

FIN(4) AM 10  
Inquiry into Asset Management Survey  
Response from Glyndwr University

The Finance Committee are currently undertaking an inquiry into the process of asset management in the Welsh public sector. This inquiry is considering two main areas:

- **processes involved in the management of the Welsh Government's own estate; and**
- guidance, support and the promotion of good practice by the Welsh Government in relation to asset management across the wider Welsh public sector.

**Further detail on the terms of reference for this inquiry can be found on the committee's webpages.**<sup>1</sup>

The Committee previously called for information,<sup>2</sup> however due to the limited responses received, now requires further evidence in support of this inquiry. In order to properly understand the issues involved and to gain appropriate evidence for consideration, the Committee needs to develop an understanding of how asset management is approached in local government/health bodies.

To this end, we are seeking 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?**

**Asset management is part of the University's Estates Strategy which is directly linked to the University's Strategic Plan.**

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

The University has an Estates Strategy of which asset management would be an element.

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

The University has a Financial Strategy which again is linked to both the Strategic Plan and Estates Strategy. The Financial Strategy helps determine: how resources are expended; it sets parameters for financial management; and how capital expenditure is financed.

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<sup>1</sup> National Assembly for Wales, Finance Committee, [Asset Management Inquiry](#)

<sup>2</sup> National Assembly for Wales, Finance Committee, [Asset Management Inquiry](#)

3. Who has responsibility for leadership on asset management:
  - a. At a Cabinet/Board level? – The Vice Chair of the Board has the lead.
  - b. At Executive level? – the Executive Director of Finance & Estates
  - c. At Service level? – the Executive Director of Finance & Estates
4. How are Council/Board Members engaged with property asset management and how regularly does the Council/Board review asset performance?

The Board approves the Estates Strategy. It Strategy and Finance sub-committee receives an annual Estates Strategy update which summarises progresses against targets. The sub-committee will also make recommendations to the main Board in respect of asset purchases and disposals.
5. Is there a dedicated property division or similar? If so please detail its structure and relationship with other service divisions. NO
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?

Yes, the Finance & Resources Committee of the Executive manages this aspect.  
Please also see details in 4 above in terms of the **Board's engagement**.

#### 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;

The University takes part in a Higher Education sector Estates Management Statistics submission which allows benchmarking against cognate Higher Education establishments. and/or
  - Link with other relevant systems (e.g. geographical information systems)
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?

Backlog maintenance is considered at each annual budget round.
  - 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?

The Board requires a business case in support of any planned new project in excess of £250k.

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

The Estates Department has high level sponsorship at Executive. It links directly with users for project support and requests for minor maintenance. There is also an effective fault logging system that is then prioritised for action. Once rectified the person reporting the fault is informed.

#### 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 Estates function is commensurate with the size of or organisation within the HE sector.

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?

An annual Estates Management Statistics return is reviewed before submission.

13. Does property maintenance have adequate resources to meet its policy objectives and is sufficient priority given to routine maintenance within the budget process? – There are never enough resources to meet all policy objectives so there is a need to prioritise in tandem with the condition survey.

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

No, because resources are limited at present. The University is also in the middle of an Estates Master Planning exercise which will be seeking to consolidate the Estate.

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?

Not really, because property management seeks to ensure that the buildings provide an excellent customer student experience.

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

The University has just started working with the Local Authority in respect of one redundant building. This is adjacent to a building that the local authority is seeking

to decommission. It has been established that marketing them together will provide an exceptionally attractive package for potential developers.

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 Estates strategy has targets and milestones that are reviewed annually by a sub-committee of the Board.

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

Yes, this information will be available under our publication scheme.

#### Guidance and good practice

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

The University belongs to the Association of University Directors of Estates. This is a valuable resource in terms of good practice and practical guidance and support for estate projects.

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

Yes, see 17 above.

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

Does this not exist in terms of the National Assets Working Group?

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

Yes, any training provided it is targeted would be beneficial.

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

The University was not made aware of this so it is difficult to comment.