



REPORT TO: CORPORATE COMMITTEE ON 14 JUNE 2022

SUBJECT: CORPORATE ASSET MANAGEMENT PLAN

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

- 1.1 To provide the committee with a report of progress made against the Corporate Asset Management Plan for 2021/22 and to consider targets for 2022/23.
- 1.2 This report is submitted to committee in terms of Section III (B) (28) of the Council's Scheme of Administration relating to the formulation, implementation and review of asset management policies and practices, and to the maintenance of an overview of the council's property disposal programme.

2. RECOMMENDATION

2.1 It is recommended that the committee:

- (i) considers and notes the work done to date to meet the targets set in the Corporate Asset Management Plan for 2021/22 as set out in paragraphs 4.1 to 4.9;**
- (ii) notes the status of Asset Management Plans for each type of asset as set out in APPENDIX 2;**
- (iii) approves the actions included in the Corporate Asset Management Plan for 2022/23 as set out in paragraph 5.1; and**
- (iv) approves the revised remit of the Asset Management Working Group as laid out in paragraph 4.5.**

3. BACKGROUND

- 3.1 The Policy and Resources Committee approved the Council's first Corporate Asset Management Plan (CAMP) on 23 September 2008 (paragraph 6 of the minute refers). The CAMP is updated annually and the updated CAMP for 2021/22 was approved by Economic Growth, Housing and Environmental Sustainability Committee on 13 April 2021 (paragraph 5 of the minute refers).
- 3.2 A schematic representation of the asset management planning process is included as **APPENDIX 1** to this report. Committee should note the iterative nature of asset management planning, taking financial affordability into account. The next stage in the development of asset management across the Council is a reiteration to address financial sustainability. An important step in this process was the approval of the Property Asset Management Appraisal (PAMA) by Council on 12 December 2018 (paragraph 6 of the minute refers). A progress report on the PAMA was presented to the Policy and Resources Committee on 29 October 2019 (paragraph 13 of the minute refers) and the most recent progress update to Full Council on 30 June 2021 (paragraph 14 of the minute refers). Eleven of the twenty recommendations from this update were completed and it had been the intention to deliver a further progress update in December 2021, however, this was postponed whilst the key strategic posts of Property Asset Manager and Head of Transformation were filled. An update is now anticipated in Autumn 2022.
- 3.3 Asset Management Planning is recognised as one of the main drivers for the Capital Plan and at its meeting on 27 February 2019 Moray Council (paragraph 4 of the minute refers) agreed to commence preliminary work to revert to capital expenditure based on asset management principles, from a Make Do and Mend policy, with a view to full implementation by 2022/23. The lead-in time for capital projects can be up to 24 months, allowing for design work, planning permission if required and depending on the procurement route appropriate to the project, As full implementation of this for the schools estate is also dependent on the development of the Learning Estate Strategy this strand of work is still heavily focussed on the avoidance of school closures. Conditions surveys of the Learning Estate are being carried out and these will assist in a more asset management based approach being adopted as updated asset information becomes available.
- 3.4 A summary of progress to date on developing individual asset management plans is included as **APPENDIX 2** to this report. This highlights progress in Property Asset Management Planning over the past year.

4. REPORT ON PROGRESS UNDER THE CORPORATE ASSET MANAGEMENT PLAN 2021/22

- 4.1 The CAMP for 2021/22 reflected a year of continuing consolidation, with the key aim of the CAMP being to ensure that the work needed to underpin and deliver a ten-year capital plan was identified, resourced and carried out.
- 4.2 There were seven key tasks identified for 2021/22:

4.3 Review asset standards as per Council on 18 February 2021 (paragraph 5 of the Minute refers).

4.4 **Continue to plan and implement the findings of the Property Asset Management Appraisal report**

As referred to in paragraph 3.2, a Property Asset Management Appraisal (PAMA) was presented to the Moray Council on 12 December 2018 (paragraph 6 of the Minute refers). The PAMA proposed a review of office accommodation, depots, storage facilities and the implementation of a revised Asset Management Structure - all of which were to be completed in 2019/20. An update was provided to the Policy and Resources Committee on 28 October 2019 (paragraph 13 of the minute refers) and a report on the Leisure Estate presented to Moray Council on 17 December 2019 (paragraph 7 of the minute refers). The latest progress report was presented to Full Council on 30 June 2021 (paragraph 14 of the minute refers) and noted the delays to the programme, with the impact of the pandemic and a change of lead officers having had an impact on a number of the agreed actions. Work is progressing with the intention for a further update to the PAMA to be presented to Committee in the Autumn of 2022. However, it should be noted that the PAMA was developed and presented in a pre-Covid world and there has been a significant shift in the use of some of the Council's properties following the pandemic which requires a revisit to the PAMA and establish how best the property assets can be used to deliver services. There is an opportunity to take lessons learned from the pandemic and look to drive change in service delivery to maximise the benefit to all which would see reduction in the number of property assets and increased utilisation of the assets held, with the aim of fundamentally improving the Council's asset base over the next 5 to 10 years.

4.5 **Review the remit and membership of the AMWG (carried forward from 2019/20)**

The remit and membership of the Asset Management Working Group (AMWG) was reviewed during the year. The original remit of the group was to develop and oversee overall asset management arrangements within the Council; to assist in the development of proposals for capital expenditure based on asset management and other relevant principles; to develop the Council's corporate asset management framework; to oversee progress on the development of asset management plans for asset classes and types; and to encourage the development of service asset management plans, and the Group also has a defined role in the corporate process of declaring property assets surplus to requirements prior to disposal. When the Council's project management process was approved AMWG was recognised playing a role in the Gateway process. The Group has also taken an overview of the Community Asset Transfer process within the Council. Following review it is proposed that these developments are formally recognised in the remit of the Group, which would therefore be:

- To develop and oversee overall asset management arrangements within the Council, including the corporate asset management framework, asset management plans for assets classes and types and to encourage the development of service asset management plans

- To act as a Gateway for proposals for capital expenditure and to ensure asset management and other relevant principles are used in the development of the capital plan
- To declare assets surplus to requirement in accordance with the Council's policies and financial regulations pertaining to disposal of properties
- To take an overview of the progress of Community Asset Transfer applications

To fulfil this remit the Group will have the following standard agenda:

Type	Description
Regular	<ul style="list-style-type: none"> • General Services Capital Plan Monitoring • Housing issues • CAT updates • Corporate Asset Management Plan – development and progress against agreed milestones • Asset Management Plans - Progress Updates • Ad Hoc Reports • Project Gateway Documents (Mandates/Business Cases/End of Project reports/ Post Project Review Reports)
Annual (Special Meeting)	<ul style="list-style-type: none"> • Capital Plan review

4.6 Flood Alleviation Asset Management Plan to be completed and reviewed by group prior to submission to Council; carried forward from 2019/20

The Flood Risk Management (FRM) Asset Management Plan is complete. All of the FRM assets are included within the service's asset management database (WDM) and are inspected periodically. The Schedule of Clearance and Repair is agreed by Members and published annually. The latest was approved by the Economic Development and Infrastructure Services Committee on 22 March 2022 (paragraph 10 of the draft Minute Refers).

4.7 Refresh current Capital Strategy for presentation to Council as part of the financial planning process for 2022 onwards

A refreshed Capital Strategy was approved by Full Council on 19 January 2022 (paragraph 16 of the Minute refers). This incorporated a review of the approved asset standards. This will be updated on an annual basis.

4.8 Continue to develop a selection process for post project reviews and bring a draft report with recommendations to the AMWG

Work continues to be ongoing to formalise a process for selecting post project reviews, with collaboration between Officers from the Programme Management Office and Finance on identifying the best way forward. This work will continue into 2022/23. A post project review of the Early Learning and Childcare project is being undertaken

4.9 Continue general development of AMPs

Continuing the development of individual asset management plans is an on-going task. Progress during 2021/22 was sporadic as the focus of Council services continued to be on response to the pandemic and then supporting recovery. However, a Harbour Asset Management Plan was developed to underpin the projects included in the Capital Plan for 2022 to 2026. This will be reported to a future meeting of the Economic Development and Infrastructure Services Committee for approval.

5. CORPORATE ASSET MANAGEMENT PLAN 2022/23

5.1 The undernoted tasks are recommended for inclusion in the 2022/23 CAMP:

- Update the Property Asset Management Appraisal report in light of the new flexible working practices post pandemic;
- Complete the post project review of Early Learning & Childcare project;
- Continue to develop a selection process for post project reviews;
- Continue general development of AMPs;

5.2 The full CAMP can be found [here](#).

6. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

Asset management planning assists the council to deliver Council and community planning priorities whilst achieving Best Value.

(b) Policy and Legal

There are no policy or legal implications arising directly from this report.

(c) Financial implications

There are no financial implications arising directly from this report. Asset management planning feeds into the Council's financial planning process and forms a key part of the strategy for reducing budget pressures and the Council's Improvement and Modernisation Programme.

(d) Risk Implications

There are no risks to the council arising directly from this report. Asset management planning reduces the risk to the Council of unexpected issues arising relating to the council's assets.

(e) Staffing Implications

There are no staffing implications arising directly from this report. All recommended actions are planned to be carried out within current staffing resources.

(f) Property

There are no property implications arising directly from this report.

(g) Equalities/Socio Economic Impact

There are no equalities issues arising directly from this report.

(h) Climate Change and Biodiversity Impacts

The Corporate Asset Management Plan supports the aims of the Council's Corporate Plan 2019-24 to protect and enhance our environment by creating a more resilient and sustainable future with the aim of Moray Council becoming carbon neutral by 2030

(i) Consultations

Members of the Corporate Management Team and of the Asset Management Working Group, the Principal Climate Change Strategy Officer, the Legal Services Manager, the Property Asset Manager, L Robinson, Committee Services Officer and the Equal Opportunities Officer have been consulted in the preparation of this report.

7. CONCLUSION

7.1 Four of the specific actions included in the CAMP for 2021/22 have been completed.

7.2 Progress continues to be made with revision of the PAMA in response to the pandemic and implementation of the revised PAMA, with post project review work and the development of asset management processes and plans.

7.3 The Corporate Asset Management Plan for 2022/23 sets out the actions planned for this financial year to progress asset management planning in the Council.

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Background Papers:
Ref: *SPMAN-1293228629-678*