

**REPORT TO: POLICY & RESOURCES COMMITTEE - 28 MARCH 2011**  
**REPORT ON: CORPORATE ASSET MANAGEMENT STRATEGY**  
**REPORT BY: DIRECTOR OF CITY DEVELOPMENT**  
**REPORT NO: 148-2011**

## **1 PURPOSE OF REPORT**

- 1.1 This report summarises the findings from the review of the arrangements for managing corporate assets across the Council, and seeks approval for a new Council-wide strategy, a copy of which is attached as Appendix 1.

## **2 RECOMMENDATION**

- 2.1 It is recommended that the attached strategy is adopted and implemented.

## **3 FINANCIAL IMPLICATIONS**

- 3.1 This strategy seeks, through a better planned alignment of assets with service demand, to achieve the best possible match of assets with the Council's service delivery strategies. It will guide the acquisition, use and disposal of assets to make the most of their service delivery potential and manage the related risks and costs over their entire life.

## **4 BACKGROUND**

### **Current Position**

- 4.1 Dundee City Council's ownership of assets is wide and varied. Arrangements for managing these assets are also varied, sometimes amounting to custom and practice, and sometimes falling to a postholder with no particular expertise in managing that type of asset. Similar assets are managed in different ways by different services.

### **Business Case for a new Operating Model**

- 4.2 Matching asset requirements to service delivery strategies will enable the Council to develop an asset portfolio with the capacity to fully and efficiently satisfy service delivery requirements. The associated investment proposals would become subject to clear governance arrangements. The main benefits of a Corporate Asset Management Strategy are:

- aligns asset plans with organisational objectives
- ensures overall efficient and effective use of assets in the medium/long term
- provides a platform for structured and rigorous forward thinking and a basis for future decision making
- gives an explicit description of the direction that the Council wishes to take with its assets
- brings clarity to the way assets are managed in the Council

### **The Proposed 'Operating Model'**

- 4.3 The Council's assets can be categorised into six key groups:

- 1 Buildings and Property
- 2 Roads Infrastructure
- 3 Council Housing
- 4 Open Space
- 5 Vehicle Fleet
- 6 Information and Communications Technology (ICT)

- 4.4 These groupings account for the vast bulk of the Council's assets, any remaining asset types will be accommodated within one of the above groupings.
- 4.5 Each asset type will have an Asset Manager who will have expertise in that asset type. Asset Managers will be responsible for preparing and updating an Asset Management Plan. These plans will be submitted to the Corporate Asset Management Group, chaired by the Director for City Development for validation. The Council's Strategic Management Team (SMT) will be responsible for the overseeing the preparation and development of this Strategy and the associated Asset Plans. It will also be responsible for scrutinising any investment proposals associated with the Council's assets, and prioritising investment decisions. The Director of City Development will be the Asset Champion on the SMT.
- 4.6 The Policy & Resources Committee will have overall responsibility for the Corporate Management of Council Assets. It will be responsible for the approval of this Strategy and the subsequent Asset Plans for each asset area. It will also be responsible the approval of all associated budgetary decisions.

#### **Timescales**

- 4.7 Many of the arrangements set out in this strategy can be implemented quickly. However, in some areas where responsibility for an asset type is dispersed throughout various service departments it is likely to take longer to put the arrangements in hand. A project plan will be devised that will have the strategy in place by October 2011

### **5 POLICY IMPLICATIONS**

- 5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

### **6 CONSULTATIONS**

- 6.1 The Chief Executive, Depute Chief Executive (Support Services), Director of Finance and Assistant Chief Executive have been consulted and are in agreement with the contents of this report.

### **7 BACKGROUND PAPERS**

- 7.1 There are no background papers.

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24 February 2011

Dundee City Council  
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# **DUNDEE CITY COUNCIL**

## **CORPORATE ASSET MANAGEMENT STRATEGY**

**2011 - 2015**

## **1 INTRODUCTION**

- 1.1 Dundee City Council's ownership of assets is wide and varied; however these can be categorised into six keys areas of asset ownership;
- Buildings and Property
  - Roads Infrastructure
  - Council Housing
  - Open Space
  - Vehicle Fleet
  - Information and Communications Technology (ICT)
- 1.2 The overarching management of these assets will be guided by this Corporate Asset Management Strategy. This is to ensure that all assets are optimally structured and financed to provide best value and efficient service delivery.
- 1.3 An Asset Management Plan will then subsequently be prepared for each of the above key asset areas which will detail how the Council will achieve its overall objectives, improve the performance of its assets and yield the required efficiencies.

## **2 PURPOSE OF THE STRATEGY**

- 2.1 Strategic Asset Management seeks, through a better planned alignment of assets with service demand, to achieve the best possible match of assets with the Council's service delivery strategies. This is best ensured by the systematic management of all decision making processes taken throughout the useful life of assets.
- 2.2 This Strategy will guide the acquisition, use and disposal of assets to make the most of their service delivery potential and manage the related risks and costs over their entire life.
- 2.3 The main benefits of a Corporate Asset Management Strategy are that it;
- aligns asset plans with organisational objectives.
  - ensures overall efficient and effective use of assets in the medium/long term.
  - provides a platform for structured and rigorous forward thinking and a basis for future decision making;
  - gives an explicit description of the direction that the Council wishes to take with its assets;
  - brings clarity to the way assets are managed in the Council
- 2.4 As a first phase in this process, this Asset Management Strategy is fundamental to the effective management and delivery of services. By matching asset requirements to service delivery strategies, the Council will develop an asset portfolio with the necessary capacity and performance to fully satisfy service delivery requirements.

## **3 CORPORATE GOVERNANCE FRAMEWORK**

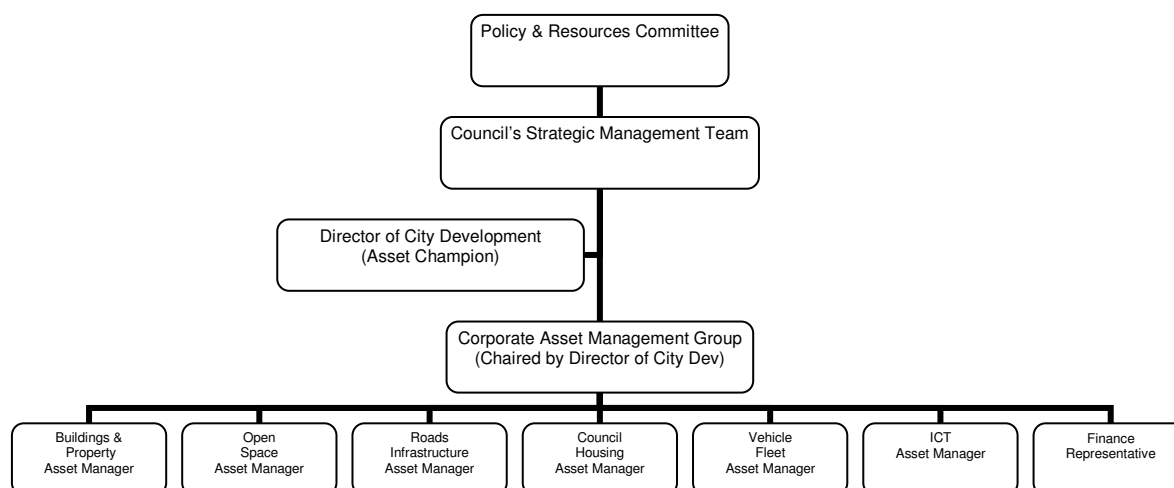
- 3.1 In order to ensure that the Council meets its service delivery objectives efficiently and effectively, there will need to be a strategic governance structure in place to;

- set criteria and standards for the control and management of our assets;
- oversee plans and processes for asset acquisition, maintenance, disposal and risk management; and
- establish priorities for allocating resources for asset management.

#### **POLICY 1**

*The management of all assets will be rigorously scrutinised through a formal structure of asset management governance which will apply to all capital and revenue asset expenditure. Each Asset Manager will be required to justify, rationalise and intensify their use of assets. The Aim of this Policy is to achieve a reduction in the Council's asset base, efficient use of Council's assets and reduction of asset costs.*

- 3.2 This policy will be achieved by establishing the following structure for the management of the Council's assets.



- 3.3 The Policy & Resources Committee will have overall responsibility for the Corporate Management of Council Assets; it will be responsible for the approval of this Strategy and the subsequent Asset Plans for each asset area. It will also be responsible the approval of all associated budgetary decisions.
- 3.4 The Council's Strategic Management Team (SMT) will be responsible for the overseeing the preparation and development of this Strategy and the associated Asset Plans. It will also be responsible for scrutinising any investment proposals associated with the Council's assets. The Director of City Development will act as the Asset Champion on the SMT and will chair the Corporate Asset Management Group.
- 3.5 The Corporate Asset Management Group will be responsible for the preparation and development of this Strategy and ensuring that the associated Asset Management Plans align with the Strategy and monitor the performance targets within these plans. It will also be responsible for the validation of all investment proposals put to the SMT. The membership of the Group will be comprised of the Director of City Development, each of the Asset Managers for the six key asset areas and a representative from Finance Department.

3.6 The Asset Managers for each key asset area will be responsible for preparing and updating an Asset Management Plan for their asset area and for the day to day management of their assets. Within this, energy efficiency will be an important component. They will be responsible for the preparation of investment proposals and their submission to the Corporate Asset Management Group for validation, they will also be responsible for the adherence to the performance targets for their asset area and ensuring that the likelihood and impact of loss or damage is effectively controlled through the application of risk management principles. The proposed Asset Managers are;

- Buildings & Properties - Head of Property
- Open Space - Head of Parks, Sport & Leisure
- Roads Infrastructure - City Engineer
- Council Housing - Director of Housing (or nominee)
- Vehicle Fleet - Fleet Manager
- ICT - Head of ICT

3.7 This structure will assist the Council to efficiently and effectively meet its service delivery objectives efficiently and effectively by;

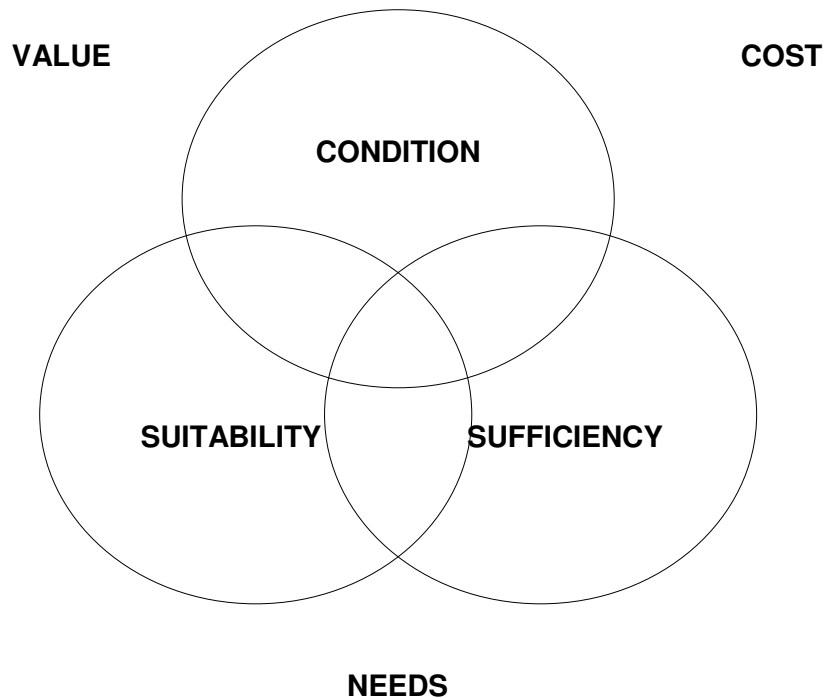
- maximising the service potential of existing assets by ensuring they are appropriately used and maintained;
- reducing the demand for new assets through demand management techniques and consideration of alternative service delivery options;
- ensuring that the Council's assets match existing and future needs of the organisation;
- achieving greater value for money through a rigorous project initiation and evaluation process which takes into account life cycle costing and value management techniques;
- eliminating unnecessary acquisition and holding of assets by ensuring departments are aware of the full costs of holding and using assets; and
- focusing attention on results by clearly assigning responsibility, accountability and reporting requirements for asset management.

#### **4 ASSESSMENT OF INVESTMENT PROPOSALS**

4.1 Strategic Asset Management involves the assessment of existing assets and planned acquisitions against service delivery requirements. Asset management also leads to specific actions to acquire any new assets that may be needed, to dispose of assets that are surplus, to ensure optimum utilisation of existing assets and to operate and maintain existing assets effectively.

4.2 The guiding principle for effective corporate asset management in Dundee City Council will be to balance the future Condition, Suitability and Sufficiency of all Council assets. These attributes will be continually measured against Value, Cost and Needs.

Figure 2 : Balanced approach to Asset Management

**POLICY 2**

*All assets will be managed within a framework driven by service delivery needs and strategies and integrated into the strategic planning process. Proposals for the acquisition, maintenance and disposal of assets must be supported by service delivery needs and strategies and be integrated within a structured asset management process. Proposals for major investment in assets must be justified by a thorough evaluation of all service delivery options and subjected to a comprehensive option appraisal.*

- 4.3 At an operational level, each Asset Manager will match the current and future needs for assets from service users with those assets currently available. The following four phase approach will be utilised;
- determine asset needs by reference to the services to be delivered;
  - evaluate performance of existing assets in terms of their capacity to support service delivery and utilisation levels;
  - establish which assets are surplus to requirements or require investment to bring them up to the required standard; and
  - develop an asset acquisition, operation and disposal plan.
- 4.4 All future individual asset investment proposals will require the formulation of a Strategic Outline Business Case (SOBC), which will incorporate the Council's Option

Appraisal Guidelines, as part of the corporate process for Capital Planning and will be developed and scrutinised at the Corporate Asset Management Group level before any recommendation is made to the SMT for validation.

- 4.5 The content of all SOBC's will be required to include the information contained in Appendix 1.

## 5 ASSET MANAGEMENT PLANS

- 5.1 Each of the six key asset areas will require an Asset Management Plan to be prepared by the respective Asset Manager. These plans will be required to address the following;

- Council's Vision Statement and strategic goals
- Public and commercial benchmarks and best practices
- Employment of life-cycle cost-benefit analysis
- Promotion of full and appropriate utilisation of all assets
- Disposal of surplus assets
- An accurate inventory and description of all assets
- How stakeholder satisfaction will be provided
- Provision for safe, secure and healthy workplaces and practices
- A periodic valuation of all Assets as set out in Accounting Requirements
- Prioritised Maintenance and Capital Investment Plans
- Continuous Monitoring and Feedback Mechanism
- Consideration of Socio-Economic-Environmental Responsibilities
- Resilience provisions for any potentially critical failure of assets

- 5.2 The following information should be shown in summary form for each individual asset management plan;

- a A list of assets
- b Key aims and objectives of the individual plan
- c A clear statement of the baseline position using key asset management driver information
- d The benchmarks used for comparison purposes.
- e Future investment needs and the quantification of any funding gap
- f How the outputs from the asset management process feed into overall capital planning.

- 5.3 Each plan will be required to state how its aims and objectives adhere to the aims and objectives of the Council Plan and the Departmental Service Plan and vice versa. It is essential that measurement and benchmarking criteria are clearly stated. Asset Managers should refer to CIPFA's 'Guide to Asset Management and Capital Planning' (please see advice at [www.cipfa.org.uk/scotland/technical/publications.cfm](http://www.cipfa.org.uk/scotland/technical/publications.cfm)) for more detailed guidance on the preparation of their asset management plan.



## **6 SUMMARY OF EACH ASSET MANAGEMENT PLAN**

### **6.1 Buildings and Property Asset Management Plan**

#### **a Recording of Property Assets:**

All operational and investment properties are individually recorded in the Council's property database (GVA).

#### **b Key Aims of the Property Asset Management Plan are:**

- Reduce the number of operational properties by closing less efficient properties and reallocating staff to other operational properties thereby intensifying use and reducing running costs.
- Have each service user justify their occupation of operational property.
- Measure and monitor the suitability, sufficiency and condition of each property.
- Introduce a costed planned maintenance programme for operational buildings to reduce reactive maintenance costs, identify future capital expenditure and prolong the life cycle of the properties.
- Increase energy efficiency measures to reduce the Council's carbon footprint.
- Disposal of surplus properties.
- Ensure all requisite health and safety measures are in place for all operational properties.
- Identify shared use of properties with other public bodies.

#### **c Asset Management Driver Information:**

The following key information is recorded in the GVA property data base for the Council's main operational buildings.

- Address
- Use
- Area (NIA/ GVA)
- Dimensioned plan
- Condition Survey
- Suitability and Sufficiency Survey
- Energy Consumption (consumption and cost data)
- Space Utilisation data.
- Repairs and maintenance costs.
- Time Utilisation
- Rateable Value
- Asset Valuation

#### **d Schools**

The School Estates Management Plan is assessed and reported under separate, distinct criteria determined by the Scottish Government. Accordingly, it should be noted that non-PPP schools will be included as a sub-set of the buildings and property asset management plan.

### e Proposed Benchmarks used for Comparison Purposes

Indicator	Source	Frequency	Benchmark	Link to SOA
Energy (Gas, electricity, oil and solid fuel) by Kwh/m2 & £ spend/m2		Annually	Scottish Benchmark Group for Asset Management	Outcome 11b
CO2 emissions/ in tonnes of CO2/ m2 GIA		Annually	Scottish Benchmark Group for Asset Management	Outcome 11a
Water and sewerage cost £ spend/ m2 GIA		Annually	Scottish Benchmark Group for Asset Management	Outcome 11a
% of operational properties that have a compliance certificate for each Health and Safety topic, as identified by the Duty Holder, confirming that the installation and / or equipment is in a safe and serviceable condition.	GVA	Annually		
% of schools (excl PPP) in satisfactory or good condition	GVA	Annually	Scottish Government	
% of the Council's Capital Receipts Target (£m)		Annually		
% GIA of operational properties suitable for current use (SPI)	GVA	Annually	Scottish Benchmark Group for Asset Management	Statutory Indicator
% GIA of operational properties in satisfactory condition (SPI)	GVA	Annually	Scottish Benchmark Group for Asset Management	Statutory Indicator
Cost per m2 GIA of utilisation of operational property	GVA	Annually	Scottish Benchmark Group for Asset Management	
% utilisation of assets GIA		Annually	Scottish Government	
% of Council shops upgraded		Annually		Outcome 9c
% split of total spend on required maintenance between planned and responsive maintenance		Annually	Scottish Benchmark Group for Asset Management	
% of operational properties with public access	GVA	Annually	Scottish Government	
% of council shops occupied	GVA	Annually		Outcome 9c

% of council industrial units occupied	GVA	Annually		
% of industrial floor space occupied	GVA	Annually		
% of the Council's annual rental income target (£m)		Annually		
Average % rental increase of shop/ industrial rents	GVA	Annually		

## 6.2 Open Space Asset Management Plan

### a Recording of Open Space Assets

Open Spaces includes: country parks, public parks, formal sports provision, amenity green space, play space and play equipment, green corridors, cemeteries, war memorials, woodlands, beaches and foreshores.

Currently, no one Council Department has responsibility for all the land. Identification of ownership of Council's land is the responsibility of City Development, who have recorded all Council land on a GIS layer and there exists a supporting summary documentation for most of the sites.

### b The Key Aims of the Open Space Management Plan are:-

The vision is that Public Open Spaces contribute to a high quality of life throughout the city and help to deliver environmental benefit, economic prosperity, a sustainable future and best value for all citizens and communities in Dundee, and the key aims are:

- To ensure that Dundee's Open Space provides a network of diverse, attractive and inspiring green spaces, which add colour and life to the city, including the urban environment.
- To encourage and support healthy lifestyles by providing opportunities for recreation, relaxation and fun for people of all ages.
- To ensure that public open spaces are safe, accessible and meet the current and future needs of local communities.
- The objective should be to meet Green Flag criteria for all city and neighbourhood parks and open spaces.
- Greenflag Criteria:
  - A Welcoming Place
  - Healthy, Safe and Secure
  - Clean and Well Maintained
  - Environmental Sustainability
  - Conservation and Heritage
  - Community Involvement
  - Marketing
  - Management
- That Dundee's open space contributes to the economic prosperity of Dundee by helping to attract investment and tourism.

- That the management of the City's open space delivers quality and is cost effective, efficient and provides best value for the citizens of Dundee ensuring the maintenance regime adopted best fits the needs of the location.
- That provision is adequate for the needs of Dundee and that specific needs such as cemetery provision, play areas, allotments and recreation areas are sufficiently catered for.
- Where surplus land is identified consideration should be given to disposal.

The Open Space Asset Management Strategic Plan must take into account the Council's statutory duties in relation to open space, access, biodiversity, bathing waters directive, etc., and in addition the strategies listed in Appendix 2 that have been adopted by the Council.

### **c Asset Management Driver Information**

In terms of the key drivers and in respect of developing any future database the key areas would include the following and would be co-ordinated through City Development.

- the address
- the use i.e. classification, as per pan 65 classification and POS hierarchy of parks and public open spaces / play area classification
- condition survey
- area
- a dimensional plan
- a description
- annual maintenance costs / annual management and action plan
- the ownership and management department
- asset value and terms of disposability, usefulness, potential etc.
- restrictions
- brief history

### **d Restrictions**

- Many of the parks are covered by a deed of gift and there are restrictions on their title in relation to disposal, eg. Caird Park.
- The Pitch Strategy is part of the statutory planning framework and pitches require to be replaced on a like for like basis to the satisfaction of sportscotland and Playing Fields in Trust and Scottish Planning Guidelines.
- Dundee owns land at Tayport (North East Fife), Tealing (Angus) and Belmont (Perth & Kinross). The Head of Property will ascertain whether there are other areas outwith the city.
- Land use restriction eg flooding Dighty valley.
- Local plan wildlife sites etc.
- SSSi and Local Nature Reserves.

### e Proposed Benchmarks used for Comparison Purposes

Indicator	Source	Frequency	Benchmark	Link to SOA
Cost to maintain per square metre.	APSE	n/a	APSE	
Quality of Management and Landscape worth of Public Open Space Link to annual Green Flag Assessment with the community and management plan for GIS and neighbourhood parks	Community supported survey	5 years	current position	11K / 9
Overall standard of the city environment		Annual judging	Beautiful Scotland awards - Gold, silver gilt, silver, bronze	1h / 1g
Existing surveys eg. headstone	current status			
Health/activity participation figures	Existing usage	Annual	?	4c/ 5 / 11 / 10 / 3

### 6.3 Roads Infrastructure Asset Management Plan

The Council has actively participated in the Society of Chief Officers of Transportation Scotland (SCOTS) jointly funded project to develop a framework and the tools required to prepare a common Road Asset Management Plan. The project is in its third and final year and is being coordinated by external consultants EXP & Scott Wilson. All 32 Local Authority Roads Authorities in Scotland have signed up to the project which will deliver a common approach to Asset Management. The following information provides the current status and key elements of the process.

#### a Recording of Road Infrastructure Assets:

All operational and inventory asset information is to be recorded and stored in the Councils Road Asset Managements computer software system WDM.

The road asset within Dundee principally comprised of:

Table of Road Assets

<b>Asset Area</b>	<b>Elements</b>
Carriageway	Carriageway; including lay-bys, bus lanes etc.
Footways, Footpaths & Cycleways	Footway, - adjacent to the carriageway Footpaths – remote from the carriageway Cycleways – constructed off-carriageway cycleways and shared cycle/footways.
Structures	Bridges, sign gantries, culverts, embankments, retaining walls, highway structures.
Lighting (incl. Illuminated signs and bollards)	Lighting columns, lamps, cabling, ducts, feeder pillars, seasonal illuminations, subway lighting. Illuminated signs & posts, illuminated bollards.
Traffic Signals	Signalised junctions, signalised pedestrian crossings, detection equipment, cabling, ductwork and bollards.
Safety Fences & Pedestrian Barriers	Vehicle safety fences, pedestrian barriers.
Non-illuminated Signs	Non-illuminated signs, Warning, Regulatory and local direction/information posts, information boards.
Closed Circuit Television	CCTV Installations & Monitoring Equipment
Drainage	Gullies & linear drainage channels (road and footpath), highway drains (including pipework, manholes & outfalls), land drainage ditches and watercourses, roadside ditches, swales, etc.
Traffic Calming	Traffic Calming Features – including Tables, Humps, Chicanes etc.
Road Markings	All road markings.
Verges and Planted Areas	Verges, soft landscaped areas.
Street Furniture	Cycle stands, litter bins, benches/seats, bollards, etc.

## b Key Aims of the Road Infrastructure Asset Management Plan

Dundee City has identified a large number of goals and objectives for their road assets in a number of documents including the Corporate Plan, Service Plans, and the Local Transport Strategy. These have now been added to or superseded by the "Single Outcome Agreement" which identifies a number of national and local outcomes and associated actions.

A well maintained and managed road asset will contribute to many of Dundee's Single Outcome Agreement goals. For example: High quality transport links are required for the movement of employees and goods needed to retain and attract the businesses to achieve Outcome 1 "*Dundee will be a regional centre with better job opportunities and increased employability for our people*"

The roads asset will contribute specifically to the following outcomes:

<b>Outcome 1 - Dundee will be a regional centre with better job opportunities and increased employability for our people</b>		
Intermediate Outcomes		Short-term Outputs/Outcomes
1a	Our infrastructure will support business growth	Increase the amount of improved public realm in the city centre and cultural quarter
<b>Outcome 3: Our children will be safe, nurtured, healthy, achieving, active, respected, responsible and included.</b>		
Intermediate Outcomes		Short-term Outputs/Outcomes
3h	All Dundee children and young people have more active lifestyles	Provide more opportunities to increase the number of pupils walking and cycling to school.
<b>Outcome 4 - Our people will experience fewer health inequalities</b>		
Intermediate Outcomes		Short-term Outputs/Outcomes
4c	Improved health for older people	Improve transport
<b>Outcome 5 - Our people will have improved physical and mental wellbeing</b>		
Intermediate Outcomes		Short-term Outputs/Outcomes
5a	People will have more physically active lifestyles	Increase opportunities for physical activity
<b>Outcome 9 - Our people will live in stable, popular and attractive communities</b>		
Intermediate Outcomes		Short-term Outputs/Outcomes
9a	Improved physical environments in neighbourhoods	Increase availability of safe and secure car parking
		Increase coverage of white lighting
<b>Outcome 10 - Our communities will have high quality and accessible local services and facilities</b>		

Intermediate Outcomes		Short-term Outputs/Outcomes
10d	Transportation links to community regeneration areas facilities	Improve pedestrian facilities for the community
		Improve public transport facilities for the community
		Improve cycling facilities for the community
		Improve road safety for the community
<b>Outcome 11: Dundee will have a sustainable environment</b>		
Intermediate Outcomes		Short-term Outputs/Outcomes
11a	Reduced ecological and carbon footprint for Dundee	Reduce greenhouse gas emissions
11b	Affordable, sustainable energy supplies and reduce fuel poverty	Increase energy efficiency and renewable energy usage
		Explore potential for new local energy technology development
11c	Integrated and sustainable transport system	Increase safety, inclusivity and accessibility of public transport
		Minimise private car use and the impact of transport
		Maintain the transport infrastructure
11d	Sustainable waste management and resource use culture	Increase the levels of recycling and composting
		Reduce the impact of waste production and improve the efficiency of the City's resource use
11e	A clean, healthy and safe environment	Meet National and quality standards and address other air pollution issues
11g	A protected and valued built heritage	Enhance the infrastructure and environmental aspects of the urban fabric
		Adopt sustainable construction methods

### c Asset Management Driver Information:

There are many drivers for the implementation of a Road Infrastructure Asset Management Plan, which include:

- Evidence of strategic thinking and long term planning with regard to maintenance and management of the highway infrastructure
- Satisfactory explanation to stakeholders of a fair and reasonable way of allocating limited operational, maintenance and improvement resources



- The introduction of Whole of Government Accounts (WGA) whereby local authorities are to be required to provide financial forecasting and valuation information to central government
- In order to meet both national and local outcomes as specified within the single outcome agreement

#### **d Life Cycle Plans**

##### Purpose of Lifecycle Planning

As part of the development of the Roads Infrastructure Asset Management Plan, lifecycle plans have been prepared to document how each of the asset groups that make up our road infrastructure is managed. Each lifecycle plan provides definition of the standards that are applied to the management of the asset group in question and details of the processes that are used to ensure that these standards are delivered.

Production and updating of the lifecycle plans is also enabling local knowledge to be captured. Documenting the lifecycle plans has allowed us to capture the knowledge of individuals, to record this and enable it to be shared and developed.

##### Output from Lifecycle Planning

The output from the lifecycle planning process is long term prediction of the cost of the continued management and operation of the asset in question. These should be in the form of financial projections and in the future will be linked to target levels of service.

##### Importance of Lifecycle Plans

Lifecycle plans are the core of our approach to road asset management planning. They contain the detail that enables asset management practices, such as long term cost projection, performance management and risk management, to be applied consistently across all asset groups.

##### Lifecycle Plan Contents

Lifecycle plans are living documents, updated as we gather and analyse information on each asset group. When fully populated each lifecycle plan will contain the following information:

**Table of Lifecycle Plan Contents**

<b>Section</b>	<b>Answers</b>	<b>Contains</b>
The Asset	What assets do the Council own?	Inventory details (type size, etc) Asset growth statistics
Service Expectations	What is each asset group required to do?	Customer expectations Council objectives for transport Specific user requirements Safety considerations, 3rd party use Environmental requirements, Network availability, Amenity considerations
Management Practices	How is this asset group managed?	Policies Inspection Regime Condition Assessment Asset Acquisition standards Routine Maintenance standards Operational/Cyclic Maintenance Planned Maintenance standards Disposal standards
Investment	How much should be and is spent on this asset group?	Historical Investment Output from historical investment Forecast Financial Needs Valuation: GRC, DRC & ADC
Works Programme	How are works programmed for this asset group?	Existing forward works programme 1yrs+ Works programme coordination Option Appraisal: treatment selection - At a project level - At a budget category level?
Risk	What are the risks associated with this asset group?	Risk identification Major asset risks
Works and Service Delivery	How are works delivered or procured on this asset group?	
Performance Measurement	How is the performance of this asset group measured and managed?	Performance indicators Current performance figures Target performance figures
Strategies	What strategies are there for the future management of this asset group?	
Service Improvement actions	What improvement would improve the Council's management of this asset group?	Asset specific improvement actions

## 6.4 Council Housing Asset Management Plan

### a Recording of Housing Assets

A register of Council House Stock is maintained on the SID database. There are a number of other assets, including shops which are on the Housing Revenue Account

### b Key Aims of the Housing Asset Management Plan

- To meet the housing needs and aspirations of Dundee citizens by providing quality affordable housing that meets the Scottish Housing Quality Standard.
- To balance the needs/demands on the stock to minimise void periods for the housing stock and to maximise income to the Housing Revenue Account.
- To identify at risk and potentially surplus housing and following discussions with stakeholders, bring forward proposals for demolition and rehousing of tenants.
- To produce and implement financial and investment plans to ensure that all the Council's housing stock meets the Scottish Housing Quality Standard by 2015.
- Contribute to and lead regeneration strategies for communities that include Council housing stock in partnership with stakeholders within and outwith the Council.
- Repair and maintain the Council's housing stock through day to day reactive maintenance, cyclical maintenance and maintenance of specialist components, where required.
- Increase the energy efficiency of the Council's housing stock in line with SHQS, the Climate Change Act and to alleviate fuel poverty as far as is practicable.

### c Asset Management Driver Information

Key information regarding each Council House is held and updated on the SID (Stock Information Database)

- Address
- Postcode
- Property Type
- Construction Year
- Construction Type
- Map Reference
- Age Band
- Letting Arrangement
- Apartment Size
- Whether Mixed Tenure
- Communal Elements
- Condition External

- Condition Internal
- Condition Landscape/Environment
- SHQS Extras
- Tolerable Standard

In addition, the Council holds, from commissioned research in 2008, information on Housing Need, Demand and Affordability in the greater Dundee housing market area.

The information held enables and informs:

- Identification of At Risk and Potentially Surplus Housing
- Planning to Bring All Stock up to the SHQS
- Heating Replacements Programme
- Kitchen Replacements Programme
- Bathroom Replacements Programme
- Controlled Entry Programme
- Roof Replacement Programme
- Identification of houses purchased from the Council under the Right to Buy legislation, many of which the Council to act as factor to these owners for the arrangement of mutual repairs and resulting recharging

#### **d Proposed Benchmarking Used for Comparison Purposes**

Indicator	Benchmark
No. of houses and % of stock that meets SHQS	SHQS
Compliance by Repair/Improvement element	SHQS
Housing Repairs	Scottish Government
Voids and Rent loss	Scottish Government
Rent Arrears	Scottish Government
Housing Repairs and Capital programme	Scottish Best Value Network

The Council Benchmarks its Housing Assets' performance against other local Authorities and Housing Associations.

## **6.5 Vehicle Fleet Asset Management Plan**

### **a Recording of Fleet Assets**

The Council has a fleet of vehicles, including minibuses and tractors, and plant that support service delivery. These are recorded on departmental databases, but it proposed that a corporate database be established.

**b Key Aims of the Fleet Asset Management Plan**

- To secure a fleet that is fit for purpose
- To establish a corporate approach to the management and maintenance of vehicles
- To improve decision making on planning for future needs, replacement, disposal and maintenance of vehicles
- To link the fleet management strategy to the Council's strategic priorities
- To reduce the impact of the Council's operations on the environment
- To reduce the risk of accidents
- To produce financial savings for the Council

**c Fleet Asset Management Strategy**

Following a Best Value Review of Transport and Fleet Maintenance, the strategy described below was approved by the Improvement and Efficiency Sub-committee on 30th March 2010 (Report 202-2010):

- the Council introduce a corporate approach to the management and maintenance of its fleet of vehicles;
- the Council establish a working group to plan and oversee the implementation of a corporate approach to fleet management including the rationalisation and centralising of the Council's Fleet Maintenance Workshop facilities and formalising its fleet management strategy;
- through the Information Technology Department and subject to the outcome of the option appraisals, install suitable control software for management information by either extending the new database recently constructed or installing new software;
- the Council establish procedures and locations for the dispersion of fuel purchased through the Council to all vehicles used in the pursuit of Council duties;
- a detailed review of the Council's transportation requirements be undertaken to optimise vehicle utilisation and minimise impact on the Council's carbon footprint in line with Scottish Government targets; and
- the Council participate in a joint review of fleet management arrangements with neighbouring local authorities.
- The strategy will include consideration of the appointment of a Corporate Fleet Manager.

**d Fleet Management Key Driver Information**

The Best Value Review of Transport and Fleet Maintenance completed in early 2010 identified the lack of a common database as a barrier to effective corporate fleet management. The proposed corporate working group, which will take into account the views of vehicle users, has been given the remit to plan and implement a corporate approach to fleet management. This will include the specification and option appraisal of software solutions which will provide for the measurements listed in E) below.

In addition to the key drivers of condition, suitability and sufficiency, the plan will take into account the aims, objectives and actions set out in:

- **The Single Outcome Agreement 2009-2012**
  - 11a Reduced ecological and carbon footprint for Dundee
  - 11e A clean, healthy and safe environment
- **The Climate Change Framework 2008-2015**
  - Improve the fuel efficiency of Council Fleet vehicles.
  - Consider the use of waste derived fuels as an energy source for fleet vehicles.
  - Develop a baseline inventory of greenhouse gases generated by Council fleet mileage, with a view to identifying realistic targets and monitoring progress.
- **The Council Plan 2010-2012**
  - Reduce the total cost of vehicle fleet from a baseline of £6.8m

**e Proposed Benchmarking Used for Comparison Purposes**

Indicator <b>Fleet Use</b>
<p>Vehicle availability – the number of days the fleet is available for use;</p> <p>Vehicle downtime – the number of days lost due to maintenance and repairs; and</p> <p>Vehicle utilisation – how much the fleet is used compared with its availability. It helps to identify whether the fleet size is correct and other problems with availability of vehicles and staff.</p>
Indicator <b>Compliance</b>
<p>Number of accidents – highlights staff training requirements and links to insurance costs;</p> <p>Number of vehicle defects – highlights maintenance issues; and</p> <p>Number of MOT failures or first time passes – measures the performance of the maintenance provider</p>
Indicator <b>Operational</b>
<p>Fuel usage – miles per gallon (mpg) figures can identify inappropriate fuel use, help with future vehicle type selection and identify training requirements; and</p> <p>CO2 emissions – used to monitor compliance with overall environmental policy and reduction targets.</p>
Indicator <b>Cost</b>
Maintenance cost per vehicle – used to investigate whether certain vehicles are

costing more, perhaps because of drivers causing excessive wear and tear or maintenance charges not being subject to review and checking;

Tyre cost per vehicle – used to identify excessive tyre damage or whether new tyres are being fitted when remoulded/retreads or re-grooved tyres would suffice;

Insurance cost per vehicle – helps to identify whether the insurance purchased provides value for money; and

Operating cost per vehicle – this could highlight where significant running costs could be reduced.

## 6.6 ICT Asset Management Plan

The Council has adopted industry recognised strategies, technologies and lifecycle management policies to ensure that its ICT assets support the overall objectives of the Council.

Key strategic ICT aims are to provide a corporate, standardised delivery of applications and services to ICT users. This is evident in the following key areas

- Data and applications are stored and accessed from central servers
- Where possible, desktop devices do not store data or have application installed
- Thin client is the preferred mechanism for delivery of data and applications.

Due to the above aims, Strategic ICT Asset investment is focused more on the central servers, data storage, security, back-up and disaster recovery. Desktops functionality is generally limited to access devices.

Central server and storage technology is delivered in a virtualised manner, so that utilisation of server assets is maximised.

The Council has always maintained strict control of ICT asset procurement. All ICT asset procurement is controlled and facilitated by the IT Division. This ensures that all ICT assets are recorded.

### a Recording of ICT Assets

Assets are procured and managed in two distinctly separate ways. ICT assets in an Educational environment require significantly different management from assets in the business departments of the Council. Differences are types of assets deployed and lifecycle management.

All ICT assets are recorded on the Councils corporate IT Help-desk and Asset management system. This system has been in place since the inception of Dundee City Council and has been developed and enhanced to provide key asset information. Dynamic reports of asset age, value, performance, reliability, etc. are provided by the system. These reports can be broken down by business function, section, individual user, manufacturer or other criteria.

The types of assets held are listed in the Table below:

Location	Asset Type
Data-Centre(s)	High capacity Central Virtualised Linux Servers
Data-Centre(s)	Central Virtualised Windows Servers
Data-Centre(s)	Application Servers (Blade Server)
Data-Centre(s)	Data Servers (blade servers)
Data-Centre(s)	Blade Server chassis
Data-Centre(s)	High value Data Storage arrays
Data-Centre(s)	Medium value data storage arrays
Data-Centre(s)	Low Value Data Storage arrays
Data-Centre(s)	e-mail servers
Data-Centre(s)	Mobile application servers
Data-Centre(s)	Core network Switches
Data-Centre(s)	Firewalls
Data-Centre(s)	Internet proxy servers
Data-Centre(s)	Website Servers
Business Departments	Personal Computers
Business Departments	Thin Client Computers (NC's)
Business Departments	Laptops
Business Departments	Multi-functional Printing devices
Business Departments	Networked printers
Schools	Personal Computers
Schools	Thin Client Computers (NC's)
Schools	Laptops
Schools	Multi-functional Printing devices
Networked printers	Networked printers
Data-Centre(s)	Corporate software applications and services
Data-Centre(s)	Departmental software applications and services
Data-Centre(s)	Council Services & Transactions on Website
Data-Centre(s)	Council Services available at one-stop-shop

### **b Key Aims of ICT Asset Management Plan**

The overall aim of the ICT Asset Management Plan will be to ensure that ICT in Dundee City Council is fit for purpose and underpins all of the SOA objectives and Council Plan objectives.

The most relevant SOA objective is:

- Objective 9 – Our people will have high quality and accessible local services and facilities.

The most relevant Council plan objectives are:

- Make all orders, requests and financial transactions for service available on the website
- Maximise the use of the Citizen Account and national Entitlement Card



The asset management plan will ensure that ICT assets are procured, utilised and supported in line with the above objectives. The IT Division Service Plan prioritises Asset Management. The six key objectives listed in the 2010-2012 Service Plan all have a link to Asset Management:

- Increase efficiency of corporate and inter-agency processes by deploying software solutions
- Increase Customer satisfaction when in contact with Customer Services
- Extend the provision of Mobile, Flexible and Home working technologies
- Successfully deliver all Information and Technology aspects of the forthcoming major accommodation changes
- Provide an Information and Communications infrastructure which meets the needs of the organisation and supports service improvement
- Improve the efficiency and effectiveness of the Information Technology Division

#### **c Asset Management Driver Information**

The Drivers for implementation, support and utilisation of ICT assets are:

- Evidence of Strategic thinking and Council priority alignment of ICT investment decisions
- Clear evidence of an annual strategic outline business case (SOBC) for ICT investment decisions
- Clear evidence that infrastructure investment decisions are based on realistic assessment of current utilisation and future utilisation.

#### **d Benchmarks used for Comparison Purposes**

Benchmarks for asset utilisation and cost are:

- Support Cost per workstation – In IT Service Plan
- Server utilisation (average CPU utilisation time)

## **7 MONITORING AND REVIEW OF THIS STRATEGY**

- 7.1 Monitoring information will be collected and used to establish whether this Strategy is being implemented as intended. It will allow the Council to identify where policies need to be strengthened, maintained, changed in some way, or in cases where a policy has served no purpose, removed from the Strategy.
- 7.2 Although most of the policies will remain relevant throughout the Strategy's period, and even beyond, regular monitoring and review will ensure that its provisions remain up to date. Changes to asset management practices, the provision of new assets and the reduction in existing assets will be monitored.
- 7.3 If monitoring shows that the rates at which new assets are being created and/or the rate at which assets are being utilised are substantially different from those sought or anticipated in the Strategy, then the Strategy and its component Asset Management plans will be reviewed.

## **APPENDIX 1 REQUIRED CONTENT OF STRATEGIC OUTLINE BUSINESS CASE (SOBC)**

### **1 Brief Description and Rational for Investment**

- type of asset
- service(s) supported by the asset
- statement of need
- how investment area required was identified
- research base (demographics, local plan, community and or political issues, condition surveys etc)
- lead officer
- project sponsor

### **2 Strategic Context for Investment**

- this will include a clear link to the Corporate Plan's aims and objectives that the potential investment area meets
- consultation undertaken with Community Planning Partners
- key objectives of the investment

### **3 Financial Information**

- high level indicative capital cost and revenue implications (both costs and savings) based on Whole Life Costing (It is necessary to ensure that all services are aware of the definition of capital expenditure from the Accounting Code of Practice, so that there is a proper appreciation of the difference between capital and revenue expenditure)
- high level indicative resourcing – potential external funding
- high level indicative funding gap (i.e. difference between the above two points) – potential internal resources required (capital and revenue)
- profiling of the costs and resources over the capital strategy period

### **4 Supporting Information**

- impact on asset and/or service delivery
- a reasoned argument in favour of a proposed course of action
- consequences of the project not proceeding
- identify key risks and uncertainty

### **5 Outputs Achieved by the Investment**

- anticipated success criteria

### **6 Key Milestones for the Project**

- financial and non-financial

## 7 Option Appraisal

- options considered and presented in line with the Dundee City Council's Option Appraisal Guidelines, including the 11 basic steps set out in the guidelines:
  - 1 Establish the project's strategic context
  - 2 Define the need for the project
  - 3 Define the objectives and constraints of the project
  - 4 Identify and describe the options
  - 5 Identify the expenditure and income for each short-listed option
  - 6 Identify risk and uncertainties
  - 7 Calculate the net present value of the options
  - 8 Identify the non-monetary costs and benefits
  - 9 Identify the project to be recommended for approval
  - 10 Present results and conclusions
  - 11 Carry out post-implementation review

The Option Appraisal Guidelines can be accessed by this link:

[http://intranet.dundee.gov.uk/intranet/depts/finance/Policy\\_and\\_Guidance/Prudential\\_Code/Option\\_Appraisal\\_Guidelines/OPTION\\_APPRAISAL.pdf](http://intranet.dundee.gov.uk/intranet/depts/finance/Policy_and_Guidance/Prudential_Code/Option_Appraisal_Guidelines/OPTION_APPRAISAL.pdf)

**APPENDIX 2****STRATEGIES ADOPTED BY DUNDEE CITY COUNCIL THAT RELATE TO OPEN SPACES**

Public Open Space link -

[http://www.dundeeccity.gov.uk/dundeecity/uploaded\\_publications/publication\\_957.pdf](http://www.dundeeccity.gov.uk/dundeecity/uploaded_publications/publication_957.pdf)

Tree and Urban Forestry Policy link -

<http://www.dundeetwig.com/pdfs/urbanpolicy.pdf>

Outdoor Access Strategy link -

[http://www.dundeeccity.gov.uk/dundeecity/uploaded\\_publications/publication\\_488.pdf](http://www.dundeeccity.gov.uk/dundeecity/uploaded_publications/publication_488.pdf)

Core Path Plan link -

<http://www.dundeeccity.gov.uk/outaccess/corepaths/>

Dundee Outdoor Play and Youth Area Strategy 2009-2014 link -

[http://www.dundeeccity.gov.uk/dundeecity/uploaded\\_publications/publication\\_1475.pdf](http://www.dundeeccity.gov.uk/dundeecity/uploaded_publications/publication_1475.pdf)

[http://www.dundeeccity.gov.uk/dundeecity/uploaded\\_publications/publication\\_1476.pdf](http://www.dundeeccity.gov.uk/dundeecity/uploaded_publications/publication_1476.pdf)

Tayside Biodiversity Action Plan?

Dundee Partnership Environmental Strategy

Allotment Strategy

Approved June 2010 (still to be posted)

Pitch Strategy

Amended Strategy due to go to Committee in January 2011.