

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

**Housing, Environment and Economic Development Committee:
2 September 2009**

Subject: Asset Management Plan - 2009 Update

1. Purpose

- 1.1** The purpose of this report is to introduce the draft Asset Management Plan 2009 Update (AMP2009 Update) to the Committee and seek approval of the content.

2. Background

- 2.1** At the Council meeting on 4 June 2006, West Dunbartonshire Council's first Asset Management Plan was approved.
- 2.2** At the Housing, Environment and Economic Development Committee on 8 April 2009, the updated Asset Management Plan for 2009 was presented to Members but a decision taken to continue consideration of the report to a future meeting of the Committee in order to enable further information to be obtained.
- 2.3** The appended AMP 2009 Update advises on the progress made since 2006 with asset management planning generally and property asset management planning in particular.

3. Main Issues

- 3.1** The main issues covered by the AMP 2009 Update include:
- The development of a more strategic approach to managing assets in response to views expressed by Audit Scotland: this section of the plan draws distinctions between asset strategy and operational asset management. Asset strategy considers general trends and other key data and the impact these will have on the demand and use of properties within important sectors of assets held by the Council. It is suggested that in the context of West Dunbartonshire Council, the term "asset strategy" is used to describe the following:
 - the general direction that the portfolio, and each property category within it, will take over the next 5 to 10 years;
 - the approach to be adopted in getting there; and

- the policies to be applied to decision making.
- Departmental position statements and priorities: this section of the plan presents position statements prepared and submitted by individual departments to identify and define property priorities.
- Delivery of the HRA Asset Management Plan: this section of the plan summarises the work carried out by consultants within the last 18 months covering the Council's housing property assets. The Housing Revenue Account Asset Management Plan (HRA AMP) was developed by consultants Arneil Johnston. Within the Council a group of officers from different sections formed an HRA AMP Planning Group. A key consideration of this group was how the HRA AMP might inform the Standard Delivery Plan (SDP). The group progressed through a number of stages in order for the consultants to finalise the HRA AMP and produce recommendations for the SDP on how to meet and maintain the Scottish Housing Quality Standard (SHQS).
- The Review of Non-operational Property: this section of the plan summarises the work carried out by consultants within the last 18 months covering the Council's non operational investment property assets. In line with recommended best practice, the Council has carried out a review of its non-operational property portfolio to determine which properties should be retained and which should be disposed of to generate capital receipts for re-investment in the Council's general activities. The Council also wished to review the efficiency of its management of the portfolio with respect to occupancy levels, income, debt and staffing.
- A summary of performance and indicators: this section of the plan outlines the essential elements of sound governance and gives a group of Statutory Performance Indicators covering aspects of operational property including access to disabled persons, satisfactory condition, suitable for current use and also details information relating to fire survey and energy management issues.
- Property related asset management projects: this section of the plan describes other related projects, including the Property Business Case within the Diagnostic Pathway Project with the vision of providing modern and reconfigured buildings that are efficient to run, accessible to the public and perhaps capable of supporting mobile working. Also described in this section is the Audit Scotland study involving all Scottish Local Authorities and for which the Council completed and returned extensive and detailed questionnaires during late summer 2008. This study included the arrangements which the Council has for Asset Management. The results of the study were published on 7 May 2009 and are summarised in Section 8 of the AMP 2009 Update and included as reference documents in background papers 3 and 4 to this report.

- The proposal to engage consultants to undertake a review of the Council's approach to property asset management: this section of the plan notes the intention to engage a consultancy to undertake a robust review of the Council's operational property asset management planning, structure and procedures. A review brief and list of relevant consultancies will be drafted for consideration and approval by the Asset Strategy Group prior to commencement of the tender process and will include a Quality and Technical submission for consultants to explain the full processes and resources they would employ in carrying out this review.

4. Personnel Issues

- 4.1 Where relevant, personnel issues are referred to in the AMP 2009 Update.

5. Financial Implications

- 5.1 Where relevant, financial implications are referred to in the AMP 2009 Update.

6. Risk Analysis

- 6.1 Where relevant, the risks associated with asset management planning are referred to in the AMP 2009 Update..

7. Conclusions & Officers' Recommendations

- 7.1 This report provides background information and a brief summary of the main issues covered by the appended AMP 2009 Update.
- 7.2 The Committee is invited to note this report and to approve the content of the draft Asset Management Plan 2009 Update.

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Appendix:

Asset Management Plan - 2009 Update

Background Papers:

1. Report to Council 28 June 2006 - Asset Management Plan
2. Report to HEED Committee 7 November 2007 - Asset Management Strategy
3. Audit Scotland Report (May 2009) - Asset Management in
local government (copies placed in Members Rooms)
4. Audit Scotland Report (May 2009) - Asset Management in
local government (Key Messages) (copies placed in Members Rooms)
5. Audit Scotland Report (May 2009) - Asset Management in
local government: Report supplement for condition, suitability and property cost (copies placed in Members Rooms)
6. Audit Scotland Report (May 2009) - Asset Management in
local government: Report supplement for summary of Council survey responses (copies placed in Members Rooms)
7. Property Business Case - Diagnostic Pathway Project
8. Internal Performance audit - Property Asset Management
(PA.032.09)

Wards Affected:

All