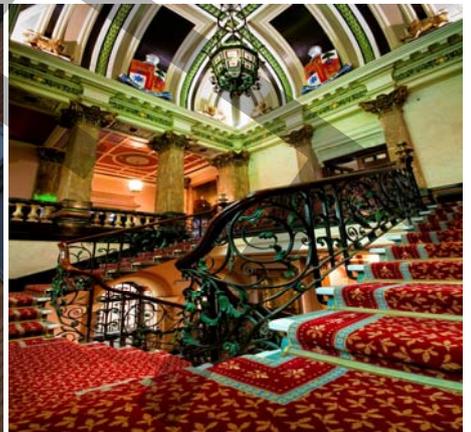
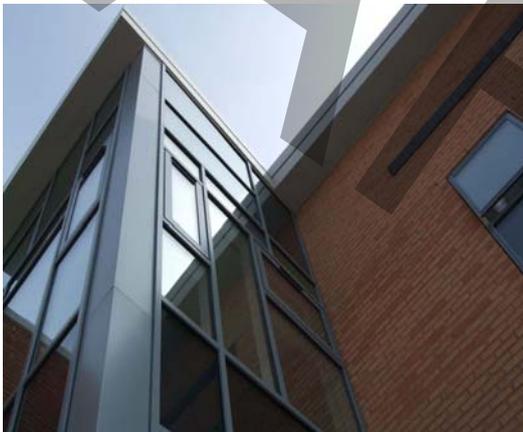




Transforming our Assets and Asset Management



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Foreword

The Strategic Asset Management Plan has been developed to guide the Council's future strategic property decisions and to inform the more detailed asset management strategies of individual Council services.

The document details strategic actions for the next three years. These measures will allow the Council to manage its assets more effectively and share its property strategies and accommodation needs with other organisations more easily.

The need for efficiencies in the public sector is synonymous, in many peoples' minds, with cuts in services. That need not always be the case. This plan suggests that by improving our property asset base, investing in key assets to provide new or better accommodation and by releasing other assets that are expensive to run and no longer fit for purpose, the Council will be able to save money whilst at the same time improve service delivery.

The plan sets out how the Council wishes to collaborate with other public bodies and with the voluntary sector to ensure more effective use of our combined assets. In time, single points of access for a range of public services will make it easier for our customers to conduct a variety of public service transactions, in easily accessible shared facilities. Sharing our property will no longer be the exception. It will become the norm.

The Council has long recognised the importance of its property assets. Property reviews in recent years have released capital receipts for reinvestment in priority services and this plan will initiate greater rigour in that review process.

A single property database will enable the Council to use and share its property information more easily.

The time is now right to move to a more strategic approach to asset management, which will be achieved through the implementation of this plan. This is necessary for many reasons: in particular, the climate of reduced public spending, the drive for efficiencies and the continuing need to improve services.

The plan considers the property estate holistically, to enable measures to be put in place to achieve required efficiency savings and ensure that the limited funds available, including those from the sale of surplus assets, are applied to the Council's highest priorities.





Introduction

This plan heralds a wholesale review of all strategies and policies that impact upon Council property assets. For the first time they will be brought together in a single framework. This approach will be enormously beneficial in terms of guiding strategic asset management decision making and in the preparation of detailed asset management strategies for Council services.

The Plan is in three sections:

Part One sets the national and local context, in particular linking to other important Council strategies. Key drivers for change are outlined, including protecting and improving services in times of severe financial challenge. A frank self-assessment of how well we currently manage our assets is provided.

Part Two identifies our current asset management strategies. In addition to strategies for both the operational estate and non-operational portfolios, a raft of well developed strategies exist for dealing with generic aspects such as procurement, risk management and energy management and more recently those in response to the *Localism Agenda and Community Right to Bid*.

Part Three forms the Implementation Plan. Looking forward, it sets out how we will continue to modernise our approach to asset management and to our assets themselves.

The Council wants to take the initiative in terms of working with public sector partners, to deliver better services for all. The Asset Management Plan reflects this, by promoting much closer working and the sharing of premises. Key to progressing this effectively will be the completion of further property reviews, focusing on a thorough appraisal of building performance. The overall approach strongly follows the lead given by Government in its '*Capital and Assets Pathfinder*' programme (an initiative that seeks to maximise efficiencies through a collaborative approach to the use and management of assets across the public sector).

A coherent set of performance measures and targets are being developed to ensure priorities are achieved over the three year period. These will be benchmarked against recognised national indicators and will form the basis of robust performance management and monitoring arrangements.

The plan will be reviewed on a regular basis and progress reports will be published on the Council's website for transparency.



Part One:

Asset Management Context and Arrangements



1.0 Context for the Plan



The Estate

Wirral Council was formed in 1974, merging the urban district councils of Bebington, Birkenhead, Hoylake and Wallasey. The collective property portfolio is consequently diverse, with multiple civic halls, libraries and museums, schools, parks and leisure centres. The Council also owns and occupies offices and depots while leasing other commercial property to businesses.



Property is held primarily for the delivery of frontline public services and to support the Council's corporate priorities - it has a specific purpose and its suitability for that purpose can be assessed.

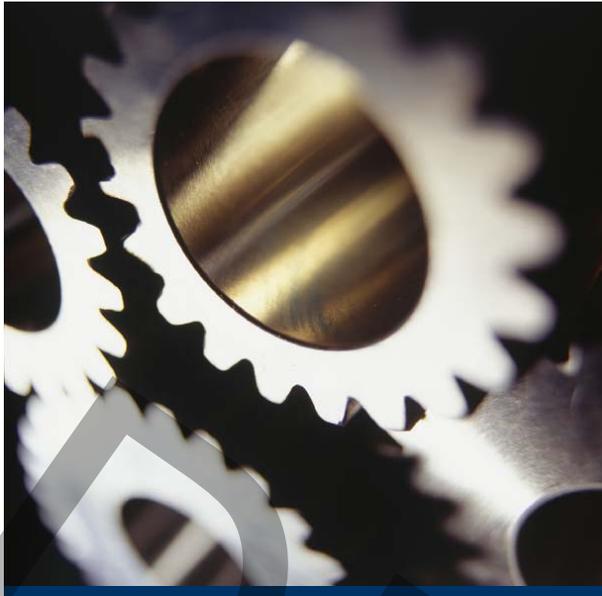
The following statistics offer an indication of the scale of the Council's property portfolio as of February 2014:

- a total of 1061 property assets
- a total current value in excess of £487million
- total annual rental income of £1.2million
- annual spend in excess of £11 million a year to repair and maintain the estate (of which £7,500,000 is for heat and water)

Property assets are a valuable resource, but they are also a liability that require revenue and capital funding to maintain and use and so should always be managed as efficiently as possible.

Surplus assets can be sold to generate capital receipts, reduce running costs and allow investment in key priority assets. Targeted investment to ensure high quality assets will be used to create the right physical environment for delivering better services, but equally if assets are unsuited to their current use or are of poor quality, they can detract from the Council's services to its customers.





A Strategic Approach

In approving this plan, the Council is confirming an intention to take a more strategic approach to the management of its property estate. Property assets have not always been viewed as a corporate resource.

In real terms the use of the asset has been dictated by the historic establishment use and departmental objectives. In order to strengthen the corporate approach the Council has recently adopted the following operating principles for the estate:

- all assets are recognised as Council corporate assets rather than a mixture of departmental and corporate (with the exception of highway infrastructure)
- all office workspace is managed corporately rather than departmentally

This approach will enable corporate asset management to deliver ever greater efficiencies for the organisation.

The adoption of this plan reinforces the corporate approach being taken. It will enable various existing threads of asset policy to be brought together and developed collectively.

It fits with the concept of the '*Capital and Assets Pathfinder*' programme and ensures that capital receipts from disposals can be directly applied to the Council's highest priorities, whether that lies in saving or reinvestment.

It will inform all future decisions about the property estate

Public Finances

Because assets are generally expensive to run and maintain, efficiencies can be achieved if they can be used more intensively, or their costs in use can be reduced. The drive for efficiencies in the UK public sector has brought this into sharper focus as a means of protecting funding for front-line services. The challenge for councils and their asset managers is to find ways of 'working assets harder', whilst maintaining or creating an environment in which quality services can be delivered.

The Council has previously conducted a series of property reviews including the more recent *Vacant Land & Building Review*. While this activity has generated some value and efficiencies have been made, in order to make assets 'work harder' still there is a need:

- to provide greater challenge to their use based on new ways of working and new ways of delivering services, especially on the back of technological changes that will allow improved communication and less face to - face delivery; and
- to explore the relationship between the Council's assets and those of other public sector organisations within the same geographical area and to find more opportunities for sharing assets and creating efficiencies – not just in offices, but also in front-line services. This is one of the challenges thrown down by the '*Capital and Assets Pathfinder*' programme



Key Drivers for Change

There are many reasons for adopting a new approach to asset management, including:

Achieving efficiencies

There is an increasing pressure to create efficiencies from utilisation of existing assets, or from delivering the same services from more cost effective assets. Either way, there is potential to reduce running costs and to generate receipts. Usually asset rationalisation incurs short-term capital and revenue costs, but in the present financial climate this is required to be largely self-generated and any borrowing to finance improvements needs to be underpinned by clear and measurable revenue savings.

Service Improvements

A key driver for any strategic approach to asset management must be service improvement. This is at the heart of everything we do. It is particularly important in the current financial climate that key services are able to continue and prosper. To this end, asset management has a pivotal role to play. Much will be gained from improved asset management and not just in financial terms. Buildings in the right location, fit for purpose, well used and well maintained can make the difference between a good service and a poor service.

Climate Change

Climate change presents enormous challenges that call for decisive action. The implications for the Council's land and buildings are considerable. There is a need to plan and manage our assets to reduce energy use – for heat, power and travel – and also for the potential to harness renewable energy from the estate. Both these steps to reduce our carbon footprint present opportunities to limit revenue expenditure. Crucially we must also adjust our approach to managing property to increase resilience to future climatic change. Here we will need to assess the risks and adapt the portfolio accordingly. Severe weather events can damage assets and disrupt service delivery. It will be important to adapt to the prospect of more extreme weather to ensure business continuity.

Current Repair Liabilities

The Council's backlog of repair is now estimated at £17.5 million. Of this total liability, the backlog associated with the non-education estate is estimated at £10.5million. The Council does not have sufficient resources to bring this backlog down to a level that can be sustained through the budgets available and if the liability is to be reduced substantially then the estate must shrink in size.

2.0 Corporate Plans and Government Policy

Corporate Priorities

The Asset Management Plan aims to define the implications of other corporate policies and strategies on the Council's property assets, to help provide effective support to the delivery of the Council's corporate priorities.

The framework set out in the corporate plan is designed to drive the improvements needed for us to become one of the best local authorities in the country and to communicate our ambitions for the Wirral peninsula.

The Leader of the Council and the Chief Executive, with Members, staff and partners are continuing to develop three principles which underpin and focus the activity of the Council:

Local Solutions, Local Decisions:

Our members are leaders within their communities, using devolved powers and responsibilities to make the best use of resources in their area. They will inspire communities to come together to find the right solutions to address local need and improve residents' lives.

Promoting Independence:

We will strive to ensure that all residents, especially the most vulnerable, are recognised for the talents and assets they have. We will work to equip them with the tools and knowledge to enable them to make the choices that are right for them and their families.

Driving Growth and Aspiration:

We will work with residents, encouraging them to hold the same level of ambition for their communities as we have for Wirral; driving growth in our economy and with it aspiration, achievement and employment, particularly among younger people. This will help to reduce poverty and secure a healthier economic future for our communities.

These priorities guide all the Council's strategic and business plans, including the Asset Management Plan.

The Council's property assets represent a significant resource that contributes to these priorities through:-

- Effective supply of assets that are fit for purpose, efficient to run and compliant
- Reducing carbon footprint/sustainability
- Providing suitable facilities and working environments to support quality service delivery
- Use of land and buildings to enable economic/regeneration schemes or schemes of environmental benefit
- Facilitating community organisations to develop vibrant communities
- Providing facilities for business initiatives and community enterprise to develop
- Working with partner agencies to achieve shared objectives and services
- Provision of investment funding through release of value from the assets

Medium Term Financial Strategy



The Medium Term Financial Strategy is intended to provide a robust, consistent and sustainable approach to establishing and maintaining a stable and prudent financial basis on which Wirral Council's services can operate. It sets out a broad framework for the Council's future budget and a proposed approach to budget planning.

The Council is facing a challenging financial future. The setting of next and future year's budgets will be difficult. The level of savings required to balance the Council's budget are considerable. Significant savings are expected throughout the next 3 years and beyond, as public sector expenditure is reduced.

It is through the Medium Term Financial Strategy process that the Council sets out how it will respond to the new financial realities it faces over the period 2014 -17. The strategy also links with Wirral's Corporate Plan. It shows how our finances will be structured and managed to ensure that they meet future financial challenges, as well as supporting the priorities of the Council and its partners.

Each year there is the short-term requirement to prepare an annual budget and set the council tax. The achievement of Wirral Council's long-term objectives however, with the planning of new initiatives, capital developments and the allocation of resources in response to changing service needs, requires service and financial planning to be undertaken over more than one year.

In addition to Wirral Council's annual budget, the following are the major strategy documents in support of the Medium Term Financial Strategy:

- Capital Strategy including capital programme
- Asset Management Plan
- Treasury Management Strategy

These strategies lay out the strategic aims of the Council's capital and investment plans. They are integral to the Medium Term Financial Strategy and also the annual budget setting process. The Capital Strategy sets out how capital investment will be prioritised. The capital resources available to the Council play a key role in how services can be transformed in the future, through investing in innovative approaches to service delivery. There are revenue implications to these capital decisions in the form of capital financing costs and on going maintenance costs. There are two way links to the Treasury Management Strategy and the Asset Management Plan.

The Medium Term Financial Strategy and annual budget bring together both revenue and capital so that decisions on the amount of borrowing can be made. The challenging financial environment has resulted in restricted capital investment. There is a difficult mix between capital demands and restrictions on the revenue costs of the demands.





The Capital Strategy

The Capital Strategy is concerned with and sets the framework for, all aspects of the Council's capital expenditure over the 3 year period 2014/15 to 2016/17 – its planning, prioritisation, management and funding. It is closely related to and informed by the Strategic Asset Management Plan and is an integral aspect of the Council's medium term service and financial planning process as reflected in the Medium Term Financial Strategy. It is also essential that the strategy reflects the wider private sector investment into the overall regeneration of the area.

The key aims of the Capital Strategy are:

- how the Council identifies, programmes and prioritises capital requirements and proposals
- provide a clear context within which proposals are evaluated to ensure that all capital investment is targeted at meeting the Council's Corporate Plan objectives
- consider options available to maximise funding for capital expenditure
- identify the resources available for capital investment over the three year planning period

Corporate Efficiency

The financial challenges facing the Council, makes it essential that we realise efficiencies from the estate, generate capital receipts and have a clear plan for future accommodation needs across the borough, as the size of our workforce decreases.

Previous asset reviews gave a framework for the management of land and buildings and there have been a number of positive outcomes from this including the *Community Asset Transfer* programme and a range of capital receipts generated by disposals.

The demand for capital receipts is driven by two specific needs:

Firstly, to reduce the impact of annual borrowing costs on the revenue budget. Maximising the use of capital receipts will minimise the council's need to borrow as new borrowing leads to new costs.

The projected capital programme 2014/17 is estimated to be £75.163m, to be funded from £36.417m of borrowing and capital receipts. This will require a maximum of £13.1 million of unsupported borrowing in 2014/15 which, based on current interest rates equates to an increase of £1.2 million in revenue borrowing costs.

Secondly, the Government is considering allowing councils some flexibility from 2015/16 to use capital receipts from asset sales to transfer and reform services. There is the potential in the future that the Council will be able to use part or even the whole of a capital receipt from new asset sales to be used for one off revenue purpose to support organisational change.





Assessment

In January 2013 Wirral Council commissioned Local Partnerships (jointly owned by HM Treasury and Local Government Association) to conduct a review of the asset management function.

Local Partnerships completed a preliminary report '*Review of Asset Management*' which outlined recommendations for the implementation of a more proactive approach to asset management. Wirral subsequently commissioned them to assist with the implementation of these recommendations, via a '*Driving Value from Assets*' programme.

Alongside these recommendations a new asset management structure brings all the Council's facilities management and asset management roles together.

A key focus for the asset team is the identification and release of surplus land and buildings. The capital receipts resulting from sales will:

- support the council's capital programme
- facilitate new ways of working and
- reduce operating costs.

The '*Driving Value from Assets Programme*' draws together three asset rationalisation activities that over time will ensure efficiencies. These three activities are:

- asset disposals
- office rationalisation
- area reviews

Asset Disposals

The strategic approach to the management of the Council's assets requires governance arrangements that reflect the corporate nature of this work.

To address this requirement a programme board '*The Capital Working Group (Disposals)*' has been formed, to scope and manage the disposal process. This meets on a monthly basis and the terms of reference are as follows:

- to act as the forum for all decisions relating to surplus and underperforming land and building interests and to manage the Council's governance process in relation to these matters
- to identify, scope and evaluate viable alternative uses, having regard to material considerations and in consultation with stakeholders bring forward proposals to optimise the use and value of property interests
- to procure and manage external agents as required, to support programmes, deal with the larger disposals and advise the council with regard to alternative uses and options including disposal, joint ventures etc.
- to appropriate and manage all surplus council sites for development purposes, to manage the disposal programme and to be accountable for delivery

Asset Rationalisation

One of the central themes of Wirral's corporate efficiency programme is asset rationalisation. This draws together separate asset rationalisation activities that over time will ensure efficiencies:

- service department rationalisation will capture current service delivery priorities and will identify the implications for property assets
- corporate department rationalisation will capture potential asset rationalisation streams that cross departmental boundaries, such as storage solutions
- a robust investment programme to be developed for all retained assets, linked to an accelerated programme of capital receipts from land and building sales

Administrative property is a particularly expensive overhead, so accommodation of 'back office' functions is an obvious target for savings.

To this end we have instigated a comprehensive review, examining the configuration of office accommodation across the authority while assessing the costs and benefits of introducing agile working arrangements in appropriate areas. The Authority reasonably wants offices that members of the public visit and Council staff work in to meet modern standards while minimising the costs to the public purse.

Area Reviews

Wirral's operational property is dispersed across the Borough. In addition, there is an array of operational property owned and used by other public sector bodies, including GP surgeries, NHS buildings, police and fire stations, education teaching facilities, job centres, courts and accommodation used by the voluntary and third sectors. Wirral also has office accommodation located outside Birkenhead and Wallasey, the main civic centres used to house adult and children's service teams.

Rationalisation of operational property will lead to savings in revenue and capital receipts for the public bodies concerned. It can deliver better and more coherent access to public services for customers, by making services available from a range of providers at one location and support attempts to more cost-effective means of accessing services. It can also release land for re-use to meet current needs.

As part of the programme of driving more value from assets an area review workstream has been established.

This is to pilot an approach in areas where local people and the public agencies owning property, can collaborate, in order to derive better value for money and wider community benefits by:

- identifying opportunities for shared use of assets
- exploring alternative options for the management and ownership of assets

Collectively these three workstreams will generate the following benefits:

- Empower communities and stimulate debate

- Support growth plans for housing and the economy of Wirral
- Ensure that, once built, assets are correctly maintained
- Introduce new working practices and trigger cultural organisational changes
- Reduce carbon emissions and improve environmental sustainability
- Increase co-location, partnership working and sharing of knowledge
- Improve accessibility of services and ensure compliance with the Disability Discrimination Act 2005
- Generate efficiency gains, capital receipts or an income stream; and
- Improve the quality of the public realm

Schools



Schools make up a substantial part of the Council's asset portfolio with 3 nurseries, 89 primary schools, 21 secondary schools and 12 special schools; of this total there are an increasing number of academies and 9 PFI schools to date.

Whilst schools have benefitted from significant capital investment from central government (supplemented by local capital investment), it is paramount that sound management of this estate is maintained. Since 2009, 4 schools have been replaced with new facilities and 3 more will be opened in the next three years under the Priority School Building Programme (PSBP).

In December 2013, the Education Funding Agency highlighted the importance of strategic planning at a local level. The Children and Young Peoples Estate Strategy is designed to ensure that pupil places across the borough are sufficient, suitable and in good condition, to enable the delivery of excellent education to all 49,000 pupils in Wirral.

Drawing upon both qualitative and quantitative information from a wide range of sources including condition surveys, legislative compliance, headteachers, governing bodies, education advisers, Diocesan bodies etc, we continue to develop and implement successful Capital Programmes that meet the needs and aspirations of pupils, the foundation for which is a robust asset base.

The Children and Young People's Capital Programme delivers both national and local capital investments, with officers acting as 'intelligent client' to all maintained schools.

The asset strategy for CYP assets can be summarised as follows:

- to ensure the condition of all schools is maintained
- to ensure that schools are suitable for the delivery of excellent teaching and learning
- that all schools meet legislative compliance
- that sufficient pupil places are provided to meet demand and parental choice
- that investment is sought both locally and nationally to continue the investment in Wirral Schools
- provide a community asset which is accessible to all Wirral residents

Carbon and Energy Cost Control

The Council has operated a carbon budget since 2010/11 in order to reduce emissions of carbon dioxide (CO₂). CO₂ emissions are in direct proportion to the energy used and the amount paid to energy suppliers.

Reduction in emissions will reduce operating costs and contribute to improving the operational efficiency of assets.

An effective carbon and energy management system is needed to deliver the carbon budget and reduce the impact of energy price rises. Work has started on the introduction of an ISO 50001 compliant energy management system to provide the required framework utilising existing resources.

As of 30 September 2013 Wirral Council has reduced emissions of CO₂ by 10,412 tonnes from a 2008/09 baseline of 45,481 tonnes, a reduction of 22.89% over 3.5 operational years. Carbon budget performance figures are calculated for each department at six monthly intervals and are available at the level of individual energy accounts.

Management information for individual sites is available on the internet direct from the energy database.



National Adaptation Programme

In accordance with the Climate Change Act 2008 the government has produced a national adaptation programme (*National Adaptation Programme - Making the country resilient to a changing climate*). This envisages that local government will play 'a central role in leading and supporting local places to become more resilient to a range of future risks and to be prepared for the opportunities from a changing climate'.

The programme recognises that councils can help to increase the resilience of local places through decisions about their assets (including buildings, parks and other public spaces) and services. Councils need to manage climate risk to make best use of land, assets, investments and maintenance spending.

A new draft climate change strategy for Wirral recognises this role and advocates that risks, vulnerabilities and priority actions are identified.



Localism Act 2011

The Localism Agenda and Neighbourhood Working

The nature of local government is changing at an almost unprecedented pace. Financial challenges, increased demand and increased expectations from our residents mean that we must always look to new and more innovative methods of providing the services people rely on.

The localism agenda means local government has a unique role to coordinate and support local communities to deliver the services they need, and to achieve the outcomes they want. In Wirral, that means an innovative plan to create new models of neighbourhood engagement based within the borough's four parliamentary constituencies.

Alongside these, we will see the establishment of local public service boards whose membership, aside from health, will include representatives from the council, police and education.

By decentralising power from Whitehall and our own Town Hall, and placing it in the hands of local people with local knowledge and understanding, it is expected that communities will be strengthened by the power to develop bespoke local solutions to local problems.

Local neighbourhoods, given their own budget to spend, utilising skills, knowledge and experience of people on the ground, can make better use of their resources because they can redesign them to fit local problems.

Community Right to Bid

The Localism Act 2011 outlines a scheme that gives community groups the opportunity to identify and list assets of community value. 'The community right to bid' enables any voluntary or community body with a local connection, to nominate an asset for inclusion in a list, which the Council is required to maintain.

The right to bid relates to public and privately owned assets where it can be demonstrated that the asset contributes to the social well being of the local community. Examples could include village shops, pubs, community centres and playing fields.

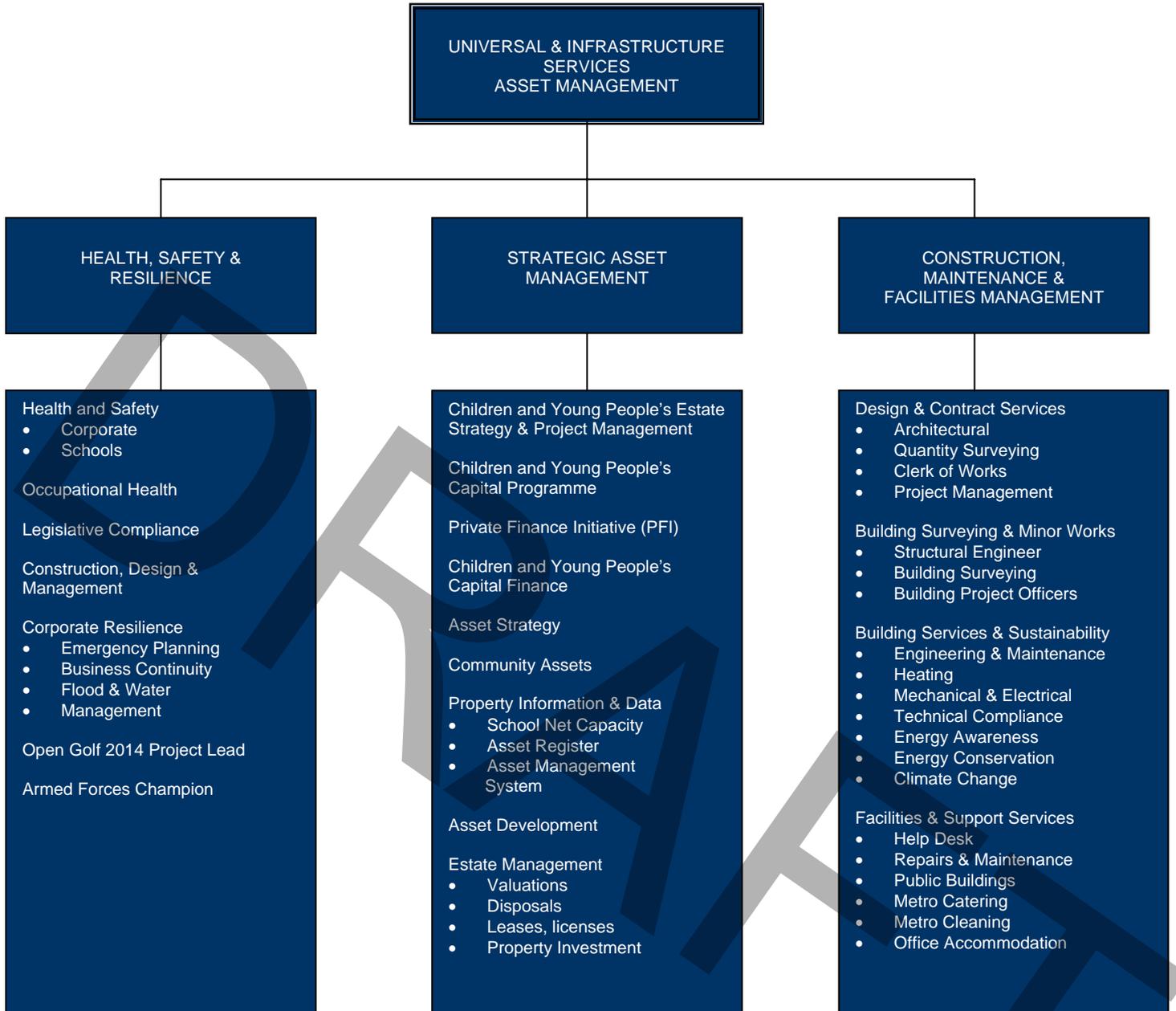
The consequences of a listing will only become apparent when the owner wishes to dispose of the asset. There is a defined time frame in which the asset cannot be sold. This is intended to allow community groups the time to develop a proposal and raise the required capital to bid for the asset when it comes onto the open market.

It is important to emphasise that this is not a right of first refusal. Ultimately the owner of the asset can sell to whomever they choose and at whatever price.

It can be anticipated that some assets held by the Council may feature on the list.



3.0 Asset Management Framework Roles and Structures



Council property assets are viewed as a corporate resource and decisions about those assets are the responsibility of the Executive Member for Corporate Resources.

The Assistant Chief Executive has the role of advising the executive member in relation to building maintenance programmes, building and land management policies and strategies for development including acquisitions and disposals.

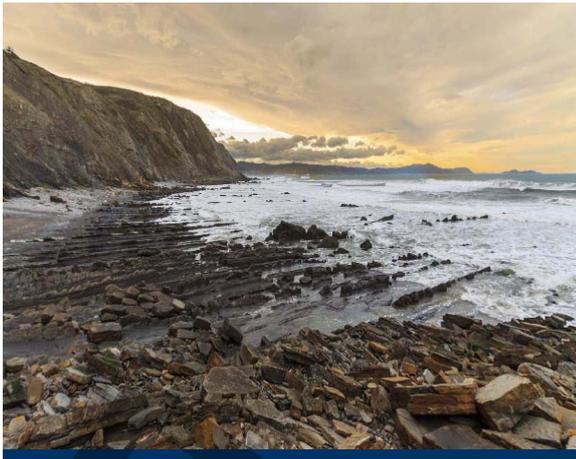
The Assistant Chief Executive is supported by three senior managers who take primary responsibility for all property matters and discharge the duties delegated by the Executive Member for Corporate Services.

Wirral Council's asset management service is currently comprised of three primary disciplines:

- Health, Safety & Resilience
- Strategic Asset Management
- Construction, Maintenance & Facilities Management

The Capital Working Group (Disposals) is the principal forum at which strategic asset management issues are discussed and decisions taken. This meets monthly, and is chaired by the Assistant Chief Executive and attended by the senior asset managers and other senior officers. It is supported by members of the Capital Working Group, which has responsibility for various financial issues related to the property estate.

4.0 Self Assessment



The Approach

In preparing this plan it is considered important to have a management view on our current position and this section is a candid self assessment by management of where the Council is currently. In particular, it identifies perceived strengths and crucially, things that could be done better.

Where we are now

The Council has a solid understanding of the importance and potential that property can contribute, to both itself as a local authority and also the people of Wirral. It also recognises that as a major holder of public assets, it is in a key position to influence and stimulate change and improvement.

Historically, the Council has viewed its property assets as key to helping it support its operational service delivery and also as a useful catalyst for change when required. Service rationalisations often include related asset changes that are key elements of the strategy; for example, in school rationalisations when new primary facilities are developed out of infant and junior schools e.g. Pensby Primary School.

Both now and for the future, the Council recognises that it must look at how it can engage more fully and openly with other public asset holders and stakeholders. It must also take an exemplary role, in Wirral and on a regional and national stage.

To become an exemplar, its asset management approach needs to become more joined up and more corporate.

Strengths

The Council is good at identifying and linking up property asset implications from different service requirements across the authority. However, this is largely focused on one or two service areas at a given time due to complexity. In future the need to realise benefits across wider groups of assets will be required.

The productive use of its surplus assets, creating disposal opportunities and generating capital receipts has been consistent (£22.4m has been delivered over the past five years). However, it is acknowledged that the estate requires ongoing rationalisation. In addition, other initiatives such as facilitating the provision of affordable housing are also achieved using the disposals and capital receipt programme.

Energy and Carbon information systems are robust and compare favourably with neighbouring authorities. Information for a number of internal and external reporting streams is processed by a single group from a consistent data source. A programme of staff energy awareness raising and training is in place. Energy purchasing conforms to recommendations from The Pan Government Energy Project.

With regards to statutory, asset related functions such as rating and asset valuations; the authority keeps on top of these showing regular annual rating savings - £231,885 in 2012/13, and maintaining a five year rolling programme of asset valuations.

The Council takes a mature approach to its assets and understands that best value is not just about higher financial return but also that assets have a 'wellbeing' role to play, in helping facilitate social and community improvement. This is evident, for example, in its sales to Registered Social Landlords and Community Groups and the Council is well prepared to meet the aspirations of the Localism Agenda and the Community Right to Bid requirements.

Political approvals in relation to the Council's assets are well focused through the authority's officers to the Executive Member for Corporate Resources in respect of decision making.

This process is well established and flexible enough to respond as required, the majority of property issues being dealt with under delegated authority.

Where financial implications exceed £250,000 and/or are likely to have a strategic implication for the Wirral, Cabinet will determine the outcome.

Areas for Improvement

Asset management is central to the council's ability to support effective service delivery. Property tends to be expensive to acquire, inflexible in use, time consuming to manage and costly to run. Making the best use of property assets is therefore, a challenge.

Assets are still often viewed as being held departmentally by some service providers and this creates a degree of silo and 'trading' mentality, rather than a more flexible corporate approach that needs to become embedded in asset management culture as this plan is implemented and utilised.

Both members and officers have a good appreciation of the importance and role of asset management and recognise the collective responsibility for ensuring that property is used effectively, to support continuous service improvement to better meet the needs of the authority as a whole. To this end we will continue to actively engage members in policy development for the asset base.

Despite planned investment and a reduction over the past decade, a significant property maintenance backlog remains. This is currently managed on a risk approach basis that is not ideal and is particularly evident in the non-education estate. A re-assessment of this is now underway which includes the re-instatement of a rolling programme of condition surveys. The aim is to develop five-year programmes of preventative works, which will be approached on a consistent basis. This will allow us to accurately predict future funding requirements and ensure that resource is applied to the Council's highest priorities.

Most of the Council's asset systems and processes are well developed both logically and pragmatically.

However, it is acknowledged that they are not as joined up as they should be due to having been developed organically.

Individuals with responsibility for property, from elected members and senior officers to unit managers, require appropriate and timely management information in order to discharge those responsibilities effectively.

The procurement and implementation of a new asset management system will make asset data more accessible, underpinning the decision making process and so significantly improving this situation.

Energy is an operational necessity that must be managed effectively in order to minimise costs and reduce carbon emissions. This can be achieved through the implementation of a robust energy management system and utilising existing resources with minimum impact on the council's ability to deliver core and statutory duties. Reducing the amount of energy supplied from conventional sources will also decrease the number of Carbon Allowances that will have to be purchased to comply with the Carbon Reduction Commitment Energy Efficiency Scheme.

There is an excellent range and high level of professional and technical expertise within the asset management disciplines. However, the Authority's previous approach has meant that some opportunities may have been missed both internally and with partners. A strong and wider awareness of potential linkages between assets and service requirements will need to be a key feature in all future decision making.

Sustained improvement in the value added by property resources will only be achieved if improvement becomes an objective of all property occupiers and users. The Asset Management Plan proposes to form part of wider corporate planning framework. Within this coordinated framework, service managers will be encouraged to articulate their property needs, to develop imaginative ideas and to set themselves targets to reduce space usage and cost.

Successful asset management requires input and effort from across the Authority – it is by no means the sole preserve of property professionals.

Working in Partnership – The Way Forward

The Council has always recognised that it needs to engage with partners and never before has partnership working in Wirral been more important to the delivery of tangible outcomes for residents and businesses.



The public sector can no longer afford to work in isolation, and we will utilise every opportunity to save time and resources and to improve services for our residents, by removing duplication across agencies wherever it exists, joining up front line delivery and developing a shared understanding of the needs of local people.

The Council will lead by example, bringing together all those with a stake in the future of Wirral to deliver better and more joined up services to our residents.

We will continue to actively seek partnerships in combination with other local authorities, including across Cheshire, the Northwest, North Wales, nationally and internationally with organisations that have the potential to deliver improved and more efficient shared services for our residents.

The Wirral Public Service Board has recently been established to drive this work forward, bringing together senior representatives from the health sector, as well as Merseyside Police, Merseyside Fire and Rescue, Wirral Metropolitan College, Job Centre Plus and Magenta Living.

The board will concentrate on bringing the public sector together, to realise efficiencies and integrate services in order to have a collective focus on outcomes.



The £60m complex at Marine Point, New Brighton in partnership with Neptune Developments Ltd includes a casino, supermarket and cinema. It has created over 800 jobs since 2012.

This important work will help to mitigate, where possible, the impact of public sector funding cuts whilst maintaining the best services possible for local people.

The board will ensure that we work closely with partners across all sectors to develop a longer term vision for Wirral, considering all future opportunities for working together.

The Bigger Picture

Wirral will play an active part in the wider Liverpool City Region, ensuring that the benefits of our proximity to the increasingly vibrant city centre are realised and that the future plans of the Liverpool Local Enterprise Partnership reflect both the needs of Wirral businesses and the massive economic opportunities presented by our investment strategy.

Wirral Waters is a £5 billion investment proposal for Birkenhead Docks. It is the largest regeneration scheme to have received planning permission in the UK. There are several strategic proposals such as the Advanced Manufacturing Supplier Park and International Trade Centre.



Part Two:

Current Asset Management Strategies

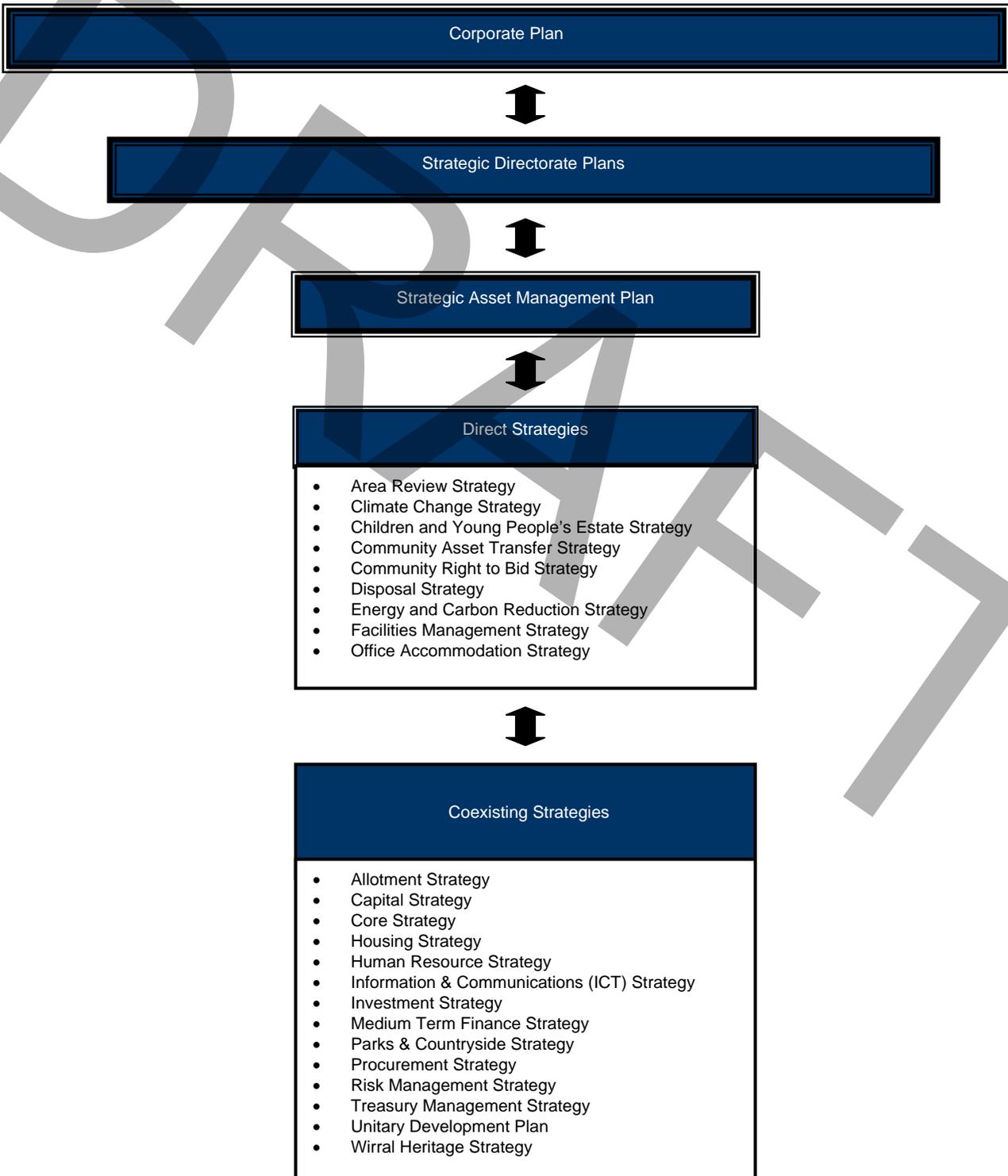


Strategies Overview

The Council seeks to embed an organisational-wide approach to managing assets as a corporate resource as opposed to a compartmentalised, departmental driven approach. There is a focus on using the asset base to help deliver sustainable social, environmental and economic outcomes for local communities.

Property is a key corporate resource and as such strategic decisions made about assets should originate at the same level in the organisation as other key crosscutting resources e.g. Human Resources and ICT.

The direct strategies underpinning the Asset Management Plan are currently subject to a wholesale review and there are also several client asset strategies either being prepared or updated. They are being developed having regard for the principles set out in this plan, to ensure that asset management planning is fully integrated and coordinated across service boundaries. They will take into account the implications for the asset base in respect of medium and long term service planning. The schedule for this is detailed in part three '*Key Priorities and Implementation*'.



Part Three:

Asset Management Key Priorities and Implementation Plan



A Vision for the Council's Assets



The Vision

Our key assets are fit for purpose and provide quality accommodation to deliver quality services.

We share property with our partners where it makes sense to do so to ensure more effective use of our combined assets and to provide convenient points of access for a range of public services.

Systems are in place to ensure that the capital released from surplus asset sales is re-invested in council priorities.

Decisions about property are made corporately to support corporate priorities. These decisions are based on up-to-date intelligence about both assets and service needs.

There is a single property database which allows the council to use and share its property information more easily.

Assets are managed efficiently. They are well maintained, energy efficient, adapted to climate risks and exploit renewable energy wherever this is feasible.

Asset Management Implementation Plan

Timescales

Projected Term	Implementation
Short Term	Up to 1 Year
Medium Term	1 – 3 Years
Long Term	3 – 5 Years

1.0 Developing Client Asset Strategies within a Strategic Framework					
Priority	Objective	Action	Short	Medium	Long
Partnerships	<p>All new client asset strategies will be developed in a joined-up way - both within the Authority and with partners - to enhance awareness of property as a strategic resource.</p> <p>These will be actively managed at both corporate and service levels and as such should be considered in every (relevant) service review.</p>	1.1 Ensure the Council's decisions reflect the strategic framework provided by this plan by raising awareness and establishing a monitoring regime.	✓	✓	✓
		1.2 Ensure client asset strategies are developed within the strategic framework provided by this plan by raising awareness and establishing a monitoring regime.	✓	✓	✓

2.0 Developing a Strategic Framework

Priority	Objective	Action	Short	Medium	Long
Efficiency Savings	Continually review assets and challenge whether they need to be retained. Dispose of assets that do not support core service objectives or fail to make an adequate return on investment.	2.1 Develop a robust asset rationalisation work stream, managed through the capital programme, to ensure that agreed efficiencies are delivered.		✓	
	Review office accommodation across the Council and set departmental targets for reduction to be achieved through the adoption of hot desking or other innovative methods.	2.2 Continue to drive forward the Office Rationalisation work stream of the 'Driving Value from Assets Programme'.	✓	✓	
	Drive continual improvement in energy efficiency and reduction in CO ₂ emissions.	2.3 Develop and table an ISO 50001 compliant energy policy.	✓		
		2.4 Develop a robust energy management system.		✓	
		2.5 Review, assess and integrate existing energy and carbon related initiatives.	✓	✓	
Finance Model	Ensure asset savings are redirected to support the council's highest priorities and encourage service departments to review assets through appropriate mechanisms.	2.6 Develop a financial model that supports the principle of corporate ownership of assets.		✓	
Capital Receipts	Capital receipts must be maximised and all opportunities for securing capital receipts will be explored.	2.7 Ensure agreed capital receipt forecasts are met through robust monitoring arrangements.	✓	✓	

2.0 Developing a Strategic Framework (continued)

Priority	Objective	Action	Short	Medium	Long
Schools Service Level Agreement	Secure major benefit from collective and local purchasing power to effectively maintain and improve the education estate.	2.8 Prepare a new service level agreement offer to schools and academies from April 2015.	✓		
Maintenance Backlog	Reduce backlog repair liability to a sustainable level.	2.9 Implement a five-year rolling programme of condition surveys.		✓	
		2.10 Establish performance indicators to accurately report performance base data on condition in accordance with best practice.		✓	
		2.11 Establish links to national benchmarking schemes in respect of condition data to reliably compare performance against other public sector bodies.	✓		
		2.12 Establish a fundable, cyclical, core maintenance regime for assets remaining following the asset rationalisation programme.		✓	✓
Climate Change Adaptation	Ensure that climate risk is considered in the preparation of any new strategies.	2.13 Develop an approach and timetable for undertaking risk-based assessment of climate related threats and opportunities for each significant Council asset.	✓	✓	

3.0 Improved Business Performance

Priority	Objective	Action	Short	Medium	Long
Improved Business Performance	Centralise all asset management information systems and actively promote accessibility for all stakeholders.	3.1 Conduct a wholesale review and develop all direct strategies in respect of council property assets.	✓	✓	
		3.2 Procure a new asset management system that is fit for purpose to unify and modernise the asset management service.	✓		
		3.3 Establish the terms of reference for an asset management system project team to ensure successful implementation and use.	✓		
		3.4 Conduct a wholesale review of all asset management processes to enable workflow to be embedded and responsibilities allocated.	✓	✓	
		3.5 Decommission all redundant data systems.		✓	

4.0 Reviewing our Assets

Priority	Objective	Action	Short	Medium	Long
A Strategic Property Review Programme	Conduct thorough analysis of building performance including suitability, costs in use and overall efficiency in a programme of property reviews.	4.1 Develop a set of common performance criteria for all Council assets.	✓		
		4.2 Develop common performance criteria for different asset types.	✓		
		4.3 Develop energy performance assessment methods for individual assets to provide bespoke targets.		✓	
		4.4 Develop a methodology for presenting property information so that strategic and operational decisions can be taken objectively.	✓	✓	
		4.5 Implement phased programmes of property reviews.		✓	

5.0 Future Governance and Monitoring

Priority	Objective	Action	Short	Medium	Long
Monitoring and Review	The Asset Management Plan will be reviewed annually and the Implementation Plan rolled forward on a three-year basis.	5.1 Ensure reviews of the plan and associated reporting occur in accordance with the agreed programme.	✓	✓	

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