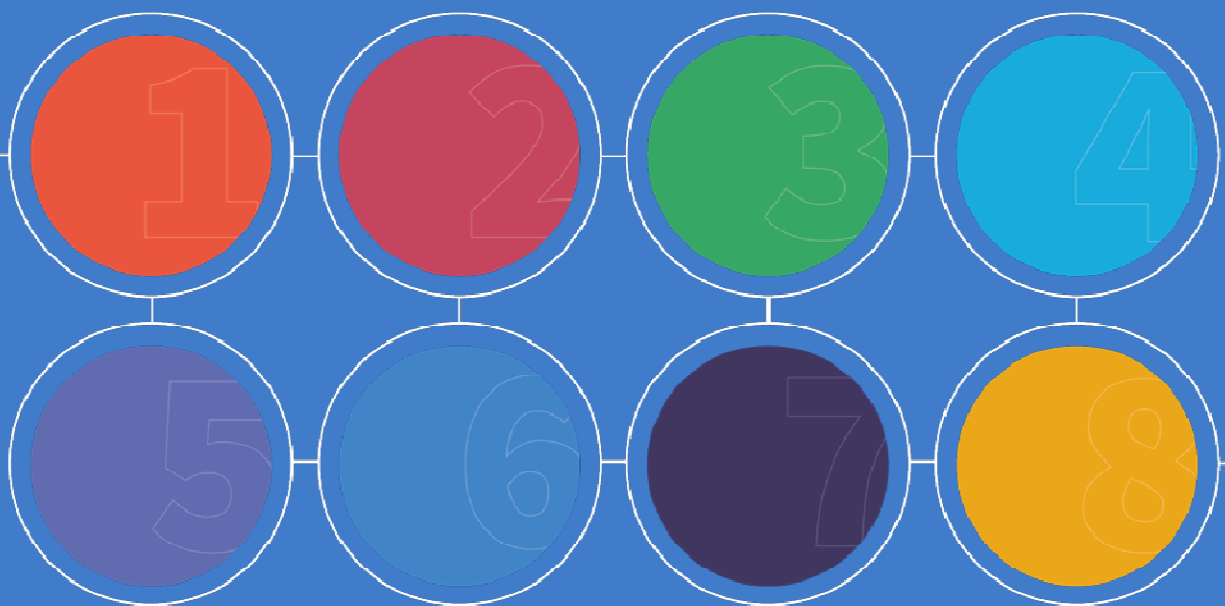


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Property Asset Management Plan 2018/19 to 2027/28



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1 Foreword

West Lothian Council is committed to managing its property assets efficiently and effectively. The appropriate use of property assets in the right locations can make the difference between good and poor service delivery. Property assets rank high in our community's perception of the council and the services we deliver from them. It is therefore essential that we look after property assets and ensure that they benefit future generations.

This plan sets out the council's proposed framework for the management of our property assets over the next ten years. It has been produced in accordance with national guidance and recognises good practices to support the delivery of our corporate priorities.

The plan recognises the outcomes of the Corporate Plan and the Delivering Better Outcomes consultation and, in particular, the importance that is placed upon ensuring our property assets are managed in a sustainable manner. It also builds upon the approved Corporate Asset Management Strategy which sets out the main outcomes we will use to demonstrate that our assets are managed efficiently and effectively.

It is widely recognised that the application of modern asset management practices can enable efficient resource deployment, service modernisation, long term financial planning and improved risk management. In these challenging times, it is essential that the council embraces this approach and strives to ensure that we invest as wisely as possible and ensure our property assets are fit for purpose.

Significant resources are deployed in the management, maintenance and construction of our property assets and therefore it is essential that these are deployed to deliver the best possible outcomes for West Lothian's Communities. This plan forms an important part of the council's commitment to achieve this.



Paul Kettrick
Corporate Estates Manager
Asset Lead Officer (Property)

2 Introduction and Background

2.1 Introduction

Welcome to the Property Asset Management Plan (PAMP).

This plan sets out the council's plans for the management of our property assets for the period 2018/19 to 2027/28. This builds upon the achievements of the previous plan that was widely recognised as being at the forefront of good asset management in local authorities. The management of our property assets involves a number of significant elements including the day to day management of their use and maintenance, to significant renovation and the development of new buildings.

The council has an approved Corporate Plan, which sets out eight priorities that have been developed in consultation with our local communities, partner organisations, stakeholders, staff and trade unions. These priorities, inform the activities that the council will undertake in order to achieve better outcomes for West Lothian. Successful management of property assets will be critical to ensure the delivery of these priorities. The effective and efficient management of assets together with a range of modernisation programmes and projects were identified as part of the council's corporate plan, budgetary strategy and service modernisation public consultation.

To ensure a consistent approach to the management of our assets, the council has approved a Corporate Asset Management Strategy that sets out a number of performance outcomes within the context of our vision *"to manage assets efficiently and effectively to support the achievement of corporate priorities and outcomes"*.

The purpose of this Property Asset Management Plan is to support the achievement of this vision and ensure our Property assets continue to play an active role in the delivery of our services. The plan also seeks to ensure fit for purpose Property that will support delivering our corporate priorities and facilitate the modernisation of services.

This Property Asset Management Plan sets out the council's approach to the management of its property assets. It supports the delivery of the council's priorities by:

- Establishing a corporate framework for the management of all our property assets;
- Highlighting our corporate outcomes and priorities and how they will be supported through the effective and efficient management of our property assets;
- Presenting an overview of the extensive property assets owned by the council;
- Identifying the internal and external influencing factors and challenges affecting property;
- Identifying a number of activity themes to improve the performance of property asset management; and
- Outlining the investment we will make in our property assets over the next ten years.

After staff costs the revenue resources deployed in the management of our property assets represent the next highest area of expenditure. It is therefore essential that these significant resources are deployed effectively and efficiently to sustain and where possible improve the performance of our property assets. The council currently spends significant resources on the management of its property assets on matters such as statutory compliance, energy, non-domestic rates and maintenance. The council has an approved five year revenue strategy and the management of property budgets will continue to play a large role in the councils financial planning and modernisation programmes delivery.

The Council has approved a ten year general services capital programme for 20017/18 to 2027/28, that has been formulated based on our corporate priorities, managing risks, ensuring asset management best practice and adherence to the prudential code. By having the asset management strategy, capital and revenue resources agreed for the next ten years the Council has established a sound basis for aligning our resource deployment with achievement corporate priorities and the modernisation of services to meet the aspirations of our communities.

This approach has enabled us to commit to a number of significant investments over the next ten years that will substantially improve the performance of our property assets and support achievement of our corporate priorities and support service modernisation. These include:

- Undertaking planned improvements of over £37m;
- Delivering property projects and programmes totalling £198.6 m; and
- Improving and sustaining our property statutory compliance responsibilities on matters such as asbestos and accessibility etc with investment of over £20 m.

These investments, together with a wide range of other modernisation activities to improve and sustain the performance of our property assets, clearly demonstrate the commitment of the Council to ensuring our buildings are fit for purpose and able to support service delivery in our communities.

2.2 Background - Property Assets Overview

Property assets are essential to the services delivered by West Lothian Council. Managing these assets is a structured process that seeks to ensure best value; continuous improvement in performance; achievement of our corporate priorities; and service modernisation.

It is recognised that:

- Managing property assets effectively is a key element of supporting service delivery;
- Resources employed in the management of our property assets are significant and therefore the efficiency of their deployment is critical;
- Property assets can be a key driver of service transformation and modernisation;
- The value of property assets owned by the council is significant; and
- Properties are at the centre of public perception of our local authority.

West Lothian Council manages a property portfolio of over 700 properties plus development land, which consists of two distinct types of property:

Operational Properties

Operational properties are those that are used to directly support Council service delivery such as schools, partnership centres and depots together with those operated by partner organisations such as West Lothian Leisure. There are currently 242 operational property assets.

Non-Operational Properties

Non-Operational properties are those used to enable the council to support local business space and economic development, indirectly support corporate or community planning objectives (i.e. third sector accommodation) and provide the council with a revenue stream. This category also includes surplus assets for disposal to support capital programmes and strategic development land.

Analysis by property type is shown in Appendix A.

Given the foregoing, the influence that property has in supporting service delivery is hugely significant. To ensure that these assets are fit for purpose to support service delivery, significant resources are deployed. Against a backdrop of challenging public finances it is important that we continue to manage our resources efficiently and effectively.

2.3 Background – Management

Management of all the council's property assets sits within Finance and Property Services with the stewardship from a strategic to an operational level including the management of all related resources being the responsibility of Property Management and Development. This role consists of the following main activities:

- Leading on the scope and direction of this Property Asset Management Plan;
- Responsibility for ensuring that services use property assets effectively and efficiently;
- Prioritising and managing the deployment of revenue resources for all aspects of property management, including statutory compliance, cyclical and reactive maintenance, energy and utilities, facilities management and non-domestic rates etc;
- Prioritising and managing the deployment of capital resources to support and undertake planned improvements, statutory compliance works, and to deliver new Property projects;
- Managing the capital receipts programme;
- Providing professional services to the council and partners relating to the management of Property assets;
- Operational and facilities management of the councils corporate and partnership buildings
- Managing the council's tenanted non-residential property (TNRP) portfolio including the Commercial Property Portfolio (CPP);
- Managing Public Private Partnership (PPP) and Design Build Finance and Maintain (DBFM) property projects and contracts; and
- Leading on Corporate Asset Management initiatives.

Individual council services are the custodians of property assets they use for the delivery of services. The general parameters of this role are as follows:

- Ensuring properties are used for activities that support service delivery and corporate plan priorities;
- Ensuring service use is appropriate for the type and size of property available;
- Preventing use for illegal purposes or uses that represent a reputation, financial or legal risk to the council or the property;
- Ensuring compliance records are maintained on site and updated as required in liaison with Construction Services;
- Through the role of responsible persons ensuring that compliance and required management activities are undertaken as appropriate;
- Not undertaking works other than those expected as part of normal janitorial services to any property, without consulting Construction Services; and
- Not entering in to any contracts conveying property interests without consent of Property Management and Development.

2.4 Background - Influencing factors

The management of our property assets is influenced by a variety of factors, which can be summarised as follows:

External

- The current economic climate means that not only do we have fewer resources to deploy in the management and maintenance of property, but also we generate lower receipts from the sale of surplus assets;
- Regulatory and statutory changes at both UK and Scottish Government level will occur throughout the life of this plan. These will be responded to and will affect how we manage and improve our property assets;
- Demographic changes mean that the West Lothian population will grow in the future and the age profile will become older and our long term property requirements will change as a result;
- Best practice guidance issued by professional organisations or other relevant bodies will be considered;
- Property requirements of strategic partners will influence the delivery of joint projects;
- Costs for energy, construction materials and professional advice will vary during the plan period with generally upward inflation pressures and therefore need to be considered on an ongoing basis; and
- Community Empowerment and in particular asset transfer is encouraged particularly where communities take responsibility for the management of local assets.

Internal

- Service modernisation and new ways of working mean that existing properties all need to evolve and be flexible in use;
- Efficiencies in resource usage will require to be achieved to reduce long term operating costs;
- New properties and extensions will be required to facilitate service delivery in areas where population increases occur. This means additional running costs;
- The council is committed to reducing carbon and improving the energy efficiency of our buildings. This will influence our planned improvements and the construction of new assets.

3 Council Corporate Plan Priorities

The Council has set eight priorities in the current Corporate Plan for 2018/19 to 2027/28 in consultation with the local community, partners, stakeholders, staff and trade unions. These priorities, along with the three enabling themes, represent all the vital activities that the council will undertake in order to achieve better outcomes for West Lothian. Figures 1 and 2 below illustrate where Property assets *directly* contribute to, or are influenced by, the delivery of the council’s priorities and/or enablers:

1. Delivering positive outcomes and early intervention for early years	✓	The council has a number of early years facilities and will support these further through improvements to our nursery schools and partnership centre development.
2. Improving the employment position in West Lothian	✓	The investment in property assets is significant and supports employment directly in the council through services and indirectly through the engagement of local contractors. The tenanted non-residential property portfolio supports business space and local small businesses.
3. Improving attainment and positive destinations for school children	✓	Schools represent a significant proportion of our operational property portfolio. Ensuring these are in good condition and fit for purpose is a key objective and creates a positive environment for learning.
4. Improving the quality of life for older people	✓	The Council owns and operates a number of care homes and developments for housing for the elderly are supporting a better quality of life for older people.
5. Minimising poverty, the cycle of deprivation and promoting equality	✓	Our property assets, by providing accommodation for services in communities with multiple deprivations support this priority. Significant investment is also made in improving accessibility, thereby supporting equal access to our services.
6. Reducing crime and improving community safety	✓	Property assets are used for youth projects thereby providing support to alleviate anti-social behaviour. A large proportion of our assets have secure access and provide safe environments.
7. Delivering positive outcomes on health	✓	Our partnership centres enable the coordination of services with the NHS, and the use of our properties to deliver services relating to physical activity and sports has a positive impact on community health.
8. Protecting the built and natural environment	✓	By investing in our property assets and ensuring they are managed in a sustainable manner we ensure that there is a vibrant environment in West Lothian impact on the environment is minimised.

Figure 1: Council Priorities

Enabling Priorities

Financial planning	✓	The significant resources employed in property assets mean that financial planning is required to allocate resources where they are most required and identify investment needs over the longer term
Corporate governance and risk	✓	We ensure that our property assets are compliant in terms of statutory and legislative requirements, safe for use and fit for purpose in terms of condition, thereby mitigating risks of building failure and closure.
Modernisation and improvement	✓	Through pro-active management our property assets act as a catalyst for modernisation and improvement of service delivery (i.e. office modernisation)

Figure 2: Council Enablers

4 Corporate Asset Management Strategy – Property Performance Outcomes

The corporate asset management plan sets out that we will manage our assets efficiently and effectively to support the delivery of our service and corporate priorities. To demonstrate this seven performance outcomes have been developed for all asset categories including property. The following table demonstrates how these relate to property and sets out appropriate high level performance indicators.

Strategy Outcome	Primary Performance Indicators	Activity Aims
Compliance	<ul style="list-style-type: none"> ■ Percentage of buildings with responsible persons identified ■ Percentage of buildings that are fully compliant in terms of having a current fire safety risk assessment, up to date asbestos register, legionella testing and management processes in place. 	<p>Demonstrating that our property assets comply with statutory and regulatory requirements.</p> <p>Ensuring properties are safe and available for use to deliver services by having them regularly inspected and retaining compliance logs.</p>
Condition	<ul style="list-style-type: none"> ■ Percentage of properties in satisfactory or better condition (specified performance indicator) ■ Percentage of gross internal floor area (m²) that is in satisfactory or better condition ■ Number of days school properties are closed due to building condition failure 	<p>Demonstrating that our property assets are maintained in satisfactory or better condition to support service delivery</p> <p>Minimising the number of days our buildings are not available for service delivery</p>
Suitability	<ul style="list-style-type: none"> ■ Percentage of properties that are considered satisfactory or better in terms of suitability (specified performance indicator) 	<p>Demonstrating that our property assets are fit for purpose in terms of accommodation type and layout to support the delivery of services.</p>
Sufficiency	<ul style="list-style-type: none"> ■ Percentage of properties that are considered satisfactory or better in terms of sufficiency, utilisation and usage to support service delivery 	<p>Demonstrating that our property assets are sufficient for service delivery.</p>
Utilisation	<ul style="list-style-type: none"> ■ Percentage of time properties are used versus operational availability 	<p>Demonstrating that our property assets are sufficient for service delivery and utilised as much as possible by our communities.</p>

Strategy Outcome	Primary Performance Indicators	Activity Aims
Accessibility	<ul style="list-style-type: none"> ■ Percentage of properties that are considered accessible (specified performance indicator) ■ Percentage of gross internal floor area (m²) that is accessible 	Demonstrating that our property assets provide accommodation that is accessible for all service users and staff
Sustainability	<ul style="list-style-type: none"> ■ Total carbon emissions from corporate property assets (CO² tonnes) ■ KWh of energy used per m² in the operation of our corporate property assets ■ Percentage properties with Energy Performance ratings of D or better. 	Demonstrates the impact our consumption of energy has on the environment. The energy performance of our property assets is monitored, and improvements undertaken where financially viable and technically feasible.

Figure 3: Corporate Asset Management Strategy – Property Performance Outcomes

Additional management performance indicators will, where appropriate, also be reported within annual updates of this property Asset Management Plan. These support the higher level performance measures and also specific activity themes outlined in the plan.

5 Property Asset Management Plan

5.1 Strategic Hierarchy

Property assets are managed within an integrated strategic framework that has, at its highest level, the Corporate Plan where direct and enabling service priorities are identified. These priorities are reflected in the Corporate Asset Management Strategy that sets out the primary outcomes required to ensure effective and efficient asset management. At this level financial resources are considered within the context of the council’s financial strategy, which sets the framework for the prioritised deployment of revenue and capital resources for the different asset categories. This Property Asset Management Plan builds upon these and sets out the direct requirements for property to support the delivery of the corporate level outcomes and priorities. The following illustration shows the strategic hierarchy for the Property Asset Management Plan.

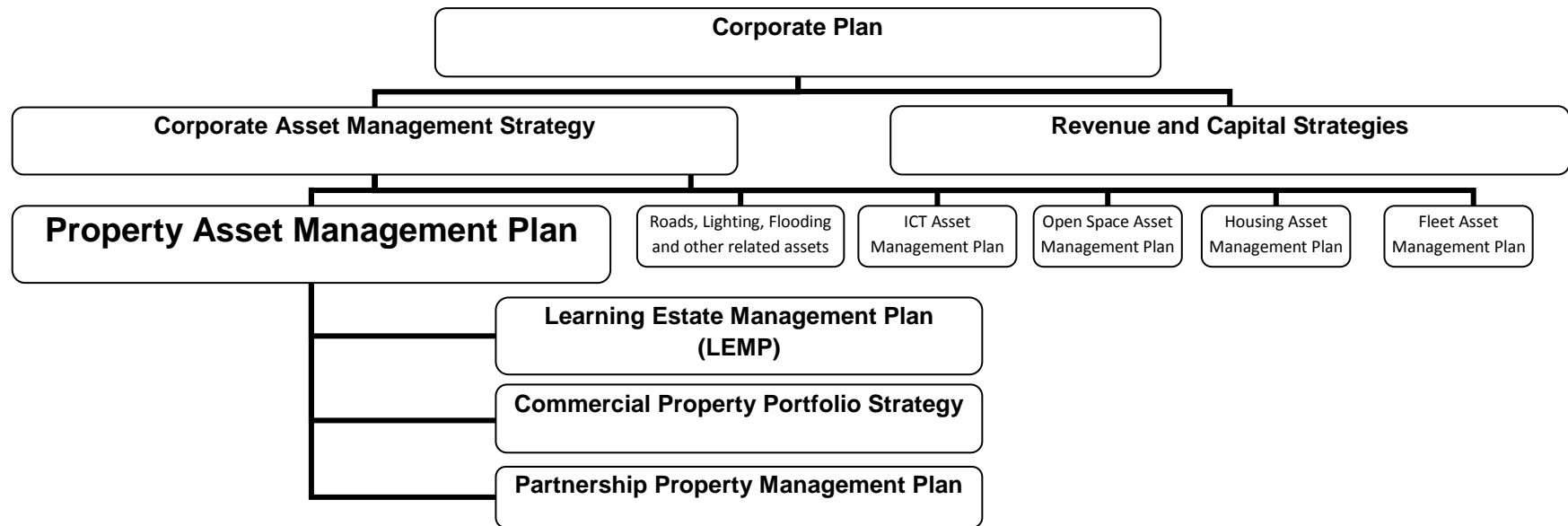


Figure 4: PROPERTY Asset Management Plan – Strategic Hierarchy

The Property Asset Management Plan establishes the framework for other property focused plans for the learnings estate assets (schools), commercial property portfolio and partnership properties. The separate Learning Estate Management (LEMP) represents a significant operational activity area that will have additional specific requirements.

Whilst all priorities and outcomes from the Corporate Asset Management Strategy and Property Asset Management Plan are applicable to these supplementary plans, there are additional requirements that are relevant. In summary these are as follows:

Learning Estate Management Plan

The emerging Learning Estate Management Plan will set out the framework for the management of our educational estate to support the Scottish Governments “Building Our Future” vision for 21st century schools. This aims to provide well designed, well built and well managed schools that support national and local priorities and inspire children, young people and communities. In addition to the core Corporate Asset Management Strategy and Property Asset Management Plan, the Learning Estate Management Plan has a number of key aims for the future of our educational establishments. These are:

- Putting pupil development and attainment at the centre of our decision making;
- Ensuring management is flexible to meet the needs of individual children;
- Ensuring our school estate establishments meet our aspirations; and
- Managing the school estate to build in flexibility so that it can evolve to address future needs.

The Learning Estate Management Plan will be reported for adoption in Spring 2019 with performance updates provided annually.

Commercial Property Portfolio Strategy

The Commercial Property Portfolio (CPP) has its own additional priorities, management and governance structure due to its commercial non-operational nature which is focused influencing local business space provision, supporting economic development and delivering revenue income. It comprises a diverse range of property types, including industrial, retail and office properties together with strategic land and other miscellaneous assets. These are located across West Lothian and in areas that are unviable for the private sector. The CPP generates a gross annual income of approximately £4.2m for the council.

The portfolio has developed organically and it is important to the local economy, with the council being one of the largest commercial property owners and providers of business space in the area. The council also offers locations, flexible lease terms and small sized units that the majority of the private sector do not consider attractive. The basic aims of the CPP Portfolio are as follows:

- Identifying new opportunities for the creation of additional business space to support economic development;
- Improving the recovery of rents, insurance and service charges;

- Identifying new opportunities to produce income;
- Developing a plan to change the balance and profile of the portfolio, resulting in a dynamic portfolio capable of providing sustained improvement in rental income, together with the removal and reduction of risk within the portfolio;
- Developing processes to improve the effectiveness and efficiency of the portfolio's management; and
- Improving the level of net annual income generated from existing commercial property assets;

Strategic land is held by the council to support long term development aspirations, generate capital receipts and economic development.

Surplus assets are those for which the council no longer has an operational requirement. In such circumstances these assets are then processed through the councils approved surplus property procedures.

The CPP performance together with modernisation proposals are reported annually and separately to the main Property Asset Management Plan.

Partnership Property Plan

The council is committed to working with our strategic partners, organisations, communities and businesses to deliver property assets that support our corporate and service priorities to meet community aspirations and needs. At the centre of the Partnership Property Plan is our network of partnership centres at Fauldhouse, Bathgate, Strathbrock (Broxburn), Almondbank (Craigshill), Blackburn, Armadale, Linlithgow and East Calder, and additionally the new facility at Whitburn from 2020. The partners and services involved in these developments vary from location to location however, the ethos of collocation and collaboration is now embedded in the public sector culture of West Lothian and therefore all future new property developments will continue to seek to maximise partner involvement.

Further opportunities for shared premises and integrated service delivery will continue to be considered. To achieve this, and to establish a formal framework for the management of existing facilities and the delivery of new opportunities, a Partnership Property Plan will be developed.

The basic activities of the Partnership Property Plan will be as follows:

- Developing a joint approach to property asset management and clearly establishing existing and future service demand in order to identify shared accommodation requirements;
- Identifying resources required and timescales for delivery of any proposed or agreed projects;
- Establishing specific delivery models that are fit for purpose and meet all partners requirements;

- Developing a framework for the management of existing and future partnership property projects from development to physical delivery and ongoing facilities management;
- Establishing and progressing key service integration opportunities that could be accommodated within shared property assets; and
- Clearly identifying benefits; demonstrating best value and outcomes that will be achieved; and monitoring performance through the life of an asset.

Annual updates will be provided on the plan and to monitor performance.

5.2 Property Asset Management Plan Decision Making Hierarchy

To ensure that Property assets are management consistently, within a clear decision making framework that facilitates effective and efficient management, the following structure has been established.

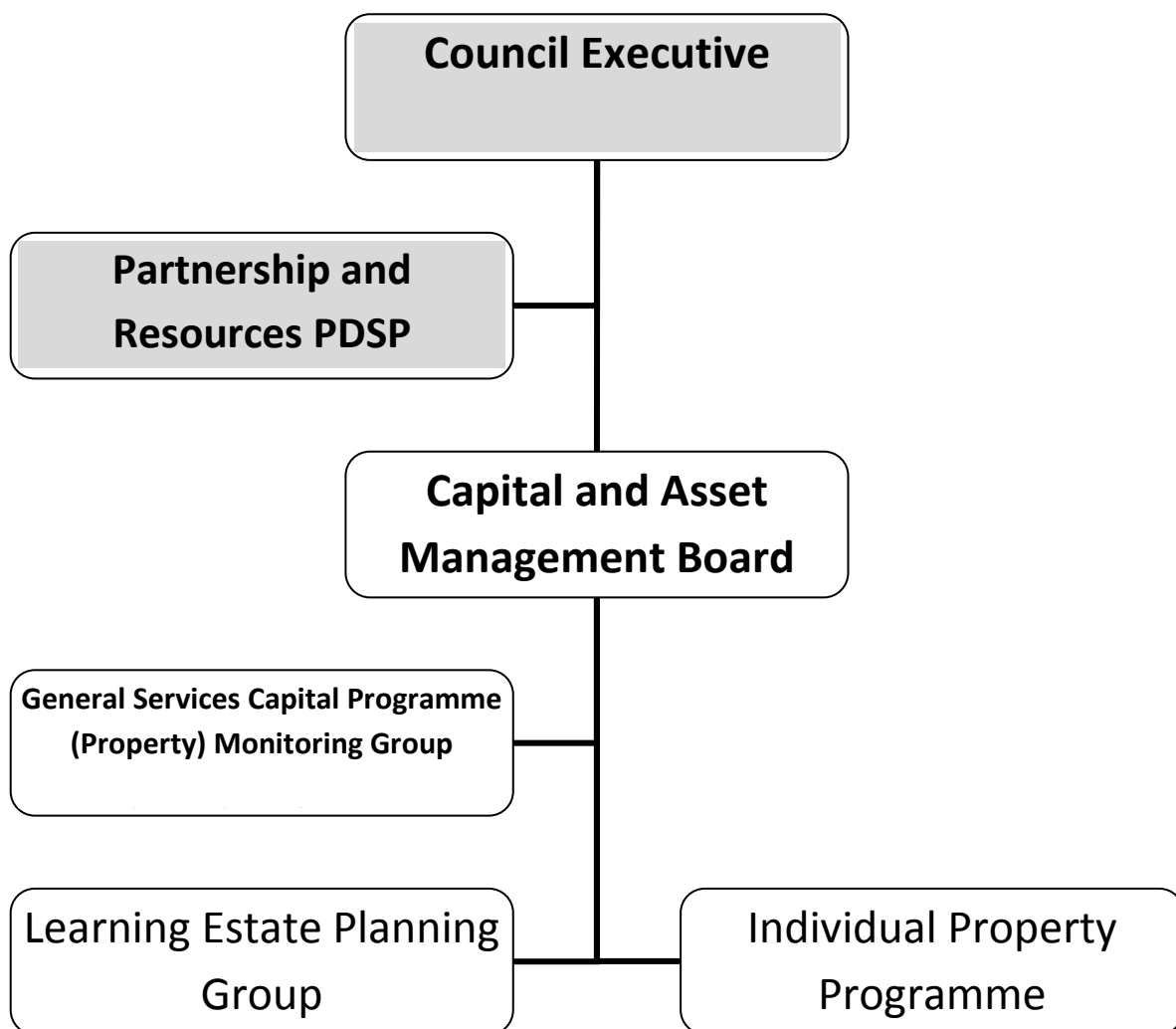


Figure 5 – Property Asset Management Structure

Each of these groups remit and responsibility is shown on the following table.

Level	Group Name	Remit and Responsibility	Frequency Attendance /
1.Elected Members	Council / Council Executive	<ul style="list-style-type: none"> • Approval of Corporate and Property Asset Management Strategies • Approval of General Services Capital Programme • Approval of General Services (Property) capital programme monitoring reports. • Approval of property asset management policy and project reports that require decisions by elected members • Approval of property asset management plan 	Quarterly (as required)
1.Elected Members	Partnership and Resources PDSP	<ul style="list-style-type: none"> • Consideration of Property Asset Management Performance reports. • Consideration of asset management and General Services capital • Property policy reports that require consideration by elected members. 	Annually (as required) / Elected Members
2.Senior Officer	Capital and Asset Management Board	<ul style="list-style-type: none"> • Responsibility for the direction and scope of the Corporate Asset Management Strategy and Property Asset Management Plan. • Corporate monitoring of general services capital programme and consideration of variances. • Evaluation of emerging investment requirements and strategic outline business cases (SOBCs). • Oversee the coordination of corporate asset management projects and initiatives. 	Seven times per annum / Head of Finance and Estates, Asset Lead Officers and Service Representatives

Level	Group Name	Remit and Responsibility	Frequency / Attendance
3.Officer	General Services Capital Programme (Property) Group	<ul style="list-style-type: none"> • Management of General Services Capital Programme (Property) • Responsibility for the implementation of the Property Asset Management Plan. • Reviewing project management of property projects and considers post project evaluations • Initial evaluation of emerging investment requirements and SOBCs. • Facilitate service liaison on specific Property asset projects and general operational Property management issues. • Monitoring performance and progress on initiatives relating to property Assets • Oversees the coordination of corporate property projects. 	Monthly, Property Asset Lead Officer Construction and Design Manager and appropriate service representatives.
4.Officer	Learning Estate Planning Group*	<ul style="list-style-type: none"> • Responsible for developing the scope and direction of the school estate management plan • Managing school estate capacity and coordination of related projects 	Monthly / Development Planning Manager, Education Strategic Resource Manager, Planning and Information Manager and representatives from both Construction and Property Management.
5.Officer	Individual Property Project Groups*	<ul style="list-style-type: none"> • Management of Specific Projects and Initiatives 	As appropriate / variable depending upon project

Figure 6 – Property Asset Management Decision Making Groups Hierarchy

6 Property Asset Management Activity Themes

The Corporate Plan sets the service delivery priorities that we will support through the use of our assets. The Corporate Asset Management Strategy sets the higher level performance outcomes that are used to measure that we are effectively and efficiently managing our assets and resources in pursuit of these priorities.

This Property Asset Management Plan insets out activity themes that will be undertaken over the next ten years to support the achievement of the corporate priorities; the asset management strategy outcomes: and the modernisation of services.

The key activity areas services involved in summary are as listed in the table below.

Activity Theme	Activity Description	Lead Service (s)
Learning Estate Modernisation	<ul style="list-style-type: none"> Continued modernisation of the learning estate to ensure long term sustainability and suitability. 	Property Management and Development, Education and Construction Services
Corporate Property Modernisation	<ul style="list-style-type: none"> Modernise and rationalise our Corporate property accommodation 	Property Management and Development, Construction Services and custodian services (as appropriate)
Community Property Modernisation	<ul style="list-style-type: none"> Modernise and rationalise our Community based property assets and encourage community asset transfer of appropriate properties. 	Property Management and Development ,Customer Information Services and Construction Services
Commercial Property Portfolio Modernisation	<ul style="list-style-type: none"> Modernise our Commercial Property Portfolio to improve financial performance whilst continuing to support economic development 	Property Management and Development
Risk Management and Compliance	<ul style="list-style-type: none"> Implement comprehensive compliance and risk management monitoring and works prioritisation framework for property assets. 	Construction Services and Property Management and Development

Activity Theme	Activity Description	Lead Service (s)
Information and Performance Management	<ul style="list-style-type: none"> Greater use of IT systems (Asset Management Software, GIS, Autocad, web-based systems etc) to improve the recording of management information and access. Reporting of performance and benchmarking. 	Construction Services, Property Management and Development and Custodian Services
Financial Management and Resource Deployment	<ul style="list-style-type: none"> Improve the efficiency and effectiveness of financial and staff resources deployed in the management of property assets 	<i>Property Management and Development and Construction Services</i>
Governance, Project Management and Delivery Models	<ul style="list-style-type: none"> Ensure continued transparent governance, effective project management and appropriate delivery models are used within all projects. 	<i>Property Management and Development and Construction Services</i>
Partnership Working	<ul style="list-style-type: none"> Seek to establish a more comprehensive approach to the delivery, occupancy and management of partnership property assets in West Lothian such as shared facilities, financial transparency and project delivery. Partner agencies covered would include (i.e. NHS, Police, Fire, Ambulance and other government agencies together with voluntary and other organisations) 	<i>Property Management and Development, Community Health and Care Partnership, Integrated Joint Body and Community Planning Partners</i>
Energy and Sustainability	<ul style="list-style-type: none"> Reduce our consumption and increase our self-generation of energy from sustainable sources. 	Property Management and Development

Figure 7: Corporate Asset Management Strategy – Property Performance Outcomes

These themes represent the main modernisation activity areas for the management of our property assets. There are, however, other significant areas of operation involved in the ongoing day to day management of our property assets which are covered within the appropriate service management plans. These are reported separately, together with their appropriate performance measures. The activity themes will impact on the service management plans as resources are required to manage and deliver the activities outlined in this plan.

Throughout the ten year life of this plan additional modernisation opportunities will arise and these will be incorporated and reported within annual monitoring performance reports, as appropriate.

The impact that the theme activities will have in terms of the outcomes varies from project to project. The following table provides an indication of the cumulative impact that activities within themes will have on the outcomes.

Property Asset Management Plan Activity Themes Impact											
Corporate Asset Management Outcomes	Office Modernisation	Service Support	TNRP Modernisation	Place Based Review	PROPERTY Consolidation	Risk Management	Information	Resource Deployment	Partnership Working	Energy	Planned Improvements
Compliance	4	2	6	5	1	1	1	2	3	5	1
Condition	3	3	2	4	4	2	2	1	4	3	2
Suitability	2	1	1	1	3	3	3	3	1	4	4
Sufficiency and Utilisation	1	4	3	2	2	5	4	6	2	2	6
Accessibility	5	5	4	3	5	4	6	4	5	6	3
Sustainability	6	6	6	6	6	6	5	5	6	1	5

Figures denote level of impact on outcome (1=largest, 6 = smallest)

7 Financial Resources

7.1 Capital Investment

Significant resources are employed in the management and improvement of our Property assets. The table included in Appendix C highlights the new investment being made to support corporate priorities and deliver improvements in the asset management outcomes. This includes the following investment over the next 10 years:

Capital Budget Category	10-Year Budget Allocation (£'000)
Nursery Schools Planned Improvements	500
Primary Schools Planned Improvements	7,694
Secondary Schools Planned Improvements	5,920
Special Schools Planned Improvements	200
School General Planned Improvements	9,280
School Estate Wide Planned Improvements	13,876
Partnership Centre Planned Improvements	2,300
Social Policy Planned Improvements	2,000
Tenanted Non-Residential Properties (TNRP) Planned Improvements	2,000
General Statutory Compliance	20,460
School General Projects	54,192
School Projects – Developer Funded	118,322
Operational Building Projects	22,554
Miscellaneous Projects	6,535
Total Investment 2018/19 to 2027/28	265,833

7.2 Revenue Budget

Whilst capital investment is predominantly used to improve the performance of our property assets whether through new projects or planned improvements significant revenue resources are also employed in the general ongoing day to day management activities. The table below outlines the revenue budgets employed for corporate properties.

Budget Description	Approx. Annual Budget (£'000)
Maintenance (cyclical and reactive)	3,000
Non-Domestic Rates	9,060
Energy and Utilities (gas, electricity, biomass and CRC allowances)	7,200
Other Property Costs (insurance and ancillary costs)	1,400
Approx. Net Total:	20,660

These revenue budgets cover a number of expenditure items including utilities costs, reactive repairs, cyclical works (servicing and testing), non-domestic rates charges, legal and other professional fees, carbon reduction credit allowances and software licences etc.

8 Customer Consultation

In the development and implementation of this property asset management plan it is important for us to ensure that we are aware of our unique customers groups, their needs and expectations. The following table highlights the customer consultation schedule that will be implemented which will influence any changes to the plan as it is deployed over the next ten years and will form part of periodic reviews and updates.

Customer Consultation Schedule				
Customer Group	Survey Method	Frequency	Responsible Officer	Feedback Method
Members of Public	On-line and Physical Questionnaire	Annually	Corporate	Annual Report
Custodian Services	Face to Face Interviews and Feedback	Annually	Asset Manager	Annual Report
Service Users	Questionnaire	Annually	Custodian Services	Annual Reports
Individual Project Customers (communities, elected members, partner organisations and all other interest parties)	Questionnaires, face to face, group meetings, workshops and public meetings	As appropriate	Individual Project Managers	Project Reports
Civic Centre and Administrative Buildings Occupier Survey	Questionnaire	Annually	Group Facilities Manager	Annual Report
TNRP / CPP Tenant Survey	Questionnaire	Annually	Group Commercial Property Manager	Annual Report
Property Management and Development Customer satisfaction survey	Questionnaire	Annually	Corporate Estates Manager	Annual Report
Construction Services Customer satisfaction survey	Questionnaire	Annually	Construction and Design Manager	Annual Report

9 Risks to Property Asset Management Plan

In the delivery and implementation of this plan there are a number of risks that require to be mitigated. These include the following:

- **Political** – Ensuring that there is appropriate political approval is essential to the success of the plan;
- **Managerial** – It is vital to the success of the Property Asset Management Plan that high level managerial support is in place across all services;
- **Budgetary** – In dealing with construction projects and maintenance there is considerable expenditure on items where the price is influenced by external factors. These include fuel costs, material costs and professional fees. Unforeseen increases in these could lead to the full implementation of this plan being compromised;
- **Legislative** - changes in statutory compliance regulation may mean that certain properties are no longer compliant for use. This would mean unplanned increased costs to make them compliant, or the potential closure of buildings. There could also be changes that affect construction standards thereby increasing costs;
- **Staff Resources** – To progress the various activity themes and projects within the scope of this plan, the appropriate staff resources require to be available.

In terms of scale, each of these risks would have a significant effect on the successful implementation of the plan. Each has been considered and there are appropriate controls in place to mitigate risks. Whilst it is recognised that there will be instances where each of these will have some impact, whether on specific projects or activity themes, these are not considered to be highly likely, or insurmountable to the overall implementation and success of the plan.

APPENDICES

APPENDIX A - Property Assets Breakdown-

The following table details the type and number of properties owned and managed by the Council which are covered by this management plan.

Operational Property

Property Use / Type	No of Properties
Care Homes	3
Cemetery Buildings	16
Civic Amenity Buildings	3
Community Centres and Village Halls	28
Service Centre, minor depots and operational stores	12
Day Centres & Hostels	15
Libraries	7
Nursery Schools and Early Years	5
Operational Offices	11
Partnership Centres	5
PPP Primary Schools	3
PPP Secondary Schools	5
Primary Schools	64
Secondary Schools	6
Special Schools	5
Sports Pavilions	42
Theatres	2
West Lothian Leisure	10
Total:	242

Tenanted Non-Residential Property Portfolio (non-operational)

Property Use / Type	No of Properties
Industrial	297
Offices	28
Retail	110
Other Commercial Leases	308
Total:	743

APPENDIX B - Corporate Asset Management Strategy and Property Asset Management Plan Activities and Performance

The following table is provided to identify how the activity themes contained in this plan relate to our corporate priorities and asset management outcomes. The table also identifies the performance impact, when activities are estimated to complete, and who is the responsible officer for their delivery.

Activity Theme Performance and Timescales							
Activity Theme	Activity Description	Main Corporate Asset Management Performance Outcomes	Performance Impact	Progress / Performance Reported	Owner	Start	End
Corporate Property Modernisation	Ongoing review and modernisation of office accommodation	Suitability, Sufficiency, Sustainability	Improve	Annually	Corporate Estates Manager	Apr-18	Mar-28
Learning Estate Modernisation	Development and implementation of Learning Estate Management Plan	All performance measures	Improve	Annually	Corporate Estates Manager	Apr-18	Mar-19 (then ongoing)
Learning Estate Modernisation	Delivery of learning estate investment programmes	All performance measures	Improve	Annually	Corporate Estates Manager	Apr-18	Mar-28
Community Property Modernisation and Partnership Working	Promotion of Community Asset Transfer and Community Empowerment Opportunities.	Potential to impact all performance measures	Improve	Annually	Corporate Estates Manager	Apr-18	Mar-28

Activity Theme	Activity Description	Main Corporate Asset Management Performance Outcomes	Performance Impact	Progress / Performance Reported	Owner	Start	End
Commercial Property Modernisation	Ongoing review and performance evaluation of commercial property portfolio.	Condition and Suitability	Improve	Annually	Corporate Estates Manager	Apr-18	Mar-28
Financial Management and Resource Deployment	Review of building maintenance costs, delivery models and approaches to ensure value for money and effective prioritisation of resources	Compliance, Condition and Accessibility	Sustain and Improve	Annually	Corporate Estates Manager	Apr-18	Mar-28
Financial Management and Resource Deployment	Delivery of capital programme, prioritisation and optimisation of capital resources deployed in projects	Compliance, Condition, Suitability, Sufficiency, Accessibility and Sustainability	Sustain and Improve	Annually	Corporate Estates Manager	Apr-18	Mar-28
Financial Management and Resource Deployment	Alternative models of investment and delivery of assets will be considered together with securing additional funding	Potential to impact all performance measures	Improve	As appropriate	Corporate Estates Manager	Apr-18	Mar-28
Governance, Project Management and Delivery Models	Effective and efficient project governance, procurement and management processes will be deployed for all projects	N/A	N/A	As appropriate	Corporate Estates Manager	Apr-18	Mar-28

Activity Theme	Activity Description	Main Corporate Asset Management Performance Outcomes	Performance Impact	Progress / Performance Reported	Owner	Start	End
Information and Performance Management	All projects and investments will be correlated to specified performance measures.	N/A	N/A	As appropriate	Corporate Estates Manager	Apr-18	Mar-28
Partnership Working	Development of Partnership Property Plan	N/A	N/A	Annually	Corporate Estates Manager	Apr-19	Mar-20 (then ongoing)
Financial Management and Resource Deployment	Surplus Property and Disposal of Assets	Potential to impact all performance measures	Improve	Annually	Corporate Estates Manager	Apr-19	Mar-28
Risk Management and Compliance	Developing and implementing policies and processes to ensure buildings are safe and that risks associated with the built environment are effectively managed.	Compliance	Sustain	Annually	Construction and Design Manager	Apr-19	Mar-28
Climate Change Strategy and Management Plan Review	Review of Climate Change Strategy and Carbon Management Plan	Sustainability	Improve	Annually	Energy Manager	Apr-19	Mar-20 (reviewed bi-annually)
Information and Performance Management	Delivery of new Asset Management Software	N/A	N/A	N/A	Construction and Design Manager	Apr-18	Mar-20

Further activities will be added as appropriate.

APPENDIX C – General Services Property Capital Programme 2018/19 to 2027/28

Property Assets - Capital Investment Strategy Budgets 2018/19 to 2027/28	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total £'000
Schools Planned Improvements											
Nursery Schools	25	30	30	70	70	70	55	50	50	50	500
Primary Schools	424	1,220	1,000	550	550	550	1,000	700	925	775	7,694
Secondary Schools	580	1,120	590	500	500	500	510	550	560	510	5,920
Special Schools	20	20	20	20	20	20	20	20	20	20	200
School General Planned Improvements	890	1,040	1,285	655	655	655	1,117	922	969	1,092	9,280
Schools Planned Improvements - Total	1,939	3,430	2,925	1,795	1,795	1,795	2,702	2,242	2,524	2,447	23,594
School Estate Wide Planned Improvements	963	1,922	1,621	1,135	1,135	1,110	1,590	1,329	1,539	1,532	13,876
Operational Buildings Planned Improvements											
Partnership Centres	100	325	340	150	150	150	200	300	335	250	2,300
Social Policy	285	400	260	320	135	120	120	120	120	120	2,000
Operational Buildings Planned Improvements - Total	1,348	2,647	2,221	1,605	1,420	1,380	1,910	1,749	1,994	1,902	18,176
Tenanted Non Residential Properties Planned Maintenance	200	200	200	200	200	200	200	200	200	200	2,000
Planned Improvements Total	3,487	6,277	5,346	3,600	3,415	3,375	4,812	4,191	4,718	4,549	43,770
General Statutory Compliance	2,148	2,138	2,203	2,018	1,913	1,837	2,107	1,977	2,047	2,072	20,460
Planned Improvements & Statutory Compliance Total	5,635	8,415	7,549	5,618	5,328	5,212	5,919	6,168	6,765	6,621	64,230
Property Projects											
Schools General Projects	2,329	15,283	24,364	8,968	2,818	255	145	10	10	10	54,192
Schools Projects - Developer Funded	2,195	6,536	35,299	29,980	8,795	2,100	2,380	2,380	7,600	21,057	118,322
Schools Total	4,524	21,819	59,663	38,948	11,613	2,355	2,525	2,390	9,610	21,067	172,514
Operational Buildings & Depot Modernisation	4,142	10,912	5,300	600	500	400	200	200	200	100	22,554
Miscellaneous Projects	654	724	834	679	644	600	600	600	600	600	6,535
Property Projects - Total	9,320	33,455	65,797	40,227	12,757	3,355	3,325	3,190	8,410	21,767	201,603
TOTAL PROPERTY ALLOCATION	14,955	41,870	73,246	45,845	18,085	8,567	10,244	9,358	15,175	28,388	265,833

Finance and Property Services

Property Asset Management Plan

2018/19 to 2027/28

Donald Forrest
Head of Service

December 2018

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