

ABERDEEN CITY COUNCIL

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COMMITTEE	Finance & Resources
DATE	4 October 2012
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Property Asset Management Plan 2012
REPORT NUMBER:	EPI/12/186

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1. PURPOSE OF REPORT

The Report details the Property Asset Management Plan, explaining the background to Asset Management, and the strategic importance to the City Council in efficiently utilising its property to assist in the delivery of all Council services.

2. RECOMMENDATION

The Committee approve the Property Asset Management Plan and instructs the Corporate Asset Group to implement and develop the Plan.

3. FINANCIAL IMPLICATIONS

There are no specific implications flowing from this report. The further implementation of Property Asset Management Planning will result in additional improvements in efficiency of the utilisation of Council property assets, potentially producing savings in revenue costs and identifying surplus assets, thereby realising capital receipts.

4. OTHER IMPLICATIONS

There are no immediate other implications flowing from this Report.

5. BACKGROUND / MAIN ISSUES

Asset Management is widely recognised by the Scottish Government, Property professionals and Public Bodies as vital to optimising the use and management of property assets with the aim of releasing financial and service benefits. This is identified in a recent publication from the Scottish Futures Trust entitled "Improving Asset Management across the Scottish Public Sector".

This Council has carried out asset management in other guises for many years but it wasn't until 2007 that the Council actively set out to implement asset management. Following on from that, the Council's first Property Asset Management Plan (PAMP) was approved by the Resources Management Committee in June 2009 and has been updated annually thereafter. It is recognised as good practice to have a complete review of the PAMP every three years with annual updates in between.

Asset Management is now well developed within the Council. A small team are dedicated to the development and immediate implementation of Asset Management. Significant improvements have been made in essential processes/procedures as well as improvements to actual assets.

An electronic copy of the Property Asset Management Plan (PAMP) 2012 has been emailed to all members of the Committee, with a copy placed in the Members' Library. Once approved, the PAMP will be available on the Council's Website. An Executive Summary is included at the start of the PAMP. The PAMP was presented at a meeting of the Corporate Asset Group meeting on 29 August and subsequently approved, with minor alterations. The document was also presented to CMT on 20 September.

Some of the key points/findings from the PAMP are as follows:-

#### Corporate Property – Objectives & Priorities

The key to ensuring that our property assets deliver what is required for Aberdeen, both now and in the future, is ensuring that our use and management of assets is aligned to our strategic objectives and priorities.

In designing our approach to asset management within Aberdeen, in order to deliver our Strategic Priorities, we have identified 7 overarching property aims and objectives that will seek to ensure that the Council's assets are fit for purpose within the current budgetary restraints.

- **Assets must meet the needs of those that use them.**
- **Assets must be economically sustainable.**
- **Assets must be safe and comply with current legal requirements and any future requirements.**
- **Assets must make a strategic impact.**
- **Assets must be environmentally sustainable.**
- **Working with our public sector partners, to encourage the sharing of property assets where practical.**
- **Heritage Assets should be maintained to a high standard.**

## Current Asset Management Performance

Improvement:-

- **Required Maintenance down from £66.1m to £60.7m**
- **% of Properties in Satisfactory Condition improved by 5%**
- **5% reduction in energy consumption**
- **4% reduction in water consumption**
- **13% reduction in oil consumption**

No change:-

- **% of Properties suitable**

Decrease:-

- **Public Access down from 86.1% to 83.9%**

## Key Challenges & Achievements

Selected Challenges are:-

- Increasing planned maintenance
- A fit for purpose school estate
- Community transfer
- Completing/updating Service Asset Management Plans
- Commercial estate investment

Selected Achievements are:-

- Commencement of the photovoltaic panel Scheme
- A reduction in energy and water consumption
- The advancement of the Tenanted Non Residential Property Review (the commercial estate)
- Reduction in time between buildings closing and being declared surplus
- Completion of the Energy Performance Certificate (EPC) Programme

## Key Priorities

The updated priority areas are as follows:-

<b>Priority Area</b>	<b>Responsibility</b>	<b>Target Date for Completion</b>
Complete and Update Suitability Forms	Services	October 2012
Complete Service Asset Management Plans	Services	August 2013
Explore potential to Link Uniform and Confirm	Asset Management	Spring 2013
All Services to have access to Uniform and Confirm	Asset Management/Corporate Governance	December 2013
Repairs & Maintenance Strategy to be developed	Asset Management & Operations	Spring 2013
Complete School Review	Education Culture & Sport	Spring 2013
Complete ASN/Inclusion Review	Education Culture & Sport	TBC
Leisure Asset & Sports Pitch Strategy	Education Culture & Sport	December 2012
Cultural Assets Mapping	Education Culture & Sport	Summer 2013
Water Management Plan (Swimming Pools)	Education Culture & Sport	Spring 2013
Draft Community Transfer policy	Estates Team	Spring 2013
Complete TNRP Review	Investment Team	December 2013
Office Accommodation	Asset Management	Ongoing
Equipment and Storage Review	To be identified	Spring 2013

## 6. IMPACT

Corporate - The continued implementation of the Property Asset Management Plan will ensure that the Council is utilising its property portfolios to support Services in implementing the Single Outcome Agreement. In addition the plan contributes to achieving the vision set out in 'Aberdeen: The Smarter City'. Property has a particularly important role to play in Smarter Living, Smarter People and Smarter Environment themes.

Public – The continuing improvement to the Council's properties through good asset management practices will help ensure that services are being delivered from buildings that are "fit for purpose".

## 7. BACKGROUND PAPERS

Property Asset Management Plan 2009 (Non-Housing)  
Property Asset Management Plan Update 2010  
Property Asset Management Plan Update 2011  
RICS: Public Sector Asset Management Guidance 2008  
CIPFA: A Guide to Asset Management & Capital Planning 2008

## 8. REPORT AUTHOR DETAILS

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