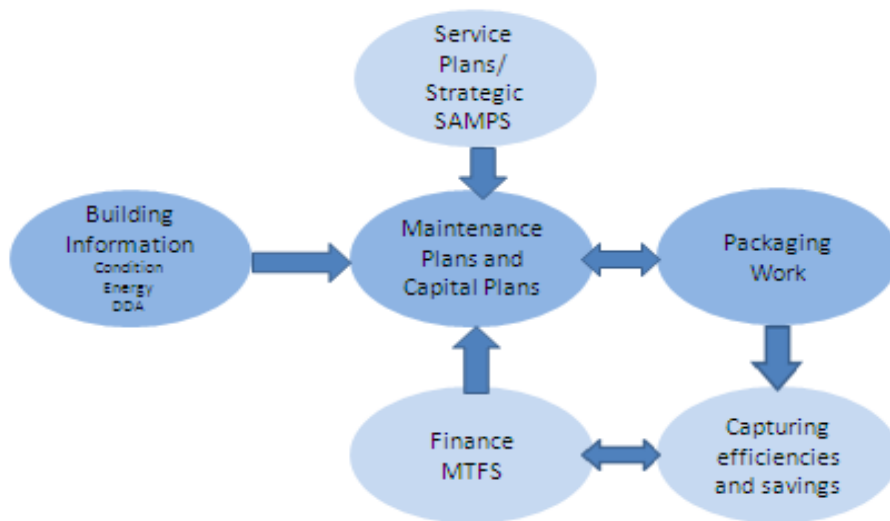
Information systems supporting property maintenance:

BCBC currently have a number of information systems in place supporting our property maintenance, these work at a number of levels:

Strategic level – information from SCCS Asset futures/ directorates and partners/ Service Asset management plans – identifying any strategic asset implications e.g. potential release/ remodelling

Maintenance backlog and condition information – historically condition assessments have been carried out on a 5 year rolling programme and used together with service information to agree maintenance spend, as a general rule the maintenance spend available has been split amongst directorates based on the maintenance backlog information. This however, is now being reviewed with a view to development of detailed maintenance plans for each of our assets, maximising opportunities for packaging of works based around the following structure:

Building investment and maintenance strategy



At a day to day level we are reviewing our property data bases and information systems with a view to reducing the number of systems we operate.

Benchmark performance against that of other bodies; and/or

- Link with other relevant systems (e.g. geographical information**

In terms of bench marking we report on and bench mark against the data unit wales asset management performance indicators.

We have an in-house Corporate Property Database available over the intranet and includes head line information relating to our assets in terms of condition, accessibility, floor areas etc.. Users also have access to detailed property information including CAD plans.

This data has been used to link in with the National " ePIMS" project mapping out the public sector estate.

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?

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

The property maintenance backlog is reported annually through the data unit Wales and is reported 6 weekly at the SCCS Asset Futures Group.

The Corporate Property Group manages the minor capital works budget reviewed throughout the year at the 6 weekly CPG meetings.

We have just completed a programme of detailed review of the whole of our estate, with actions that have been fed into our AMP 2021 processes together with the SCCS reviews. Actions as appropriate are monitored at the 6 weekly meetings of the SCCS Asset Futures (Strategic actions) and Corporate Property Group (process/ day to day actions)

Information on running costs is obtained from accountants as and when required, it forms part of our asset review and challenge processes.

Environmental impact information is available through our Energy and sustainability teams as required.

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?

All capital project bids need to be submitted on our business case bid document, based on the WG 5 model business case and must clearly demonstrate:

1. Purpose
2. Strategic context including links to: AMP 2021
3. Case for change
4. Available options
5. Preferred option
6. Procurement route
7. Funding and affordability
8. Management arrangements

As part of the AMP 2021 refresh it is however intended to add greater AMP challenge to this process

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

Please see diagram (2) and response to question 6.

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?

The main resources available are the asset management and property teams as identified in the high-level structure diagram (3) supported by finance and linking with service directorates. With regard to the question of adequacy, as with most services, resources are under pressure and work is prioritised to meet our needs. It is however anticipated that our current resources may need to be reviewed as demands for our services are likely to be increased to meet ever increasing budget saving and efficiencies across directorates.

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?

All property information is available, although this may be sourced from different points. This information always forms part of any property linked service / asset challenge and review. Please see examples referred to under question 6.

13. Does property maintenance have adequate resources to meet its policy objectives and is sufficient priority given to routine maintenance within the budget process?

a. Is funding maintenance linked to the condition of assets?

Our AMP objective is to have a lean sustainable estate, the strategy to achieve this is through continually applying review and challenge processes identifying assets to be retained and maintained, remodelled and invested in

and released. This process has to date delivered a reduction in our maintenance backlog of circa £8m, however, it is recognised that budget reduction in both the minor capital works budget and capital programme will have a negative impact on our efforts to reduce the maintenance back log and deliver a lean, sustainable, fit for purpose estate.

Within the budget process we are achieving a move from responsive to planned maintenance. The funding split for the various types of building maintenance is based on a mixture of historic splits and maintenance backlog. The principal types of maintenance are:

1. Planned maintenance
 - a. Cyclical maintenance
 - b. Planned preventative maintenance
 - i. Revenue planned repair and maintenance
 - ii. Capital minor works
 - iii. Capital programme
 - iv. External funding
2. Reactive maintenance
 - a. Emergencies
 - b. day to day
 - c. minor repairs

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 BCBC corporate property function is funded from income from the non-operational portfolio. At a corporate level property management is seen as a service that helps drive efficiencies and deliver savings, generating income and capital – with the corporate activity funded from the income generated from the non-operational portfolio.

There is a corporate acceptance of the importance of an internal reactive service on Building Maintenance, this is currently funded through internal (and external as appropriate) fee recharges.

15. Can you provide examples of how the organisation works with partners to achieve economies of scale in asset management?

Please refer to the various examples given in question 6

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

Reporting structure to;
Corporate Property Group
SCCS Asset Futures
BCBC Comprehensive Performance Assessment
Overview and Scrutiny

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

Directorate Business plan
Medium Term Financial Strategy

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

Overview and Scrutiny

Guidance and good practice

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

Good practice documentation from:
Welsh Government
National document including WAO
RICS

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

SCCS Asset Futures
CLAW
NAWG
Networking

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

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

Central Sources of expertise can be useful but generally feedback from organisations on actual case studies, particularly in terms of lessons learnt is more useful. There seems to be a current plethora of guidance and good practice documentation available, which may benefit by being reviewed and brought together.

With regard to training I would refer to my earlier point of networking and learning from each other but new initiatives and ideas are always worth exploring.

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

As mentioned above, there is a plethora of documentation and guidance available from a mixture of sources including Central Government/ Welsh Government/ Royal Institution of Chartered Surveyors/ National Audit Office/ Welsh Audit Office. It would be of most benefit if all of this documentation could be revised and collated to form a single point of good practice asset management information and guidance.

