

**2023/24**  
**DELIVERY PLAN**

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**SUPPLY,  
DISTRIBUTION AND  
PROPERTY –**

**Corporate Asset  
Management Extract**



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## 1. Introduction

Supply, Distribution and Property comprises a wide range of services covering Corporate Asset Management, Building Services, Housing Asset & Investment and the Corporate Procurement Unit (CPU). It is one of 8 strategic areas responsible for delivering the Council's Strategic Plan. Key actions to help achieve that are set out in this Delivery Plan, together with actions to address any performance issues and service priorities identified in the planning process.

The progress of this Plan will be monitored and managed by the management team and reported to Corporate Services Committee twice yearly, at mid-year and year-end for Corporate Procurement Unit (CPU), Infrastructure, Regeneration and Economic Development Committee for Corporate Asset Management and Housing and Communities Committee for Building Services and Housing Asset & Investment.

## 2. Performance Review

The Supply, Distribution and Property management team completed a detailed review of 2022/23 performance, focusing on the following:

- 2022/23 Delivery Plan year end progress;
- Local Government Benchmarking Framework (LGBF) comparative data;
- Association for Public Service Excellence (APSE)
- Scottish Housing Network (SHN)
- Complaints
- Continuous Improvement (Fit for Future reviews)

This review highlighted our key achievements in 2022/23 as well as the challenges to be addressed in 2023/24. These are summarised below.

### **Key Achievements in 2022/23**

Listed below are some of the major achievements in each service area. All services achieved many other outcomes throughout the year which are not recorded here but are as important.

## **Corporate Asset Management**

- Supported the delivery of major capital projects including delivery of phase 2 and 3 of the new Renton Primary campus, continued the development phase of new Faifley Community Campus, new build housing projects, development phase of Exxon City Deal Project and other general services and housing projects.
- Further developed office accommodation plans and managed access and occupancy rates.
- Continued to deliver Disposal Strategy outcomes and delivered income via capital receipts
- Developed and implemented new Council Asset Management Framework and Property Asset Plan.

## **Key Challenges from 2022/23**

### **Cross Service**

#### Workforce

- The turnover coupled with the time taken to replace, recruit and train employees across Supply Distribution and Property continued to be a challenge in 2022-23.
- The national skills shortage of qualified and experienced officers in Corporate Asset Management, resulted in reduced workforce numbers and increased demands on existing teams.

#### Capital Projects

- Increasing issues relating to supply of labour and materials, due to increased energy, transport and raw material costs, impacted on supply chains, and third parties and our ability to carry out works within budget and on time.

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## **3. Strategic Assessment**

The management team completed a strategic assessment to determine the major influences on service delivery and priorities in 2023/24. These are summarised below.

### **Financial Challenges**

The entire public sector is continuing to face significant financial challenges due to a range of factors including inflationary cost increases, rising utility costs and insufficient funding to support the delivery of front line and back office services. The Council are currently faced with an

estimated cumulative funding gap in 2024/25 of £9.7m rising to £29.5m by 2027/28. We will continue to monitor the overall financial position of the Council and updates on estimated future budget gaps will be reported to Elected Members throughout 2023/24.

These challenges mean further action is required to balance our budget and protect services for residents. This will mean that within the Service available funding will be reduced over time and we will need to reconfigure how we work and what we do, where we work, and potentially reduce the number of people employed.

### **Budget Sensitivity Analysis**

In reviewing the service budget projections, consideration has been given to sensitivity of these budgets, in particular for higher risk/ higher value budgets which may have a significant impact on budgetary control and future budget projections. The analysis has considered sensitivity around demand, costs and charges, and income levels.

Within this service, budgets which have been identified as being more susceptible to fluctuations include:

- **Capital Plan and Operational Plan** - Nationally there has been a significant inflation in cost of building supplies and materials and in some cases shortfall in supplies. For some projects this may lead to increased costs or slippage in delivery of the operational and capital projects.

### **Supply Distribution & Property Action Plan**

#### Corporate Asset Management

#### **Income from Capital Receipts**

Continuing to secure income to the Council is a key priority and the Corporate Asset Management Framework supports this through delivery of capital receipts from disposal of key strategic sites. The Plan will highlight non-performing property assets, inform the process for considering future disposals, and generate additional income through the disposal of redundant assets. An annual update will be provided on the progress of disposals. In the current financial climate there will be a significant dependency on the effectiveness of this plan and the outcomes.

#### **Consultancy Services**

Consultancy Services is the Council's design and construction contract consultancy and manages capital programmed construction works providing technical assistance, feasibility and cost studies on behalf of other services. Delivering projects within programme is a significant priority.

### **Revise Team Structure**

Following agreement at the Council Meeting in March 2023, the Consultancy Services, Capital Investment Team and Asset Management Team will progress a review to deliver savings whilst streamlining processes. In line with planned reduction of capital projects, the support from Consultancy Services and Capital Investment Team will be reviewed as well as considering how costs are recharged. For Asset Management, this will include reviewing the support the team receive from CAS, processes involving monitoring physical assets and digital system holding asset information, together with monitoring and instructing repairs to BAM schools.

### **Depot Refurbishment**

Following a review of the complete depot estate and preparation of a feasibility report it is proposed to refurbish the current estate due to cost restrictions. An update report is currently being prepared for May IRED Committee. Following this, the Depots Project Board will be re-introduced and the programme will progress.

### **Faifley Campus**

Continue to progress with the development phase of the Faifley Schools Community Campus in line with current programme. A specific Learning Estate Project Boards meets to discuss this project providing governance and monitoring.

### **Exxon**

Continue to progress with the development phase of the Exxon Project in line with the current programme with a view to submitting a full business case and ensuring all contracts are put in place to meet the current programme. A specific Exxon Project Board meets to discuss this project providing governance and monitoring.

### **District Heating Network**

Expand District Heating Network into the Golden Jubilee Hospital now that the energy centre project is fully operational. Project will commence on approval of Scottish Government funding and full agreement with the NHS Trust.

### **Glencairn House**

Having achieved external funding to support the redevelopment of Glencairn House as a combined museum/library facility via WDC's successful Levelling Up Fund bid, work is underway to progress this project. A design concept has been delivered and detailed designs are now in development. Scrutiny and monitoring of progress is via the Levelling Up Project Board.

### **Artizan Demolition**

The Artizan demolition project is planned to take place over the summer months. A detailed plan will be produced once approvals granted. This project is monitored at the Levelling Up Project Board.

### **Council Savings Options**

In line with the Councils agreed savings options for 2023/24 there are a number of initiatives that include changes to Council assets and will require support from the Asset Management Team. We will work in partnership with the Service areas across the Council to ensure delivery of the savings as a priority.

### **Council Wide Climate Change Strategy**

The Council has developed a Climate Change Strategy in response to Scotland's climate emergency and to provide a route map towards meeting Scotland's national net zero carbon target by 2045. This Strategy has informed the development of a Climate Change Action Plan for 2022/23 to ensure environmental actions are devolved to relevant service areas and climate change action is mainstreamed across council policies, operations and the wider public. Progress against the actions assigned to SD&P will be monitored.

### **Continuous Improvement**

To support continuous improvement, the Council has an established programme of Fit for Future service reviews. Using a range of tools, that encapsulates service design, maturity assessments and employee engagement, information is gathered and reviewed to identify improvements and to ensure our services are efficient and that we make best use of our resources. During 2023/2024 we will assess the performance of the services within SD&P with a view to determining if further teams would benefit from a Fit for Future service review.

### **Action Plan**

The challenges identified in Section 2 and the key factors identified in Section 3 have informed SD&P priorities for 2023/2024. Appendix 1 sets out the action plan to address them. It also includes:

- performance indicators and targets that will enable progress to be monitored and reported to stakeholders;
- strategic workforce actions; and
- strategic and/or service risks

The Council has identified risks at both a strategic and service level. Strategic risks represent the potential for the Council to take advantage of opportunities or fail to meet stated strategic objectives and those that require strategic leadership; while service risks relate to service delivery and represent the potential for impact on individual services, or the experience of those who work within the services, i.e. employees, partners,

contractors and volunteers or service users and clients in receipt of the services provided. In identifying the relevant risks for 2023/2024 and actions to mitigate them, the aim is to improve or maintain the current position (i.e. the current risk score) set out in the appendix.

## 4. Resources

### Finance

Supply Distribution and Property has a net revenue budget of £1.51m credit and a capital budget of £5.898 in 2023/2024. A breakdown by service area is set out below. We will make the best use of the resources available to deliver on key priority areas and secure external/match funding where this is possible.

Service Area	Gross Expenditure 2023/24 (£m)	Gross Income 2023/24 (£m)	Net Expenditure 2023/24 (£m)	Capital Budget 2023/24 (£m)
Consultancy Services	1.009	-0.784	0.225	
Corporate Assets	3.011	-5.331	-2.320	
Capital Investment Team	0.219	-0.224	-0.005	1.72
Private Sector Housing Grant	0.527	-0.446	0.081	
Corporate Asset Maintenance	3.300	-3.300	0	4.18
Housing Asset Maintenance & Investment	0.446	-0.396	0.050	
CPU	0.666	-0.500	0.166	
HMTA	20.053	-20.928	-0.875	
Office Accommodation	1.482	-0.314	1.168	
<b>Total</b>	<b>30.713</b>	<b>-32.223</b>	<b>-1.51</b>	<b>5.898</b>



## Employees

### Employee Numbers (data to be confirmed)

The headcount and full time equivalent staff in each service area (as of 31<sup>st</sup> March 2023) are as follows:

Service Area	Headcount	FTE
Corporate Asset Management	42	36.97
Housing Asset & Investment	10	8.60
Maintenance & Repairs	360	348.36
CPU	16	15.54
<b>TOTAL</b>	<b>428</b>	<b>411.27</b>

### Absence in 2022/23

The quarterly absence statistics for Supply Distribution and Property are shown below together with the Council average for the same periods for comparison. The figures have been higher than the Council average throughout 2022/2023:

Absence in 2021/22	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual FTE days lost per FTE employee
Supply, Distribution & Property	3.96	4.56	4.94	4.00	16.52
<b>COUNCIL WIDE TOTAL</b>	<b>3.86</b>	<b>3.28</b>	<b>4.42</b>	<b>4.02</b>	<b>14.00</b>

## Appendix 1: Action Plan

<b>P</b>	1. Our Communities
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<b>Ob</b>	Objective 3. Our residents are supported to increase life and learning skills
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Action	Due Date	Owner
Progress Glencairn House Improvements in line with agreed plan and timeframe	31-Mar-2024	Michelle Lynn
Progress Faifley Campus in line with agreed programme	31-Mar-2024	Craig Jardine

<b>P</b>	2. Our Environment
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<b>Ob</b>	Objective 6. Our neighbourhoods are sustainable and attractive
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Performance Indicator –	Target 23-24	Owner
% of Special Needs Adaptation projects completed by consultancy services from receipt of referral to carrying out survey, design and submission of building warrant within 60 day target for type 3 projects.	70%	Craig Jardine
% of Consultancy Services project deliverables for Housing and General Services projects that were delivered to programme.	80%	Craig Jardine

 3. Our Economy
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 Objective 7. Our area has the infrastructure for sustainable and inclusive growth where businesses can flourish
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Action	Due Date	Owner
Progress demolition of Artizan Centre within agreed timeframes	31-Mar-2024	Craig Jardine
Support the progress of Exxon City Deal Project	31-Mar-2024	Craig Jardine
District Heating Network Expansion Programme ( Golden Jubilee Hospital)	31-Mar-2024	Craig Jardine

 4. Our Council
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 Objective 10. Our workforce is resilient and skilled where digital technology supports service delivery for our residents
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Action	Due Date	Owner
Develop and implement wellbeing, employee engagement, equality and learning and development plans to enable capabilities, improve resilience and promotion of a diverse workforce	31-Mar-2024	Craig Jardine
Develop and implement employee life cycle plans in line with the People First Strategy to attract and retain the workforce.	31-Mar-2024	Craig Jardine

Action	Due Date	Owner
Implement service review process including role design, use of new technology and new ways of working to add resilience, address gaps, and establish opportunities for efficiencies	31-Mar-2024	Craig Jardine
Develop and implement learning and development opportunities to improve capabilities and resilience within the workforce.	31-Mar-2024	Craig Jardine

<b>Ob</b>	Objective 11. Our Council is adaptable and focused on delivering best value for our residents
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Performance Indicator	Target 23-24	Owner
Percentage of council buildings in which all public areas are suitable for and accessible to disabled people	92%	Michelle Lynn
Proportion of operational buildings that are suitable for their current use %	93%	Michelle Lynn
Proportion of internal floor area of operational buildings in satisfactory condition %	91%	Michelle Lynn
% of capital projects supported by capital investment team, delivered within agreed plan	80%	Craig Jardine
% of capital receipts achieved as forecast	90%	Michelle Lynn

Action	Due Date	Owner
Progress capital projects managed by consultancy services in line with agreed plans	31-Mar-2024	Craig Jardine
Progress disposal of key strategic sites over 23/24	31-Mar-2024	

Action	Due Date	Owner
Progress Depots Refurbishment Programme in line with agreed timeframe	31-Mar-2024	Craig Jardine
Implement revised CAM team structure	31-Mar-2024	Craig Jardine
Develop and implement plans and support other services to achieve the various asset related options agreed by Council.	31-Mar-2024	Michelle Lynn

Risk	Description	Current Assessment	Target Assessment	Owner
Maintaining Council Assets that are fit for purpose	The risk that the Council's assets and facilities are not fully fit for purpose with consequent adverse impact on our ability to deliver efficient and effective services. Assets included in this assessment are; the Council's property portfolio and open space	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	Craig Jardine