

REPORT OF THE BUSINESS & PERFORMANCE MANAGER

SUBJECT: REPORT FROM WALES AUDIT OFFICE – ASSET MANAGEMENT

Introduction

Wales Audit Office included this Authority in a national study of Asset Management. Their final report follows. They make only two recommendations, that

1. the Authority should expand its asset management policy to provide more detail and a broader picture of the scale, nature and performance of the portfolio, and
2. the Authority should explore, possibly with others, options for developing appropriate performance information for asset management, with a view to enabling effective benchmarking.

The asset management policy is appended to this report for information, and while it is brief it does clearly set out the aims of managing a small but diverse property portfolio. This diverse nature of the properties makes bench-marking with other organisations largely impractical.

RECOMMENDATION:

Members are requested to RECEIVE and COMMENT on the Wales Audit Office Report.

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WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Review of Asset Management

Pembrokeshire Coast National Park Authority

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Status of report

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The person who delivered the work was Andy Bruce.

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Introduction

1. This review examined whether the Authority's asset management arrangements support robust and effective decision-making and improvement. We conducted a light touch approach, which is not intended as an in-depth review or detailed benchmarking exercise.
2. To help answer this question we developed the following four sub questions:
 - Does the authority establish a clear vision and sense of purpose, which reflects local needs, the views of local people, national priorities, and will secure improved outcomes?
 - Does the structure of the authority support effective asset management?
 - Does the authority work with stakeholders, both internal and external, in managing its assets?
 - Does the authority manage the performance of its assets?
3. The review was carried out during January 2014.

Report

Most of the Authority's asset management arrangements support effective decision-making and improvement, but could be expanded to provide a broader picture of the scale, nature and performance of the property portfolio

The Authority's asset management policy supports improvement and is based on good practice, but it could provide a clearer direction and incorporate a set of formal objectives for the management of property assets

4. The Authority's Asset Management Policy was revised in 2013. The policy is based on good practice guidance, incorporating Consortium of Local Authorities in Wales (CLAW) asset management guidance. The policy refers to key areas that are important for asset management. However, the document is very brief and does not contain sufficient information to set a clear direction and formal objectives for the management of property assets. The policy contains no information on the scale, nature and performance of the portfolio, nor on changes in external environment and their implications for property.
5. An acquisition and disposal protocol is in place, whereby recommendations from the Property and Projects Group are reviewed by the Authority's management team and then subject to approval by the Authority. Joint asset planning is conducted with other public sector partners when opportunities arise and the Authority liaises with the public and with voluntary and community groups on specific projects.

Roles and responsibility for asset management are clearly defined but the extent to which service and workforce planning issues are strategically coordinated and inform decision making is unclear

6. The Authority has defined roles and responsibility for asset management planning with an accountability structure for decision-making. The Authority is responsible for approval of policy, acquisitions and disposals of assets. The Management Team reviews implementation of policy and determines recommendations made by the Property and Projects Group¹.

¹ The Property and Projects Group is an equivalent of an Asset Management Group.

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7. The Property and Projects Group reviews more detailed asset related issues and the Corporate Property Officer maintains systems, consults and liaises with stakeholders and reports to the Property and Projects Group. The Authority regularly liaises with the National Parks Property Officers Group, to share knowledge and experience with colleagues in other national parks across Wales and the UK. Workforce planning issues are considered, but only at service level. Therefore, it is difficult to assess if service planning effectively informs the decision making process or whether proposals for change are strategically co-ordinated.

The Authority works well with internal and external stakeholders, establishing effective lines of communication and maintaining constructive relationships that help to maximise the positive impact of its assets

8. Due to the nature of the park and geographic location, there are some limitations on stakeholder involvement in asset planning. However, external stakeholders, such as local councils and the National Trust, are consulted on various development projects. Examples of stakeholder involvement include:
 - consultations with local groups to more effectively manage car parks;
 - the Newport Sands Management Agreement with Community Councils; and
 - consultations with local boat owner associations to manage moorings and boat parks.
9. Local community groups are regularly consulted on any major proposals within the park.

The Authority collects some performance information, which it uses to manage the performance of its assets effectively in some areas

10. The Authority has a planned maintenance programme, with condition surveys and inspections conducted on a regular cycle. The information from these programmes help inform and prioritise the Authority's maintenance and improvement programme within the budget.
11. However, there are limited performance indicators and targets for asset management. The Authority does report on some performance information, such as CO² emissions, energy use and numbers of people using and volunteering to assist park facilities and events. Data is collected and held for conservation priorities, such as monitoring of biodiversity outcomes on key sites within the park. Woodlands information and data are managed under Better Woodlands for Wales (BWW) schemes for sustainable forest management. Car park income is monitored, and rents are regularly reviewed.
12. Due to the small size and nature of the Authority, there are limited opportunities for benchmarking. However, there is scope to develop performance information for assets.

Proposals for Improvement

Proposals for Improvement

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| R1 | The Authority should expand its asset management policy to provide more detail and a broader picture of the scale, nature and performance of the portfolio. |
| R2 | The Authority should explore, possibly with others, options for developing appropriate performance information for asset management, with a view to enabling effective benchmarking. |



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Asset Management Policy



OUR AIMS

- To optimise the use of our property in support of delivering our core purposes, aims and objectives:

- ✓ Conserving the natural and built environment of the National Park and its cultural heritage
- ✓ Promoting public enjoyment and understanding of the special qualities of the area
- ✓ Managing recreational use of the National Park
- ✓ Fostering the social and economic well-being of the local community
- ✓ Functioning as the statutory planning authority for the National Park

- To use the minimum estate necessary to achieve this.
- To identify opportunities within our portfolio to raise revenue and release capital funds
- To implement good estate management practices in search of such opportunities.

MAKING IT HAPPEN

- Asset Management is a key element of our improvement agenda and performance management process
- We will use the “Framework for Asset Management Planning in Wales”¹ to implement Asset Management Planning in this Authority
- We will involve Members, service managers, service users and other interested stakeholders
- We will establish and maintain formal asset review procedures

¹ WLGA/CLAW – A Guidance to Asset Management Planning in Wales, September 2001

- We will review property management, usage and contribution to service objectives
- We will review property costs and funding
- We will use this process to feed into the Capital Programme and budgeting process
- We will manage the condition of our properties and their fitness for purpose
- We will maintain a detailed Asset Management Plan for the property estate.

RESPONSIBILITIES

- *Members* ~ approval of policies, monitoring implementation and approval of acquisitions and disposals.
- *Senior Management Team* ~ to review implementation of this Policy and to consider/determine recommendations made by the Asset Management Group.
- *Asset Management Group* ~ to address the detailed issues within this Policy and recommend actions in support of achieving it.
- *Corporate Property Officer* (the Estates Officer) ~ working with the detail, maintaining systems, consulting/liasing with stakeholders, and reporting to the Asset Management Group.
- *Services Managers* ~ the ‘specialist’ input, contributing with service management issues, acting as client and user, and participating in making proposals and prioritisation of options.
- *The public* ~ consultation, to contribute to a fully informed decision process.

SCOPE

- Freehold assets
- Leasehold assets
- Managed sites