

DRAFT - Fylde Borough Council

Asset Management Plan 2024

Head of Technical Services

Office of the Chief Executive (FBC)

Introduction & Objectives

Effective asset management has a major role in delivering better outcomes for citizens, creating a sense of place, and generating efficiency gains. Asset management underpins and contributes to the delivery of the vision and priorities set out in the Corporate Plan, the objective is to modernise service delivery and achieve the maximum from asset resources.

Strategic asset management seeks to align the asset base with the organisation's corporate goals and objectives. It ensures that the land and buildings asset base is optimally structured in the best corporate interest of the council.

The Asset Management Plan (AMP) aims to:

- Deliver exceptional services for citizens, aligned with locally agreed priorities.
- Focus investment based on need.
- Improve the economic well-being of Fylde.
- Ensure the effective management and maintenance of assets.
- Reduce carbon emissions and improve environmental sustainability.
- Generate efficiency gains, capital receipts, or an income stream.
- Improve the quality of the public realm.
- Maximise opportunities to regenerate key areas of the Borough so that communities share in the environmental, economic, and social benefits.

The decision-making arrangements described in the AMP will ensure assets are managed in accordance with the strategic objectives. Each asset managed or owned by the council is held for one of the following three objectives:

- **Community** – assets held for the benefit of the community, which may have restrictions on use or disposal for example, Parks, Recreation Grounds, Playing Fields, Allotments and Public Open Spaces, which may have lettings to charities or community organisations at concessionary rates. The Council's objective is to maintain and enhance these assets to maximise the well-being benefit to the community.
- **Operational** – assets held and occupied in the delivery of services for which it has either a statutory or discretionary responsibility, for example, Council Offices, Depots, Public Conveniences etc. The objective is to manage these assets to maximise operational and financial efficiency and to ensure the assets are procured, managed, operated, maintained, and disposed of in a sustainable way minimising any negative impact on the environment for example, rationalising the amount of space occupied by Council services or exploring opportunities for shared space with partners.
- **Investment** – assets which generate rental income including commercial lettings (cafes and leisure facilities) as well as council-owned and operated assets such as car parks. The objective is to maximise income to the Council, though regard will be given to the contribution made by the asset to wider Council objectives such as tourism and community wellbeing. Investment assets will be under constant review to consider whether they should be retained or disposed of or in the case of lettings at undervalue

for well-being or community purposes, to consider whether the level of Council support continues to be appropriate.

Responsibility and Decision Making

Elected members through committees make strategic, policy, and budget decisions including approval of the AMP as well as the acquisition and disposal of assets.

Asset management is embedded in the corporate and service planning process, the lead responsibility is with the Head of Technical Services whose remit covers estates and asset management and reports to the Chief Executive. The Head of Technical Services or the Chief Executive have delegated authority to approve taking, granting, and renewing leases for periods not exceeding seven years.

The Strategic Risk Management Group membership comprises those officers who would also have responsibility for delivering the aims and objectives of the AMP. The Risk Management Group membership comprises the Chief Executive, Deputy Chief Executive and Monitoring Officer, Section 151 Officer, the Head of Governance, the Risk Management and Emergency Planning Officer with representation from the Corporate Health and Safety Team as required. It is proposed that on the rising of the Strategic Risk Management Group, that an Asset Management Sub-Group meets to discuss assets comprising the named officers above together with the Head of Technical Services with other officers invited as necessary. The Asset Management Sub-Group will be chaired by the Head of Technical Services who will set the agenda for the meeting in consultation with other officers. The Strategic Risk Management Officer will not attend the Sub-Group unless input is required on any given issue. The group meets on a quarterly basis or as necessary if required.

Asset Management is a corporate responsibility that is essential to operational service planning which is reviewed through the senior Management Team. Service managers are responsible for ensuring that assets within their remit are properly managed, maintained, and regularly reviewed to ensure maximum use/value. Estates and procurement teams will provide support on leases, concessions, disposal, and acquisition of assets.

Asset Inventory (register)

An inventory of all assets including infrastructure, buildings, and vehicles is maintained by the Technical Services team. The inventory is the formal register for all assets and will include:

- The purpose for which the asset is held (community, operational or investment).
- The specific use of the asset.
- The location, size, and construction of the asset.
- The current condition of the asset with inspection and survey data.
- The most recent market valuation with any depreciation recorded.
- Details of any lease terms, listed building matters, lettable space etc.
- The management and maintenance responsibility for each asset.
- Any risk issues associated with the asset.
- Energy consumption rating

- Fixture, fittings, servicing, testing requirements etc.

The asset inventory will be a working document subject to regular updates and will be maintained and administered in digital format by the Technical Services team.

Asset Maintenance & Management

A systematic review of assets will be undertaken based on the following principles:

- A review of all building and property assets carried out over a five-year period.
- Priority for assets with identified issues or where concessions have been granted by the council to the tenant.
- Reviews will be brought forward if required.

The objective of a review is to determine whether assets are achieving the best value for the council in the context of the corporate priorities, or if the greater value would come from a transfer or disposal.

The requirements and arrangements for management, maintenance, and repairs including statutory health and safety inspection or testing requirements is dependent on the function and purpose of the asset. Assets owned by the council that are used for the purpose of conducting the business of the council are managed and maintained by the council. Buildings will be managed and maintained by the in-house facilities team, and vehicles and equipment are managed by the fleet team in compliance with the Operator's Licence where applicable.

Council-owned assets (land and property) with third-party occupiers will be managed, maintained, and repaired through the terms of the lease arrangements. Lease reviews and renewals are managed by the Estates team within Technical Services, the asset inventory identifies land and property that is subject to lease arrangements with details of the terms and review schedule for each asset.

The objective is to achieve the best value arrangements for every lease taking into consideration financial return, contribution to priorities in the local economy, contribution to social community value, climate and environmental impact and sustainability.

Open market competition for leases that generate a financial return for the council will be applied unless there is an exemption that prohibits this approach, or a Council decision is made under permitted regulations.

Asset Valuations

Council operational and investment assets will be revalued at least once every five years, with additional impairment valuations where there is a significant change likely to affect the value of an asset. The estates and finance team will maintain a schedule of annual asset valuations to ensure a valuation is carried out at least once every five years. Valuations will be carried out using the employed/commissioned estates resources where possible and applicable with external consultants used when necessary.

Condition Surveys

Condition surveys will be carried out on a rolling basis over a five-year period with 20% of assets that require a survey completed each year. Data relating to the condition of assets will be gathered from operators through inspection or maintenance work, or where required in the terms of an agreement. Where applicable 'light touch' and interim surveys will be carried out.

Performance Management and Monitoring

The council has an online corporate performance management framework that collates and manages all targets and performance indicators, with exceptions in performance identified for reporting to Scrutiny. Performance measures related to asset management are agreed upon and reviewed by the Asset Management Sub-Group in consultation with elected members through the arrangements approved in the constitution in relation to lead members. Lead members have a role in ensuring that corporate priorities are delivered working under the direction of the Chairman of the Executive Committee. They act as an advisor for lead officers and monitor and report regularly at both meetings of the Executive Committee and the Council, on progress of each of their priority areas. They have a lead role in developing council policy and making recommendations thereon. They also provide guidance to member forums on budget priorities and performance.

Performance indicators agreed by the Asset Management sub-Group will be a combination of best-practice national measures and local service-based measures. Performance measures with the latest performance data and targets in relation to the AMP will be available online and can be viewed at any time on the council's website.

The Head of Technical services will include asset management performance measures in the service plan that is required to link to asset management objectives and outcomes in the Corporate Plan.

Sustainability and Environmental Consideration

Officers responsible for the management, maintenance, and development of assets (land, property, vehicles, equipment) will incorporate sustainability and a reduction in environmental impact into the daily management as well as the review of assets, whenever applicable. The council has a corporate priority in relation to climate change with objectives to deliver long-term sustainable carbon reduction, efficient clean energy, and a contribution to biodiversity.

Legislation and regulations on sustainability or environmental impact must be implemented where applicable to any asset owned or used by the council in the delivery of public services. Tenanted assets will be required to operate in a sustainable and environmentally conscious manner. For example, any property let by the council is required to have a minimum energy performance certificate (EPC) rating of 'E' from April 1st, 2023.

Consultation and Continuous Improvement

The council will obtain feedback from all property users through the relationship with the occupier or user of the asset with the aim of improving the service.

Employees who occupy and use assets in the delivery of council services will provide feedback through established internal communication systems including regular team brief sessions, the Asset Management Sub-Group, and online feedback forms available 24/7.

Targeted consultation will be included in the review of any asset or where a change of use or alterations are planned.

The council has an agreed corporate policy statement on continuous review which aims to achieve continuous improvement in all service areas. The requirement to improve services through technology with the objective of achieving efficiencies to create capacity is embedded in all service areas as part of the continuous review policy statement (Appendix 1). Reviews must take into consideration corporate priorities and objectives as well as other review activities planned or active in the organisation to ensure a coordinated corporate approach to change and improvement.

Asset reviews and revision of the AMP will include engagement with relevant stakeholders determined by the use and purpose of the asset as well as the objective of the review.

Data Management

Data related to each asset is digitally stored on the register/inventory that is accessible by permission based on the roles and responsibilities of the employee in accordance with UK GDPR and other data protection legislation that fall within the remit of the Data Protection Officer. The Asset Owner for the register/inventory is the Head of Technical Services.

The validity of data relating to each asset is checked regularly through the following procedures:

- The 5-year rolling programme of condition surveys.
- Annual consultation with financial services.
- The 5-year rolling programme of asset re-valuation (where applicable).
- The asset review process.
- Internal and/or external audit of assets.

Acquisitions

Acquisitions will be based on the purchase or transfer of various types of assets to support the council's functions and responsibilities. Assets can include land, buildings, vehicles, equipment, and more. The following factors will be considered in the decision to acquire an asset:

1. Whether the council has the legal authority to acquire the asset.

2. That the purchase as well as any ongoing budget and resource requirements are in place.
3. Suitability of the asset to fulfil the identified corporate objective / purpose and offers best value.
4. The required appropriate procurement process to make the acquisition.
5. Due diligence - assess the condition of the asset, check for any legal encumbrances or liabilities, and ensure compliance with regulations.
6. What governance approvals or delegated authority is required.
7. The title can be transferred to achieve clear and unencumbered ownership.
8. Impact on the asset management, maintenance, and repair functions.
9. Public accountability, ensure transparency and disclosure of financial details and decision-making processes.

Acquisitions of land will be subject to the specific requirements in the council's Land Transaction Procedure Rules, which form part of the council's constitution.

Disposals

The council will sell, transfer, or dispose of assets no longer required or which become surplus. The rationale for disposal can include the requirement for new equipment, to reduce maintenance costs, optimise resource allocation, or divesting from assets no longer essential. The following steps will be considered in the disposal of assets:

1. Identify and assess assets to be disposed of from the inventory.
2. Determine the fair market value of the asset to be disposed of.
3. Whether the council can legally dispose of the asset.
4. Public notification and transparency - inform relevant stakeholders about the intention to dispose of assets.
5. Governance approvals or delegated authority in place to dispose of assets.
6. The method of disposal achieves best value, advice from the procurement officer will help determine the best option.
7. The terms and conditions of disposal to be clear, including payment terms, transfer of ownership, and any warranties or guarantees.
8. Maintain detailed records of the asset disposal process, including the sale price, transaction details, and approvals for accountability and audit purposes.
9. Consider environmental regulations in disposing of assets, especially if they contain hazardous materials or chemicals.

10. Whether the proceeds from disposal are required to reinvest in new assets or upgrade existing ones.

Disposals of land will be subject to the specific requirements in the council's Land Transaction Procedure Rules, which form part of the council's constitution.

Car Parks

Car parks are primary commercial income-generating assets owned by the council, the operation and administration are carried out through a dedicated [Car Park Strategy](#) which covers the following:

- Review and revise tariff and permits; to implement charging structures that reflect changing user needs whilst maximising income.
- Improve the provision of disabled facilities to meet recommended Department for Transport guidance.
- Improve safety and security.
- Deliver the annual maintenance and improvement programme and bespoke projects.

Review

The Asset Management Plan will be reviewed through the Asset Management Sub-Group at least every 5 years or whenever there is an identified requirement to update and adapt to changing circumstances and priorities.

End.

Appendix 1 - Fylde Council Continuous Review Policy Statement

This policy statement is consistent with the culture of continuous improvement that has been the approach to efficiency and high performance at Fylde. Modern society changes faster than ever driven by technologies that have enhanced communication, progressive forward-thinking organisations are flexible and responsive to change. It is accepted that change has always been a constant, but change is now faster than ever, and it is essential the council keeps pace.

Review and restructure will always be happening. Rather than setting out a traditional fixed organisational structure, council resources are aligned at any given time based on the priorities and demands at that moment. Digital transformation is a primary factor in future service delivery driving change in skill set, experience, and knowledge as well as employee development establishing the need to continuously review everything the council does.

The future structure of the council must sustain a flexible, innovative approach to change embracing alternative means of service delivery as well as changes to roles and responsibilities determined by the need for greater commercialism and digital transformation. The management structure and reporting responsibilities are subject to review whenever an opportunity arises through natural movement or a change in local government (regulations, policy. Legislation etc.) The constant objective is to deliver a 'fit for purpose' structure (alignment of resources) that supports the most efficient service delivery methods, to achieve this the organisation can never stand still.

Local government has always faced significant challenges with pressure on finances whilst having the requirement to increasingly deliver more to a higher standard with the expectation from stakeholders to deliver 'more from less'. Reviewing what we do and how we do it, will ensure that the council remains in control of its own destiny and avoids being in a position where decisions are forced upon it.

The ability to move resources within the organisation on a 'one council, one team' approach will deliver efficiencies. The current resource required to deliver services will be reshaped rather than downsized with digital transformation delivering efficiencies in transactional activity to release resource that can be transferred to front end services.

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