BUDGETING PACK

CAPITAL PLAN
2017-20

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ARGYLL AND BUTE COUNCIL **COUNCIL**

STRATEGIC ASSET MANAGEMENT BOARD **23 FEBRUARY 2017**

CAPITAL PLAN SUMMARY REPORT

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1. EXECUTIVE SUMMARY

1.1 This report details the revisions proposed to the capital plan approved in August 2016 for the period 2016-20. The revisions are based on updated capital funding assumptions, phasing, cost changes and proposed additions.

1.2 There are two changes to the presentation of the capital plan:

- Information is now included in relation to the proposed asset disposals.
- The assets used by the Health and Social Care Partnership (HSCP) are shown separately from Community Services.

1.3 There is an increase in the capital funding available of £2.738m as a result of:

- An increase in the General Capital Grant advised for 2017-18 of £2.490m and an increase to the 2016-17 reallocated to future years of £0.004m.
- An increase to the assumption on the likely level of capital grant for 2018-19 and 2019-20 of £1m for each year, raising the estimate from £12m to £13m each year.
- Additional Specific Grant in respect of Cycling, Walking and Safer Streets of £0.119m.
- A reduction in the likely level of capital receipts by £1.875m.

1.4 When the capital plan was updated at the Council meeting on 18 August 2016, there was an under commitment at that time of £1.812m and it was agreed to earmark this as a contingency against implementation and development of the capital programme.

1.5 The revised under commitment, taking into consideration the change in capital funding is £4.550m. There are three proposals to be funded from this balance, leaving an uncommitted balance of £3.231m.

- Legionella related Property Works – estimated to cost around £1.000m.
- Stage 2 submission of Rothesay THI project - £0.200m.
- Cycling, Walking and Safer Streets £0.119m (matched to specific grant).

1.6 The restricted capital funding of £12.711m is noted within Appendix 1. This relates to income which is restricted to specific projects and this has been matched with expenditure against the project, thereby showing the gross cost of the project.

1.7 The capital plan has been updated to reflect phasing and cost changes and details are contained in Appendix 2. Community Services have proposed a number of new projects which are funded from block allocations within the previously approved capital plan; these are detailed in Appendix 3.

1.8 The updated capital plan reflecting all the proposed changes is detailed in Appendix 4.

ARGYLL AND BUTE COUNCIL **COUNCIL**

STRATEGIC ASSET MANAGEMENT BOARD **23 FEBRUARY 2017**

CAPITAL PLAN SUMMARY REPORT

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2. INTRODUCTION

2.1 This report details the revisions proposed to the capital plan approved in August 2016 for the period 2016-20. The revisions are based on updated capital funding assumptions, phasing, cost changes and proposed additions.

2.2 There are two changes to the presentation of the capital plan:

- Information is now included in relation to the proposed asset disposals.
- The assets used by the Health and Social Care Partnership (HSCP) are showing separately from Community Services.

3. DETAIL

3.1 The detail of the report is split into five main sections:

- Estimated Capital Funding 2017 to 2020
- Capital Plan reported as at 31 December 2016
- Proposed Revisions to Capital Plan
- Comparison of Revised Plan to Estimated Capital Funding
- Proposals for Allocating the Under Commitment.

3.2 Estimated Capital Funding 2017 to 2020

3.2.1 Funding for the capital plan comes from Scottish Government (General Capital Grant and Specific Ring-Fenced Capital Grants), other capital grants (including European Funding), capital receipts from asset disposals, revenue contributions to capital, prudential borrowing and borrowing funded by the loan charges provision in the revenue budget.

3.2.2 The Local Government Finance Circular 9-2016 provides detail of the provisional total revenue and capital funding allocations for 2017-18. The provisional total funding allocations form the basis for the annual consultation between the Scottish Government and COSLA ahead of the Local Government Finance (Scotland) Order 2017 being presented to the Scottish Parliament in late February 2017. There was a further update to the capital funding advised to Councils on 17 January 2017 and the figures within this report reflect these updates.

3.2.3 On 2 February 2017, Derek MacKay confirmed that as part of an agreement with the Scottish Green party to support the passage of the budget bill, Scotland’s local authorities would benefit from an additional £130m revenue funding and an additional £30m capital funding and this additional funding would be included within the local government finance order. Argyll and Bute’s share of additional capital funding is

£0.733m.

3.2.4 The actual General Capital Grant for 2017-18 is £14.490m and there is an increase to the 2016-17 funding reallocated to future years of £0.004m. The specific grant for 2017-18 is £0.119m for cycling, walking and safer streets. When considering the estimated funding for 2018-19 and 2019-20, a prudent estimate of £13m per year has been forecast.

3.2.5 In 2016-17, £150m Scotland Wide General Capital Grant was held back to be distributed within the next spending review period and when the budget was set last year it was assumed that this would be equally distributed across 2017-18 to 2019-20. We have been advised that this will not be distributed in 2017-18 and we have therefore re-profiled this across 2018-19 and 2019-20.

3.2.6 No estimate has been made for any new specific grants in 2018-19 and 2019-20 as spend will be matched to the level of grant received. However, it should be noted, like the General Capital Grant for 2016-17, the specific grant hold back amount has been re-profiled across 2018-19 and 2019-20.

3.2.7 As part of the revision of the funding assumptions for the capital plan, a detailed review of the likely level of capital receipts has been undertaken by the Special Projects team. The outcome of the review is a reduction of £1.875m. The estimated level of receipts is kept under review as market conditions will change affecting valuations as can due diligence carried out by the prospective purchasers in respect of the condition of the asset. The assets to be disposed of are listed in Appendix 5.

3.2.8 The restricted capital funding of £12.711m is noted within Appendix 1. This relates to income which is restricted to specific projects and this has been matched with expenditure against the project, thereby showing the gross cost of the project.

3.2.9 Included in the funding table at 3.2.11 is prudential borrowing of £0.883m in respect of the Lorn Arc Tax Incremental Finance (TIF) project to match the agreed draw-down of funding in respect of the schemes. When business cases are agreed by Council in respect of the various projects these will be added to the capital plan and the level of prudential borrowing will be increased.

3.2.10 The amount of capital resources allocated to Private Sector Housing Grant (PSHG) is £1.033m per annum.

3.2.11 The estimated capital funding to 2020 is set out in the table below:

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	**Total £m**
General Capital Grant	11.031	14.490	13.000	13.000	**51.521**
General Capital Grant - Reallocated			1.317	1.317	**2.634**
Less Allocation to Private Sector Housing Grants	(1.033)	(1.033)	(1.033)	(1.033)	**(4.132)**
Ring Fenced Capital Grant	0.096	0.119			**0.215**
Ring Fenced Capital Grant - Reallocated			0.012	0.013	**0.025**
Additional Grant for Helensburgh Pool funded by the Chancellor from LIBOR funds	5.000				**5.000**
Capital Receipts	2.038	11.318	0.450	0.250	**14.056**
Restricted Funding	1.930	3.586	1.500	0.695	**7.711**
Earmarked Reserves Funding: Oban, Dunoon and Campbeltown Schools	1.087	1.818			**2.905**
Earmarked Reserves Funding Allocated as part of the 2016-17 Revenue Budget	1.170	1.000		5.579	**7.749**
Prudential Borrowing: Oban, Dunoon and Campbeltown Schools	5.000				**5.000**
Prudential Borrowing in respect of TIF	0.607	0.276			**0.883**
Prudential Borrowing	1.902	0.033	0.033		**1.968**
Borrowing Supported by Loan Charges Budget	11.895	3.495	2.656	1.886	**19.932**
Funding Consistent with Revenue Budget	**40.723**	**35.102**	**17.935**	**21.707**	**115.467**

3.3 Summary of Capital Plan reported as at 31 December 2016

3.3.1 The updated capital plan included in the December capital monitoring is summarised in the table below:

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	Total £m
Argyll & Bute HSCP	1.713	0.387	0.025		2.125
Community Services	11.240	14.782	6.137	1.880	34.039
Customer Services	6.104	2.729	0.884	1.480	11.197
Development and Infrastructure	16.705	16.869	15.659	14.279	63.512
Area Committees	0.044				0.044
Total	**35.806**	**34.767**	**22.705**	**17.639**	**110.917**

3.4 Proposed Revisions to Capital Plan

3.4.1 As part of the capital planning process, departments were asked to review the approved capital plan in terms of the timing and cost of projects. As result of this review Community Services and Development and Infrastructure Services have brought forward a number of revisions to the capital plan.

3.4.2 A summary of the proposed changes are set out in the table below with the detail in Appendix 2:

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	Total £m
Argyll & Bute HSCP					0.000
Community Services	0.061	(0.211)	(1.805)		(1.955)
Customer Services					0.000
Development and Infrastructure	(0.337)	0.337			0.000
Total Phasing and Cost Changes	**(0.276)**	**0.126**	**(1.805)**	**0.000**	**(1.955)**

3.4.3 Community Services as part of the capital planning process have put forward proposals for the use of previously unallocated budgets and the block allocation for inclusion in the capital plan for 2017-18 and 2018-19. The services when considering which projects should be proposed for inclusion in the capital plan used a risk based approach to asset management to ensure that, where possible, all red risk assets were addressed in the proposals. These projects have been evaluated by the Strategic Asset Management Board.

3.4.4 A summary of the additional projects is set out below with the detail shown in Appendix 3:

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	Total £m
Argyll & Bute HSCP			0.305		0.305
Community Services		0.165	1.425	0.060	1.650
Customer Services					0.000
Development and Infrastructure					0.000
Additions	**0.000**	**0.165**	**1.730**	**0.060**	**1.955**

3.5 Comparison of Revised Plan to Estimated Capital Funding

3.5.1 A comparison between the capital plan as at December 2016 (noted in section 3.3) plus the revisions and additions (noted in section 3.4) has been compared to the estimated funding (noted in section 3.2).

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	Total £m
Capital Plan December 2016	35.806	34.767	22.705	17.639	110.917
Revisions	(0.276)	0.126	(1.805)	0.000	(1.955)
Additions	0.000	0.165	1.730	0.060	1.955
Total Revised Plan	**35.530**	**35.058**	**22.630**	**17.699**	**110.917**
Total Revised Funding	40.723	35.102	17.935	21.707	115.467
Under / (Over) Commitment	**5.193**	**0.044**	**(4.695)**	**4.008**	**4.550**

3.6 Proposals for Allocating the Under Commitment

3.6.1 The revised under commitment, taking into consideration the change in capital funding is £4.550m. There are three proposals to be funded from this balance, leaving an uncommitted balance of £3.231m.

- Legionella related Property Works – estimated to cost around £1.000m (profiled £0.400m in 2017-18 and 2018-19 and £0.200m in 2019-20)
- Stage 2 submission of Rothesay THI project - £0.200m (profiled in 2017-18)
- Cycling, Walking and Safer Streets £0.119m (profiled in 2017-18).

3.6.2 The table below shows a summary of the revised capital plan and further detail is contained within Appendix 4.

	2016-17 £m	**2017-18 £m**	**2018-19 £m**	**2019-20 £m**	**Total £m**
Argyll & Bute HSCP	1.713	0.387	0.330	0	**2.430**
Community Services	11.301	14.736	5.757	1.940	**33.734**
Customer Services	6.104	3.129	1.284	1.680	**12.197**
Development and Infrastructure	16.368	17.525	15.659	14.279	**63.831**
Area Committee	0.044	0	0	0	**0.044**
Total	**35.530**	**35.777**	**23.030**	**17.899**	**112.236**

4. CONCLUSION

4.1 There is an increase to the capital funding of £2.738m due to financial settlement for 2017-18 being higher than anticipated and the capital grant funding estimates reviewed and updated offset by a reduction in the likely level of capital receipts.

4.2 The approved plan for 2017-20 has been updated to reflect the funding changes along with phasing, cost changes and additions and overall the revised capital plan has an unallocated balance of £3.231m.

5. IMPLICATIONS

5.1 Policy – Sets out the approach to capital planning.

5.2 Financial – Outlines the funding and commitments for the capital plan 2017-20.

5.3 Legal - The funding for new expenditure may not address all the Statutory and Regulatory requirements in relation to Health and safety.

5.4 HR - There are risks that the funding available will have an impact on the sustainability of the Property Design Team and the design team within Roads and Amenity Services.

5.5 Equalities – None.

5.6 Risk - There are risks around level of capital receipts which could result in red risk assets not being addressed.

5.7 Customer Service – None.

Policy Lead for Strategic Finance: Councillor Dick Walsh

Malcolm MacFadyen, Head of Facility Services

Kirsty Flanagan, Head of Strategic Finance

For further information please contact:
Malcolm MacFadyen, Head of Facility Services 01546-604112
Peter Cupples, Finance Manager – Corporate Support 01546-604183

APPENDICES:
Appendix 1 - Restricted Funding
Appendix 2 - Phasing and Cost Changes
Appendix 3 - Proposed Additions
Appendix 4 - Proposed Capital Plan 2017-18
Appendix 5 - Proposed Asset Disposals

Capital Plan
Restricted Funding

Appendix 1

Project	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	Total £000's
Development and Infrastructure:					
Economic Development					
Helensburgh Waterfront Development				695	695
Rothesay CHORD	1,700	3,586	1,500		6,786
Cycling Walking Safer Streets	230				230
Total Economic Development	**1,930**	**3,586**	**1,500**	**695**	**7,711**
Total Development and Infrastructure	**1,930**	**3,586**	**1,500**	**695**	**7,711**
RESTRICTED FUNDING ADDED TO PROJECTS	**1,930**	**3,586**	**1,500**	**695**	**7,711**
Helensburgh Waterfront Development - LIBOR Funds	5,000				5,000
TOTAL RESTRICTED FUNDING	**6,930**	**3,586**	**1,500**	**695**	**12,711**

Capital Plan
Phasing and Cost Changes

Appendix 2

Project	Explanation	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	Total £000's
Community Services:						
Education						
Achaleven Primary School	Rephasing	10	(10)			0
Ardchattan Primary School	Reallocated to other projects or lines in the plan	(5)	(5)			(10)
Bunessan Primary School	Increase in cost offset by reductions elsewhere in the plan	42				42
Cardross Primary School	Increase in cost offset by reductions elsewhere in the plan	9				9
Carradale Primary School	Rephasing	(40)	(110)	150		0
Castlehill Primary School	Rephasing	(50)	50			0
Dunoon Primary School	Reallocated to other projects or lines in the plan		(14)			(14)
Furnace Primary School	Increase in cost offset by reductions elsewhere in the plan	37				37
Glenbarr Primary School	Rephasing	(22)	22			0
Hermitage Primary School	Increase in cost offset by reductions elsewhere in the plan	41				41
John Logie Baird Primary School	Increase in cost offset by reductions elsewhere in the plan	169	(126)			43
Lochgoilhead Primary School	Increase in cost offset by reductions elsewhere in the plan	21				21
Rhunahaorine Primary School	Reallocated to other projects or lines in the plan	(7)				(7)
Rosneath Primary School	Rephasing	(15)	15			0
Toward Primary School	Rephasing	20	(20)			0

Capital Plan
Phasing and Cost Changes

Appendix 2

Project	Explanation	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	Total £000's
Campbeltown Grammar School	Reallocated to other projects or lines in the plan		(13)			(13)
Tarbert High School	Reallocated to other projects or lines in the plan	(20)				(20)
Block Allocation	Reallocated to other projects or lines in the plan			(1,955)		(1,955)
Property Works Contingency	Reallocated to other projects or lines in the plan	(129)				(129)
Total Education		**61**	**(211)**	**(1,805)**	**0**	**(1,955)**
Total Community Services		**61**	**(211)**	**(1,805)**	**0**	**(1,955)**
Development and Infrastructure Services:						
Economic Development						
TIF - Lorn/Kirk Road	Rephasing	(80)	80			0
TIF - North Pier Extension	Rephasing	(110)	110			0
TIF - Oban Airport Business Park	Rephasing	(147)	147			0
Total Economic Development		**(337)**	**337**	**0**	**0**	**0**
Total Development and Infrastructure Services		**(337)**	**337**	**0**	**0**	**0**
GRAND TOTAL OF PHASING AND COST CHANGES		**(276)**	**126**	**(1,805)**	**0**	**(1,955)**

Capital Plan
Proposed Additions

Appendix 3

Property/Project	Project Description	2017/18 £000's	2018/19 £000's	2019/20 £000's	Total £000's
Argyll and Bute HSCP:					
Adult Care					
Block Allocation	Transferred from Community Services		305		305
Total Adult Care		**0**	**305**	**0**	**305**
Total Argyll and Bute HSCP		**0**	**305**	**0**	**305**
Community Services:					
Community and Culture					
Dunoon Community Education Centre	Window Upgrade		50		50
Total Community and Culture		**0**	**50**	**0**	**50**
Education					
Achaleven Primary School	Roof overhaul (gutters)/window overhaul		60		60
Arrochar Primary School	RW goods and fascias		30		30
Carradale Primary Shool	Roof Upgrade	150			150
Castlehill Primary School	Upgrade Toilets		150		150
Colgrain Primary School	Interior Upgrade (Phase 1)		50		50
Dalintober Primary School	Roof Upgrade		25		25
Dalintober Primary School	Toilet Upgrade		25		25
Dalintober Primary School	Classroom Upgrade		50		50
Dalmally Primary school	Roof Upgrade		100		100

Capital Plan
Proposed Additions

Appendix 3

Property/Project	Project Description	2017/18 £000's	2018/19 £000's	2019/20 £000's	Total £000's
Furnace Primary School	Roof Upgrade		10		10
Garelochhead Primary School	Interior Upgrade		50		50
John Logie Baird Primary School	Classroom Refurbishment		75		75
Kilchattan Primary School	Internal Upgrade		25		25
Kilcreggan Primary School	Classroom Upgrade		50		50
Lochgoilhead Primary School	Upgrade Toilets/Toilets		50		50
Rhuanhaorine Primary School	Rotworks/Internal Upgrade		30		30
St Joseph's Primary School	Internal Upgrade		50		50
St Muns Primary School	Rewire Phase 1		150		150
Ulva Primary School	Rewire /Upgrade Fire Alarm		25		25
Tiree High School	Internal Upgrade	15			15
Tiree High School	Reroofing		250		250
Tobermory High School	Rewiring		120	60	180
Total Education		**165**	**1,375**	**60**	**1,600**
Total Community Services		**165**	**1,425**	**60**	**1,650**
GRAND TOTAL OF PROPOSED ADDITIONS		**165**	**1,730**	**60**	**1,955**

APPENDIX 4

Row Labels	Previous Years £000	2016-17 Total £000	2017-18 Total £000	2018-19 Total £000	2019-20 Total £000	Total - All Years £000
Community Services	**36,600**	**11,301**	**14,736**	**5,757**	**1,940**	**70,334**
Community and Culture	3,804	1,505	739	50	0	6,098
Education	32,796	9,796	13,997	5,707	1,940	64,236
Argyll & Bute Health & Social Care Partnership	**3,776**	**1,713**	**387**	**330**	**0**	**6,206**
Adult Care	2,708	556	202	0	0	3,466
Children and Families	1,068	1,157	185	330	0	2,740
Customer Services	**25,720**	**6,104**	**3,129**	**1,284**	**1,680**	**37,917**
Customer and Support Services	9,195	930	844	560	955	12,484
Facility Services	16,525	5,174	2,285	724	725	25,433
Development and Infrastructure	**63,012**	**16,368**	**17,525**	**15,659**	**14,279**	**126,843**
Economic Development	17,565	8,041	13,385	12,575	9,029	60,595
Roads and Amenity Services	45,447	8,327	4,140	3,084	5,250	66,248
Area Committee	**25**	**44**	**0**	**0**	**0**	**69**
Area Committee	25	44	0	0	0	69
Grand Total	**129,133**	**35,530**	**35,777**	**23,030**	**17,899**	**241,369**

APPENDIX 4

Head of Service	Category	Project	Previous Years £000	2016-17 Total £000	2017-18 Total £000	2018-19 Total £000	2019-20 Total £000	Total - All Years £000
Community and Culture	**Asset Sustainability**	Aqualibrium	33	197	120	0	0	350
		Asbestos Removal/Control Works	15	35	0	0	0	50
		Bute Community Education Centre	6	4	150	0	0	160
		Campbeltown Museum - Burnet Bldg	79	2	25	0	0	106
		Capital Property Works	46	64	0	0	0	110
		Community Centres General - Options Appraisal	0	15	0	0	0	15
		Corran Halls, Oban	425	78	27	0	0	530
		Dunoon Community Education Centre	159	18	0	50	0	227
		Health & Safety	256	-6	0	0	0	250
		Helensburgh Library	19	-2	0	0	0	17
		Inveraray CARS	0	21	0	0	0	21
		Kintyre Community Ed Centre	118	-4	0	0	0	114
		Legionella Control Works	18	22	0	0	0	40
		Lochgilphead Community Ed Centre	24	28	200	0	0	252
		Oban Library (Leased Property)	0	20	40	0	0	60
		Ramsay Memorial Hall	146	59	0	0	0	205
		Rhu Community Ed Centre	127	12	0	0	0	139
		Rothesay Library	263	-53	0	0	0	210
		Rothesay Swimming Pool	115	8	0	0	0	123
		Sandbank Library HQ	12	13	0	0	0	25
		Tarbert Library	59	-6	0	0	0	53
		Victoria Halls, Campbeltown	586	-21	75	0	0	640
		Victoria Halls, Helensburgh	225	-28	85	0	0	282
	Asset Sustainability Total		**2,731**	**476**	**722**	**50**	**0**	**3,979**
	Service Development	Archives - Wee Manse Brae	41	87	0	0	0	128
		Campbeltown All Weather Pitch	964	-47	0	0	0	917
		Dunoon Boxing Club	0	100	0	0	0	100
		Riverside Leisure Centre Refurbishment	68	839	17	0	0	924
	Service Development Total		**1,073**	**979**	**17**	**0**	**0**	**2,069**
	Strategic Change	Carbon Management	0	50	0	0	0	50
	Strategic Change Total		**0**	**50**	**0**	**0**	**0**	**50**
Community and Culture Total			**3,804**	**1,505**	**739**	**50**	**0**	**6,098**
Education	**Asset Sustainability**	Achaleven Primary School	4	98	10	60	0	172
		Ardchattan Primary School	0	5	5	0	0	10
		Ardrishaig Primary School	205	-1	75	0	0	279
		Arinagour Primary School	83	0	48	0	0	131
		Asbestos Control/Removal Works	68	17	0	0	0	85
		Ashfield Primary School	87	-8	0	0	0	79
		Barcaldine Primary School	80	-11	0	0	0	69
		Block Allocation	0	0	0	244	1,880	2,124
		Bowmore Primary School	418	-50	0	0	0	368
		Bunessan Primary School	252	100	0	0	0	352
		Campbeltown Grammar	3,656	10	0	0	0	3,666
		Capital Property Works	824	10	0	0	0	834
		Cardross Primary School	586	220	5	0	0	811
		Carradale Primary School	27	4	150	150	0	331
		Castlehill Primary School	255	200	52	150	0	657

Head of Service	Category	Project	Previous Years £000	2016-17 Total £000	2017-18 Total £000	2018-19 Total £000	2019-20 Total £000	Total - All Years £000
Education	**Asset Sustainability**	Clachan Primary	174	3	45	0	0	222
		Colgrain Primary School	795	28	147	50	0	1,020
		Craignish Primary School	0	180	0	0	0	180
		Dalintober Primary School	267	30	0	100	0	397
		Dalmally Primary School	68	15	10	100	0	193
		Dervaig Primary School	0	5	80	0	0	85
		Drumlemble Primary School	232	-18	175	0	0	389
		Dunbeg Primary School	430	4	250	0	0	684
		Dunoon Primary School	96	10	0	0	0	106
		Ferry Houses - Housing Quality Standard	42	26	0	0	0	68
		Free School Meals	477	73	0	0	0	550
		Furnace Primary School	104	30	0	10	0	144
		Garelochhead Primary School	313	4	45	50	0	412
		Glassary Primary School	139	-7	0	0	0	132
		Glenbarr Primary School	73	0	157	0	0	230
		Hermitage Primary School	148	80	0	0	0	228
		Homeless Houses - Housing Quality Standard	10	40	0	0	0	50
		Innellan Primary School	99	4	0	0	0	103
		Internal Refurbishment Budget	0	0	200	0	0	200
		Inveraray Primary School	469	-27	0	0	0	442
		Iona Primary School	0	75	0	0	0	75
		Islay High School	4,060	30	167	0	0	4,257
		John Logie Baird Primary School	365	320	100	75	0	860
		Keills Primary School	312	-12	0	0	0	300
		Kilchattan Primary School	171	1	98	25	0	295
		Kilchrenan Primary School	28	-3	10	0	0	35
		Kilcreggan Primary School	488	0	73	50	0	611
		Kilmartin Primary School	17	3	100	0	0	120
		Kilmodan Primary School	196	0	39	0	0	235
		Kilninver Primary School	99	-6	0	0	0	93
		Kirn Primary School	54	22	10	0	0	86
		Legionella Control Works	78	62	0	0	0	140
		Lismore Primary School	61	0	20	0	0	81
		Lochdonhead Primary School	165	-30	0	0	0	135
		Lochgoilhead Primary School	63	135	0	50	0	248
		Luing Primary School	74	0	16	0	0	90
		Luss Primary School	77	-12	0	0	0	65
		Minard Primary	51	0	0	0	0	51
		North Bute Primary School	342	24	0	0	0	366
		Oban High School	652	-16	0	0	0	636
		Park Primary School	502	22	0	0	0	524
		Parklands School	150	18	0	0	0	168
		Port Charlotte Primary School	275	62	0	0	0	337
		Port Ellen Primary School	494	-27	0	0	0	467
		Property Works - Contingency	24	199	320	0	0	543
		Rhu Primary School	33	-3	0	0	0	30
		Rhunahaorine Primary	80	60	30	30	0	200
		Rosneath Primary School	630	5	50	0	0	685
		Sandbank Primary School	509	-15	0	0	0	494

Head of Service	Category	Project	Previous Years £000	2016-17 Total £000	2017-18 Total £000	2018-19 Total £000	2019-20 Total £000	Total - All Years £000
Education	**Asset Sustainability**	School Houses - Housing Quality Standard	292	44	100	0	0	436
		Skipness Primary School	10	5	0	0	0	15
		Small Isles Primary School	350	-62	0	0	0	288
		Southend Primary School	0	30	0	0	0	30
		St Andrew's Primary School	313	2	9	0	0	324
		St Joseph's Primary School	495	55	0	50	0	600
		St Mun's Primary School	81	49	140	150	0	420
		Strachur Primary School	154	-1	0	0	0	153
		Strath of Appin Primary School	377	-37	0	0	0	340
		Strone Primary School	329	30	0	0	0	359
		Tarbert High School	0	20	0	0	0	20
		Taynuilt Primary School	120	4	0	0	0	124
		Tayvallich Primary School	108	-5	0	0	0	103
		Tighnabruaich Primary School	117	-7	0	0	0	110
		Tiree High School	975	-76	15	0	0	914
		Tiree Primary School	225	-5	0	250	0	470
		Tobermory High School	805	36	0	120	60	1,021
		Toward Primary School	81	54	0	0	0	135
		Ulva Primary School	0	0	90	25	0	115
		Arrochar Primary School	0	0	0	30	0	30
	Asset Sustainability Total		**25,363**	**2,124**	**2,841**	**1,769**	**1,940**	**34,037**
	Service Development	Ardrishaig Primary School - Pre Five Unit	411	0	0	0	0	411
		Bowmore Primary School - Pre Five Unit	0	10	0	0	0	10
		Bunessan Primary School - Pre Five Unit	0	10	0	0	0	10
		Clyde Cottage - 600 hours provision	0	50	363	0	0	413
		Craignish Primary School - Pre Five Extension (600 hours funding)	0	312	80	25	0	417
		Early Learning and Childcare	631	334	37	0	0	1,002
		Hermitage Primary Annexe Replacement	835	-70	0	0	0	765
		Iona Primary School - Pre Five Unit (600 hours funding)	0	449	25	0	0	474
		Lochgoilhead Primary School - Pre Five Unit (600 hours funding)	0	376	12	0	0	388
		Lochnell Primary School - Pre Five Unit	254	-44	0	0	0	210
		Park Primary Extension and Pre Fives Unit	341	14	0	0	0	355
		St Joseph's Pre 5 Parenting Facilities	133	-58	0	0	0	75
		Strachur Primary School - Pre Five Unit	316	-1	0	0	0	315
		Tarbert High School - Biomass enabling work	0	0	35	0	0	35
		Taynuilt PS Addnl Classroom	142	-11	0	0	0	131
		Tayvallich Primary School - Pre Five Unit	490	-60	0	0	0	430
		Video Conferencing Upgrade	55	5	0	0	0	60
	Service Development Total		**3,608**	**1,316**	**552**	**25**	**0**	**5,501**
	Strategic Change	Campbeltown Schools Redevelopment	1,344	66	415	0	0	1,825
		Dunoon Primary School	330	833	4,314	3,782	0	9,259
		Kirn Primary School	336	5,364	4,578	131	0	10,409
		Replacement of Oban High School	1,815	93	1,297	0	0	3,205
	Strategic Change Total		**3,825**	**6,356**	**10,604**	**3,913**	**0**	**24,698**
Education Total			**32,796**	**9,796**	**13,997**	**5,707**	**1,940**	**64,236**
Grand Total			**36,600**	**11,301**	**14,736**	**5,757**	**1,940**	**70,334**

APPENDIX 4

Head of Service	Category	Project	Previous Years £000	2016-17 Total £000	2017-18 Total £000	2018-19 Total £000	2019-20 Total £000	Total - All Years £000
Adult Care	**Asset Sustainability**	Aids and Adaptations	75	25	25	0	0	125
		Ardfenaig	0	0	20	0	0	20
		Asbestos Removal/Control Works	11	9	0	0	0	20
		Eadar Glinn	229	87	0	0	0	316
		Ellis Lodge	58	6	0	0	0	64
		Health and Safety	973	92	60	0	0	1,125
		Legionella Control Works	8	32	0	0	0	40
		Lochgilphead Resource Centre	52	150	22	0	0	224
		Lorn Resource Centre	67	18	0	0	0	85
		Park House Women's Refuge	133	-11	0	0	0	122
		Social Work Office Rothesay	76	-1	0	0	0	75
		Struan Lodge Boiler	25	15	0	0	0	40
		Thomson Home Rothesay	124	103	75	0	0	302
		Upgrading Older Peoples Homes	0	25	0	0	0	25
		Woodlands/Greenwood	112	-1	0	0	0	111
	Asset Sustainability Total		**1,943**	**549**	**202**	**0**	**0**	**2,694**
	Service Development	Mull & Iona Progressive Care Centre	765	7	0	0	0	772
	Service Development Total		**765**	**7**	**0**	**0**	**0**	**772**
Adult Care Total			**2,708**	**556**	**202**	**0**	**0**	**3,466**
Children and Families	**Asset Sustainability**	Asbestos Removal/Control Works	0	20	0	0	0	20
		Capital Property Works	0	0	0	305	0	305
		Dunclutha Children's Home	32	0	0	0	0	32
		Dunoon Hostel	252	-37	0	0	0	215
		East King St Children's Home	0	2	0	0	0	2
		Glencruitten Hostel	108	12	75	0	0	195
		Health and Safety	23	77	0	0	0	100
		Legionella Control Works	0	40	0	0	0	40
		Shellach View	23	33	0	0	0	56
	Asset Sustainability Total		**438**	**147**	**75**	**305**	**0**	**965**
	Service Development	Dunclutha Childrens Home	75	1,012	110	25	0	1,222
		Dunoon Family Mediation Centre	59	-4	0	0	0	55
		Residential Respite Care Facility	496	2	0	0	0	498
	Service Development Total		**630**	**1,010**	**110**	**25**	**0**	**1,775**
Children and Families Total			**1,068**	**1,157**	**185**	**330**	**0**	**2,740**
Grand Total			**3,776**	**1,713**	**387**	**330**	**0**	**6,206**

APPENDIX 4

Head of Service	Category	Project	Previous Years £000	2016-17 Total £000	2017-18 Total £000	2018-19 Total £000	2019-20 Total £000	Total - All Years £000
Customer and Support Services	**Asset Sustainability**	Block Allocation	0	0	277	550	945	1,772
		Computer Network Security	625	22	0	0	0	647
		Corporate GIS Portal Rollout	116	20	10	10	10	166
		Internet / Online Access	242	30	0	0	0	272
		IT Education	279	0	0	0	0	279
		MS Exchange & Doc Sharing	307	38	54	0	0	399
		PC Replacement	2,323	374	403	0	0	3,100
		Server Capacity Growth	151	97	0	0	0	248
		Telecomms Network	789	41	0	0	0	830
		Unified Communications and Video Conferencing	739	0	0	0	0	739
	Asset Sustainability Total		**5,571**	**622**	**744**	**560**	**955**	**8,452**
	Service Development	Applications Projects	798	276	100	0	0	1,174
		Consolidated Server Replacement (CRM)	1,065	0	0	0	0	1,065
		Council Chamber Video Conferencing	116	0	0	0	0	116
		Education Domain Extension	443	0	0	0	0	443
		IT Enablement Process for Change	996	26	0	0	0	1,022
		LYNC 2013	128	0	0	0	0	128
		Property Management System	78	6	0	0	0	84
	Service Development Total		**3,624**	**308**	**100**	**0**	**0**	**4,032**
Customer and Support Services Total			**9,195**	**930**	**844**	**560**	**955**	**12,484**
Facility Services	**Asset Sustainability**	Aqualibrium	23	5	0	0	0	28
		Argyll House, Dunoon	13	50	187	6	0	256
		Asbestos Capital Property Works 16/17	72	17	0	0	0	89
		Block Allocation	0	0	163	305	525	993
		Bowmore Area Office	32	5	0	0	0	37
		Burnett Building	72	4	0	0	0	76
		Capital Property Works 16/17	46	36	0	0	0	82
		Castle House, Dunoon	28	27	1	0	0	56
		Dunoon Office Rationalisation	3	0	220	7	0	230
		Eaglesham House, Rothesay	48	22	1	0	0	71
		Fire Risk Assessment Works 16/17	0	50	0	0	0	50
		High Street, Rothesay	2	11	1	0	0	14
		Hill Street Dunoon Rewire	2	0	32	1	0	35
		Joint Valuation Board	0	39	0	0	0	39
		Jura Service Point	11	8	1	0	0	20
		Kilarrow House	116	11	0	0	0	127
		Kilmory Castle	172	90	129	5	0	396
		Kilmory Castle 2012-13	142	1	0	0	0	143
		Legionella Capital Works 16/17	8	31	0	0	0	39
		Legionella Control Works	0	0	400	400	200	1,000
		Lorn House, Oban	94	9	0	0	0	103
		Manse Brae District Office	0	0	65	0	0	65
		Manse Brae Roads Office	0	69	3	0	0	72
		Oban Municipal Buildings	234	10	0	0	0	244
		Oban Office Rationalisation	0	3	0	0	0	3
		Old Quay Head Offices, Campbeltown	27	7	0	0	0	34
		Tobermory Area Office	32	30	47	0	0	109
		Union Street, Rothesay	76	2	0	0	0	78
		Whitegates	202	0	0	0	0	202
		Whitegates Office, Lochgilphead	7	27	2	0	0	36
		Willowview Oban	18	6	0	0	0	24
	Asset Sustainability Total		**1,480**	**570**	**1,252**	**724**	**725**	**4,751**
	Strategic Change	Asset Management Fund	0	1,000	1,000	0	0	2,000
		Campbeltown Office Rationalisation	29	567	0	0	0	596
		Carbon Management - Group Heating Conversion Project (Prudential Borrowing)	150	1,833	33	0	0	2,016
		Carbon Management Business Cases (FPB)	187	74	0	0	0	261
		Carbon Management Capital Property Works 16/17	19	20	0	0	0	39
		Carbon Management Fuel Conversions (FPB)	107	38	0	0	0	145
		Helensburgh Office Rationalisation (FPB,REC)	11,186	652	0	0	0	11,838
		Islay HS/Bowmore PS (FPB)	760	0	0	0	0	760
		Kilmory Biomass Project OBC (FPB,REV)	935	64	0	0	0	999
		Mid Argyll Offices Reorganisation	377	0	0	0	0	377
		Non-NPDO Schools PV Panel Installations	391	97	0	0	0	488
		NPDO Schools Solar PV Panel Installations	722	222	0	0	0	944
		Oil to Gas Heating Conversions (FPB)	182	27	0	0	0	209
		Tiree Shared Offices	0	10	0	0	0	10
	Strategic Change Total		**15,045**	**4,604**	**1,033**	**0**	**0**	**20,682**
Facility Services Total			**16,525**	**5,174**	**2,285**	**724**	**725**	**25,433**
Grand Total			**25,720**	**6,104**	**3,129**	**1,284**	**1,680**	**37,917**

APPENDIX 4

Head of Service	Category	Project	Previous Years £000	2016-17 Total £000	2017-18 Total £000	2018-19 Total £000	2019-20 Total £000	Total - All Years £000
Economic Development	**Service Development**	A815 Footway - Sandhaven to Invereck	109	0	0	0	0	109
		Fionnphort Village Hall Link	11	0	0	0	0	11
		Footway - Letter Daill	0	0	0	0	0	0
		Kilmartin House	0	0	0	400	0	400
		NVA	0	0	250	0	0	250
		Safe Streets, Walking and Cycling (CWSS)	351	0	127	8	9	495
		SPT	826	0	0	0	0	826
	Service Development Total		**1,297**	**0**	**377**	**408**	**9**	**2,091**
	Strategic Change	01 TIF - Lorn/Kirk Road	78	80	80	0	0	238
		05 TIF - North Pier Extension	14	160	386	0	0	560
		09 TIF - Oban Airport Business Park	413	30	147	0	0	590
		CHORD - Campbeltown	3,419	905	462	0	0	4,786
		CHORD - Dunoon	1,033	1,129	8,588	771	0	11,521
		CHORD - Helensburgh -Public Realm Imprv	6,348	864	18	0	0	7,230
		CHORD - Oban	1,790	2,839	1,805	271	0	6,705
		CHORD - Rothesay	173	1,321	162	2,864	0	4,520
		Dunoon CARS	0	0	500	0	0	500
		Glengorm Wind Turbine	0	437	0	0	0	437
		Helensburgh Waterfront Development	211	235	660	8,261	9,020	18,387
		OBC for Dunoon Pier	2,789	41	0	0	0	2,830
		Rothesay TH	0	0	200	0	0	200
	Strategic Change Total		**16,268**	**8,041**	**13,008**	**12,167**	**9,020**	**58,504**
Economic Development Total			**17,565**	**8,041**	**13,385**	**12,575**	**9,029**	**60,595**
Roads and Amenity Services	**Asset Sustainability**	Astro Pitch Repairs	0	20	710	20	0	750
		Block Allocation	0	0	1,631	3,054	5,250	9,935
		Bridge Strengthening	1,321	500	117	0	0	1,938
		Bute Local Capital Priorities	99	0	0	0	0	99
		Castle Lodge Building Works	18	112	0	0	0	130
		Cemetery Houses	32	18	0	0	0	50
		Environmental Projects	197	548	0	0	0	745
		EV Quick Chargers	343	57	0	0	0	400
		Fleet Management	5,550	363	0	0	0	5,913
		Flood Prevention	321	25	187	0	0	533
		Furnace Coastal Protection	22	78	0	0	0	100
		Glengorm - Capping	0	200	0	0	0	200
		Lighting	1,268	300	135	0	0	1,703
		Public Convenience Upgrades	0	66	0	0	0	66
		Roads Reconstruction	20,213	4,069	550	0	0	24,832
		Tarbert All Weather Sports Pitch	0	110	60	0	0	170
		Traffic Management	193	175	0	0	0	368
	Asset Sustainability Total		**29,577**	**6,641**	**3,390**	**3,074**	**5,250**	**47,932**
	Service Development	A83 South of Muasdale	571	5	0	0	0	576
		A849 Pennyghael Bridge Mull	126	5	0	0	0	131
		Campbeltown Old Quay	1,375	49	0	0	0	1,424
		Cycleways - H&L (FSPT)	2,238	184	200	0	0	2,622
		Preliminary design for Regional Transport projects (tif)	192	9	20	0	0	221
	Service Development Total		**4,502**	**252**	**220**	**0**	**0**	**4,974**
	Strategic Change	Campbeltown Flood Scheme	0	40	40	0	0	80
		Kintyre Renewables Hub (FGPB)	11,368	447	300	0	0	12,115
		Pier Upgrades	0	100	190	10	0	300
		Street Lighting LED Replacement	0	847	0	0	0	847
	Strategic Change Total		**11,368**	**1,434**	**530**	**10**	**0**	**13,342**
Roads and Amenity Services Total			**45,447**	**8,327**	**4,140**	**3,084**	**5,250**	**66,248**
Grand Total			**63,012**	**16,368**	**17,525**	**15,659**	**14,279**	**126,843**

Capital Plan

Appendix 5

Proposed Asset Disposals

Property
Land, Fountainhead, Bunessan
Cowal Teacher's Training, Sandbank, Dunoon
Kirn Girl Guides Hut, Kirn, Dunoon
Former Lochgilphead Primary School, Lochgilphead
Former Rothesay Academy, Rothesay, Isle of Bute
Ardchonnel Primary School, Eredine
Salen Resource Centre, Salen, Isle of Mull
Balance of Castle Toward, Dunoon Receipt
Former Hermitage Academy, Helensburgh
Salen Roads Depot, Salen, Isle of Mull
Former Slaughterhouse Roads Depot, Tobermory
Dunclutha Children's Home, Dunoon
Bridge of Orchy School/ House
Dunaros HFE, Salen, Isle of Mull
Municipal Buildings, Helensburgh
48/50 Sinclair Street, Helensburgh
Marriage Rooms, Helensburgh
Scotcourthouse, Helensburgh
Unit 1 Ferry Road
Unit 2 Ferry Road, Rosneath
Garage No. 4 Inveraray
Rainbow Centre, Kilcreggan
Kilmun Public Conveniences
Hermitage Park Depot, Helensburgh
Blairvadach
Dalriada House, Lochgilphead
Garelochhead P.C.
Tayinloan P.C.

ARGYLL AND BUTE COUNCIL **COUNCIL**

STRATEGIC ASSET MANAGEMENT BOARD **23 FEBRUARY 2017**

CORPORATE ASSET MANAGEMENT STRATEGY

1. EXECUTIVE SUMMARY

1.1 Asset Management is a structured and systematic approach to managing fixed assets on an ongoing basis. This approach addresses all phases of an asset's life cycle, from pre-acquisition through to retirement. Effective asset management planning means knowing what you own, where it's located, what it costs you, what it will cost you in the future, whether it will support current and future service delivery and who is responsible for it.

1.2 The Corporate Asset Management Strategy sets out the Council's overall approach to management of its asset base. It sets out:

- The Council's approach and commitment to sound asset management.
- The aims and objectives of the Corporate Asset Management Strategy which are to ensure that all assets held by the Council are required for operational and regeneration/economic development purposes.
- Links between asset management and the Corporate Plan, the Local Outcome Improvement Plan (LOIP) and Service Plans.
- Governance arrangements for asset management.
- An overview of the planning and performance management framework for asset management.
- The need for the asset management to be forward looking to deliver the asset which the Council requires for service delivery in the future.

ARGYLL AND BUTE COUNCIL **COUNCIL**

STRATEGIC ASSET MANAGEMENT BOARD **23 FEBRUARY 2017**

CORPORATE ASSET MANAGEMENT STRATEGY

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2. INTRODUCTION

2.1 The Corporate Asset Management Strategy sets out the Council’s overall approach to management of its asset base. It sets out:

- The Council’s approach and commitment to sound asset management,
- The aims and objectives of the Corporate Asset Management Strategy which are to ensure that all assets held by the Council are required for operational and regeneration/economic development purposes,
- Links between asset management and the Corporate Plan, the Local Outcome Improvement Plan (LOIP) and Service Plans.
- Governance arrangements for asset management.
- An overview of the planning and performance management framework for asset management.
- The need for the asset management to be forward looking to deliver the asset which the Council requires for service delivery in the future.

3. DETAIL

Definition and Core Values of Asset Management

3.1 Asset Management is a structured and systematic approach to managing fixed assets on an ongoing basis. This approach addresses all phases of an asset's life cycle, from pre-acquisition through to retirement. Effective asset management planning means knowing what you own, where it's located, what it costs you, what it will cost you in the future, whether it will support current and future service delivery and who is responsible for it.

3.2 It is recognised that these general guiding principles can also be applied to the management of non-fixed, or less permanent assets such as vehicles, plant and equipment.

3.3 The Council will ensure that the assets it provides are used in a fair, consistent, efficient and effective way, taking into account their social and environmental impact and the needs and aspirations of our people, communities, areas and organisation.

3.4 Asset Management is the process of ensuring that the Council’s Assets are:

- fit for purpose,
- used efficiently,
- maintained on a sustainable basis and
- matched in investment terms to service needs.

Approach and Commitment to Sound Asset Management

3.5 The Local Government in Scotland Act 2003 provides the legal framework for both the Prudential Code and the Best Value arrangements. Under the Prudential Code local authorities are authorised to make capital investments where it can be demonstrated that these investments are affordable, prudent and sustainable. A local authority, which secures Best Value, is one which promotes continuous improvement in the performance of its functions.

3.6 Asset Management is a key element of achieving Best Value. Councils have a statutory duty to deliver Best Value. This has significant implications for asset management as Councils must:

- Ensure that management arrangements secure continuous improvement.
- Balance quality and cost in relation to the procurement of assets.
- Ensure asset management decisions contribute to sustainable development.

3.7 Asset Management has the potential to contribute to achievement of efficiency savings.

3.8 The Best Value 2 Asset Management templates published by Audit Scotland essentially set out the direction of travel for asset management within the Council. The desired outcomes of good practice contained within these templates have been fully adopted and are being actively promoted and progressed by the Strategic Asset Management Board.

3.9 In addition, asset management best practice will continue to be shared and developed through participation in national and local benchmarking networks and through membership of professional associations, such as the Scottish Heads of Property Scotland group.

3.10 In line with Best Value Guidance: “Sound Management of Resources” the Council’s Corporate Asset Management Strategy sets out how the Council will manage its assets to deliver the Council’s corporate and LOIP objectives, by providing the basis for corporate challenge and providing a focus on the future asset requirements in respect of service delivery.

Aims and Objectives of the Corporate Asset Management Strategy

3.11 Plans for the future ensure that assets must be used primarily to enable the most effective provision of services together with the achievement of strategic objectives; and this should be done in the most efficient and economical manner. The Corporate Asset Management Strategy aims to provide an integrated approach to realising the Council’s overall strategic aims and objectives for optimising assets and challenge services in this regard. A primary objective of asset management is to ensure that all assets held by the Council are required for operational and regeneration/economic development purposes, linked to corporate, service and LOIP objectives, while reducing the total cost of ownership while maximising the benefits from investment in these assets.

3.12 The Corporate Asset Management Strategy provides a strategic direction of travel and sets out the framework for the development and implementation of a robust process for Asset Management.

3.13 The Council’s short term strategic objective is to improve the asset management performance by challenging services to ensure the most efficient and effective use of assets focused on delivery of the LOIP, corporate and service objectives.

Governance Criteria

3.14 The following governing criteria underpin the Corporate Asset Management Strategy and provide a basis for corporate challenge:

- The Council’s fixed assets must support current and future service delivery requirements.
- The Corporate Asset Management Strategy informs and directs service asset management planning, the Corporate Asset Management Plan and Capital Plan.
- The Corporate Asset Management Strategy informs and enables the Council’s actions to successfully progress and improve economic development and connectivity within Argyll and Bute.
- The Council’s Climate Change Declaration informs and directs the improvements required to assets to meet the Council’s carbon reduction targets.
- The criteria of condition, suitability and risk are applied to measure asset performance.
- The balance quality and cost in relation to the procurement of assets and individual asset performance (running cost and utilisation) where appropriate will be subject to measurement to determine efficiency.
- The development and implementation of a systematic approach to asset investment and expenditure, utilisation and disposal.

3.15 As stated earlier, sound asset management is crucial if the Council is to make best use of the resources available to it to deliver its overall aims and objectives. The environment within which the Council operates is dynamic. It is therefore crucial that the Council’s asset management approach informs decisions about strategic change across the Council, and is sufficiently flexible to adapt to the circumstances created by such change.

3.16 Specific Aims of the Asset Management Strategy are:

- Provide a framework for conducting a corporate challenge to ensure that all assets held by the Council are required for operational and regeneration/economic development purposes, linked to corporate, service and LOIP objectives.
- Ensure the capital investment programme will contribute to the achievement of the Council’s key objectives designed to ensure that asset management issues are fully reflected in the planning of the Council.
- Provide a framework for the management and monitoring of the capital

programme and maintenance effects on revenue.
- Inform the bidding for external “third party” additional capital funding and the management of any resources that are secured.
- Address corporate policies on procurement and disposal policies as required by best value guidance.
- Determine processes for the generation of capital project proposals; the monitoring of ongoing projects and the evaluation of completed projects.
- Review existing assets and service needs to explore opportunities for the more efficient and effective use of assets and the release of resources through disposal. Applying a five year projection timeframe.

Links Between Asset Management and Key Corporate Policies

3.17 The Corporate Plan sets out the Council’s corporate objectives and outcomes. The key features of the Corporate Plan are incorporated within this strategy.

3.18 The Council’s mission is to make Argyll and Bute a place people choose to live, learn, work and do business.

3.19 The Corporate Asset Management Plan focuses on the changes required to the current estate to meet future service provision needs. This will ensure that in planning for the future the impact of the LOIP, corporate objectives and national priorities will be taken into account as part of the corporate challenge contained within the asset management process.

3.20 There are important links between the Corporate Plan, the Community Plan and the LOIP. The outcomes set out in the Corporate Plan are the Council’s contribution to the LOIP. Each outcome is linked to one or more of the national outcomes set by the Scottish Government. The future service delivery requirement for assets is considered as part of the asset management process.

3.21 Community Planning Partners have worked in partnership with the Council to ensure that the LOIP identifies the outcomes for Argyll and Bute and the partnership action required for effective implementation. The Council will foster partnerships and co-operation with organisations and agencies in the public, private and voluntary sector. In particular we continue to engage with the Scottish Futures Trust (SFT) in view of their emerging role of promoting asset rationalisation between public sector agencies

3.22 Linked to the previous section it should be noted that the Community Planning Management Team has agreed to work in partnership with the Scottish Futures Trust to carry out a “smarter places” review pilot for Dunoon with further work being undertaken to identify any other opportunities across Argyll and Bute.

Governance Arrangements for Asset Management

3.23 Council governance of asset management by elected members is on the basis of the Council directing the work of the Council through the Strategic Management Team.

3.24 Responsibility for Council assets is held by the three Departments:

- Community Services,
- Customer Services and
- Development and Infrastructure.

These Departments are headed by an Executive Director reporting to the Chief Executive and supported by Heads of Services who are responsible for day to day service provision and the effective and efficient use of assets.

3.25 The Head of Facility Services is the Chair of the Strategic Asset Management Board and is responsible for the development of the Corporate Asset Management Strategy, production of the Corporate Asset Management Plan and preparation of the Capital Plan.

3.26 The Strategic Asset Management Board is responsible for the development of asset management policy, planning and specification. In addition, the Board is responsible for the development and delivery of the asset management improvement programme and to support the production of the Corporate Asset Management Plan, Capital Plan and for providing corporate challenge within the asset management process.

3.27 The corporate requirements of asset management will be driven forward by the Strategic Asset Management Board; which is the link between senior officers and Elected Members and the Council's service operations in respect of matters of policy related to asset management. In this way a corporate view will be applied to major proposals relating to assets.

3.28 The Strategic Asset Management Board responsibilities are:

1. To oversee Asset Management within the Council by applying a corporate challenge which ensures that all assets held by the Council are required for operational and regeneration/economic development purposes linked to corporate, service and LOIP objectives and the requirements of the Argyll and Bute Health and Social Care Partnership (HSCP).

2. To develop, introduce and fully establish asset management performance, planning and governance systems.

3. To plan for economic, efficient and effective use of assets, ensuring compliance with statutory regulations.

4. To prepare the Council's Corporate Asset Management Strategy and Corporate Asset Management Plan.

5. To manage the approval process for Service and Group Asset Management Plans.

6. To provide objective appraisal of Initial Business Cases (IBC), Outline Business Cases (OBC) and Full Business Cases (FBC).

7. To provide objective appraisal of Service Asset Management Plans

(SAMPs) and Group Asset Management Plans (GAMPS).

8. To work with stakeholders, both internal and external, in managing its assets including Community Planning Partners.

9. To review delivery of the Capital Programme.

10. To review the resourcing of the delivery of the Capital Programme.

11. To ensure the capital works undertaken are of a high standard the Board should ensure that feedback of projects is sought from users of the building / school / IT system etc. and the board should review this feedback and pick up on any lessons learnt.

12. To resolve issues in respect of project risks for individual projects that have impacted (reached a level above tolerance).

13. To ensure life cycle costs in terms of building, maintain and decommissioning are considered in procurement and prior to committing to the project.

14. To oversee the standardisation and future development of asset specification and procurement.

15. To undertake a full review of Asset Management IT systems held by the Council and the development of a strategic approach towards future system integration.

16. To ensure that adequate provision is made for planned programme maintenance.

Planning and Performance Management Framework for Asset Management

3.29 The Council must underpin asset management, business case development and capital and revenue decision making with robust asset performance data. The Planning and Performance Management Framework will support the required improvement in asset performance management, and the Strategic Asset Management Board has identified the continued development of asset performance measures as a key priority.

3.30 The table below summarises the asset base of the Council. The Council has an asset base at 31 March 2016, with a Net Book Value of £506.105m (2015 - £527.060m) that includes:

Description	Number	Description	Number
Administrative Buildings	35	Learning centre for pupils with additional support needs	1
Operational Depots	25	Leisure Centres	4
Primary Schools	72	Halls	7
Secondary Schools	5	Libraries	9

3-18 Schools	4	Roads (km)	2,332
Joint campuses	1	Public Road Bridges	906
Gaelic medium units	6	Car Parks	126
School Houses	21	Marine Structures	41
Public road retaining walls	2,000 (Estimated)	Public road coastal protection (km)	200 (Estimated)
IT Systems and Devices	13,000 (Estimated)		

The table includes the majority of the Council's assets but is not exhaustive.

3.31 A range of policies in support of good asset management practice have been developed and are included in the appendices to this document. The asset management policies approved to date are outlined in Appendix 1. In addition Services have been encouraged to develop policy statements in respect of each asset group.

3.32 Each year the Corporate Asset Management Plan will be prepared on the basis of the Corporate Asset Management Strategy and it will take account of the risks identified in the SAMPs and GAMP. The aim of the Corporate Asset Management Plan is to ensure that capital and revenue expenditure is directed efficiently and effectively to further:

- Strategic Change,
- Service Development and
- Asset Sustainability.

3.33 The Corporate Asset Management Plan sets out how Services will ensure that the opportunity cost of financial resources tied up in assets are minimised and that there is:

- An integrated corporate approach towards asset management, capital planning and budgeting process for both capital and revenue.
- A process for changing the Council's Asset portfolio consistent with the Corporate Plan and LOIP.
- A process for asset decision making which is consistent with Services' requirements.
- An identification of opportunities for innovation, asset investment or disposal.
- Provision of a context for capital project evaluation helping to prioritise decisions on spending.

3.34 Each Executive Director is responsible for the completion of their Service Asset Management Plan and Group Asset Management Plan. Service Asset Managers will prepare the Service Asset Management Plan and Group Asset Management Plan, which when approved by the Departmental Executive Director, will be submitted to the Strategic Asset Management Board. The Strategic Asset Management Board will evaluate each Service Asset Management Plan, Group Asset Management Plan, from which the Corporate Asset Management and Capital Plan will be prepared.

3.35 In preparing Service Asset Management Plans, Service Asset Managers must consider the following guiding criteria:

- Maximise the impact of all capital and revenue expenditure on assets.
- Apply asset performance indicators and benchmarking (Condition, Suitability and Risk) to planning and decision making.
- Maximise the utilisation of assets.
- Reduce the unit costs of service delivery through smarter and more efficient asset management.
- Dispose of underperforming, unsuitable assets and assets which are at risk and invest in “fit for purpose” assets.
- Share assets with Community Partners and Third Sector to maximise public benefit.
- Five year time line.

3.36 Community Empowerment legislation has recently been enacted and it is understood that detailed guidance on its operation is due to be published early in 2017. It is recognised, therefore, that the Council’s portfolio of asset management strategy, policies and plans will require to be updated to reflect the guidance.

3.37 The Council requires that decision making regarding the procurement, development and disposal of assets is founded on a robust process of options appraisal and Business Case gateways and have been subject to robust corporate challenge. The Capital Programme Planning and Management Guide sets out the Council’s approach towards, and requirement for, options appraisal and Business Case development including the Carbon Management Plan’s targets and objectives.

3.38 In terms of procurement, the Council will take cognisance of traditional or emerging delivery options. It will have regard to the delivery options afforded, for instance, by the SFT and the Northern Hub Co, where appropriate.

3.39 The Strategic Asset Management Board has introduced a set of asset performance indicators and an associated programme of asset surveys, to improve the standard of Service Asset Management Plans. The performance indicators now form part of the Service Asset Management Plans. These allow the Council to benchmark asset performance and better inform decision making. In the future the Strategic Asset Management Board will agree the survey frequency for specific asset groups and continually develop a programme of asset surveys in line with the agreed frequencies.

3.40 The performance indicators for each asset group are being identified and applied to prioritised groups to satisfy the needs of corporate management and members on a Council wide basis while also meeting the needs of Service managers on a day to day and month to month basis. Performance indicators should also be capable of being considered by individual asset, groups of assets, service, location, asset type and ultimately Council wide. The gathering, recording and reporting of this data is currently being addressed with the emphasis on property assets (buildings).

3.41 In order to fully support this strategy, the Council have implemented a corporate property management IT system to develop and improve its asset management and performance reporting capabilities.

4. CONCLUSION

4.1 In the short term the aim of the Corporate Asset Management Strategy is to ensure that all the foregoing policies, plans, systems and processes are implemented and operational with on-going development taking place.

5. IMPLICATIONS

5.1	Policy –	The report sets out the Council’s policy in respect of asset management.
5.2	Financial -	None.
5.3	Legal -	None.
5.4	HR -	None.
5.5	Equalities -	None.
5.6	Risk -	None.
5.7	Customer Service -	None .

Policy Lead for Strategic Finance: Councillor Dick Walsh

Malcolm MacFadyen, Head of Facility Services

Kirsty Flanagan, Head of Strategic Finance

For further information please contact:
Peter Cupples, Finance Manager – Corporate Support 01546-604183

APPENDICES
Appendix 1 – Asset Management Policies

APPENDIX 1 – ASSET MANAGEMENT POLICIES

1.0 INTRODUCTION

2.0 OPERATIONAL PROPERTY ASSET POLICY STATEMENT

3.0 NON-OPERATIONAL PROPERTY POLICY STATEMENT

4.0 DISPOSALS ASSET POLICY STATEMENT

5.0 ACQUISITIONS ASSET POLICY STATEMENT

6.0 FLEET ASSETS POLICY STATEMENT

7.0 INFRASTRUCTURE ASSETS POLICY STATEMENT

8.0 ICT ASSETS POLICY STATEMENT

9.0 BUILDING ELEMENT RISK CATEGORY POLICY STATEMENT

1.0 INTRODUCTION

Argyll and Bute Council holds each of its assets as a resource to be used in the delivery of services and to support and contribute to its corporate objectives.

This is the fundamental premise that underpins all the Council's actions in managing its assets. From the acquisition of new assets, their operation throughout their lifetime, right the way through to their eventual disposal, the overall way in which the Council deploys and accounts for its assets can be tested against the contribution they make to the overall corporate vision. It is recognised that all assets can make particular contributions in terms of:-

- Optimising asset portfolios to meet changing service needs.
- Reaping financial benefits from savings in running costs and enhancing capital receipts.
- Implementing corporate plans and strategies in areas such as carbon reduction and sustainability.
- Acting as a catalyst for partnership working with other public service providers.
- Supporting the development and role of the Third Sector to provide key services within communities under the Community Empowerment Act.

Improved service delivery through effective asset management will be achieved when key assets are in the right location, suitable and fit for purpose and in good condition. In particular all property assets will also need to be accessible and energy efficient.

The current financial climate has created particular problems for many public bodies. For example property assets cannot be so readily acquired, sold and, in some cases altered. The challenge for the Strategic Asset Management Board and the Council will be to consider the changes taking place in the external environment, such as new workplace practices, the increasing influence of information and communications technology and the growing importance of sustainability issues and to respond to these changes by implementing more innovative, aggressive and robust asset management policies.

The purpose of this document is to set out a high level Asset Policy framework for Argyll and Bute Council. These Policies will, in turn, support the Council's Asset Management Strategy and Corporate Asset Management Plan. The Policies set out in this document are in respect of:-

- Operational Property
- Non-Operational Property
- Disposals
- Acquisitions
- Fleet
- Infrastructure
- ICT
- Building Element Risk

These Policies are a dynamic statement of how Argyll and Bute Council expects to better use and manage its assets. The Policies will be reviewed annually and updated, where appropriate, to reflect emerging best practice, altered priorities and any new statutory obligations.

2.0 OPERATIONAL PROPERTY POLICY STATEMENT

The Strategic Asset Management Board will oversee the management of all operational property assets to ensure that these resources are operated in an effective and efficient manner and contribute to an improved provision of services to the community.

To do this the Board will:-

- Ensure property is regarded and managed as a corporate resource.
- Ensure best value and best practice in the delivery of property and asset management services.
- Review and challenge the need for retaining properties with services.
- Ensure our property portfolio is suitable for its current use and supports effective service delivery.
- Ensure properties are compliant with relevant legislation.
- Ensure properties are in an appropriate condition and maintained effectively.
- Ensure office space is used efficiently.
- Regularly measure and report the sufficiency of the school estate.
- Review options for rationalising or consolidating property assets.
- Regularly monitor and report on the performance of property and put in place measures for securing continuous improvement.
- Ensure property running costs and the consumption of resources are minimised.
- Consider the needs of stakeholders.
- Ensure that comprehensive asset management information to support decision making is collected, maintained and stored efficiently.

3.0 NON-OPERATIONAL PROPERTY POLICY STATEMENT

The Strategic Asset Management Board will review and challenge the non-operational property assets held by Services. It will ensure that:-

- The commercial portfolio is managed effectively to maximise income.
- Rental voids are kept to a minimum.
- Key properties are held for economic development purposes.
- Regular reviews of commercial portfolio are carried out to assess rate of return, purpose of retention and alternative development options.
- Underperforming assets are declared surplus to requirements.
- The cost of managing the non-operational portfolio remains competitive through benchmarking and regular review.

4.0 PROPERTY DISPOSALS POLICY STATEMENT

The Council has a statutory responsibility under the Local Government (Scotland) Act 1973, not to dispose of land at less than the best consideration. In order to comply with this obligation it will, in the majority of instances, seek to obtain "market value" for all surplus assets by:-

- Enhancing value wherever practicable and appropriate.
- Advertising on the open market to encourage competition from likely purchasers.
- Setting a closing date for offers.
- Supporting the transfer of certain assets, where appropriate, to the Third Sector in return for wider community benefits.
- Generally recommending acceptance of the highest offer submitted in accordance with the above.
- Reporting all potential disposals to the appropriate Committee of the Council seeking approval to proceed.

The Strategic Asset Management Board will challenge service departments to review their future property requirements and this will ultimately lead to a net reduction of property assets. The Board will ensure arrangements are in place to:-

- Eliminate as far as possible the number of properties that are poorly used, unfit for purpose and in poor condition.
- Pursue disposal options that will maximise the return to the Council where possible.
- Become more innovative. For example to examine the possibility of setting up joint venture Special Purpose Vehicles (SPV's), where appropriate, with the private sector to unlock the latent value of our assets.
- Fast-track disposal options where possible where unique or significant beneficial opportunities may exist, or can be created.
- Deliver revenue savings to the Council through the prompt and successful disposal of property.
- Ensure the cost of managing the disposal process portfolio remains competitive through benchmarking, market testing and regular review.

5.0 PROPERTY ACQUISITIONS POLICY STATEMENT

The Strategic Asset Management Board's objective is to ensure that the necessary professional and technical services are in place to deliver the Council's capital and revenue programmes of new build, refurbishment and maintenance works in respect of developing, consolidating and protecting property assets.

The Board will ensure that the Property, Design, Estates and Asset Management Teams will provide the Council with construction, procurement, valuation and consultancy services including project management, project monitoring and budget management. On this basis the Board will be in a position to review and determine whether due process has revealed that acquisition is the only or most favourable option available.

In the event that the acquisition of an asset is the optimum solution the Strategic Asset Management Board will ensure efficient procurement of assets and construction projects by:-

- Reviewing the integrated and multi-disciplined approach within Facilities Services.
- Requiring services to follow the methodical and efficient processes contained within the Council's approved Capital Planning and Management Guide.
- Overseeing and reviewing the production of Full Business Cases.
- Undertaking a rigorous options appraisal process, including consideration of procurement options available through the Council's membership of the Northern Territory hub Co.
- Requiring the demonstration of comprehensive value for money approach.
- Participating and leading, where appropriate, post project reviews.

6.0 FLEET POLICY STATEMENT

The Council operates a wide range of fleet and plant to support the delivery of services.

The Strategic Asset Management Board requires the services to provide an efficient and effective Fleet management and vehicle maintenance service.

Fleet Management ensure that services have:-

- Appropriate vehicles in place to carry out their responsibilities and duties.
- Vehicles which are maintained to DVSA (Driver and Vehicle Standards Agency) standard.
- Appropriate data available to measure performance and use of fleet and plant and to enable targets to be established.
- Proportionate information to enable optimum use to be made of the fleet.
- An appropriate training programme in place to support relevant staff and operators.
- Robust business cases developed to underpin vehicle retention and best value procurement solutions.
- Plans in place where appropriate to develop a "Green Fleet" policy, including infrastructure for public charging.
- Plans are developed to manage a single council fleet with vehicle brokerage to ensure best value through vehicle utilisation and whole life costing.

7.0 INFRASTRUCTURE POLICY STATEMENT

The infrastructure portfolio is a complicated collection of diverse asset groups such as roads, bridges, piers, airports, amenity (e.g. cemeteries, memorials and parks), street lighting, landfill sites and flood prevention schemes. The overarching aim of the Strategic Asset Management Board is to ensure that the service with responsibility for these asset groups strives for a good quality, well maintained and sustainable infrastructure network that is not only safe but also contributes to the needs of the community together with the everyday requirements of the businesses operating within Argyll and Bute. The Annual Status and Options Report has been developed for the road, lighting and bridge/structures assets. This document includes deterioration modelling and investment scenarios that model likely future conditions.

The aim of the Strategic Asset Management Board is to make sure that:-

- The infrastructure assets perform well in terms of suitability and condition.
- Appropriate asset management information is gathered, maintained and used to underpin decision making.
- Infrastructure meets the needs of users' requirements and compliance with relevant legislation and regulations is achieved.
- Data continues to be gathered and held on appropriate systems.
- Benchmarking activities continue to inform business improvement actions.
- All of the above within the confines of the available budgets.

8.0 ICT POLICY STATEMENT

It is the aim of the Strategic Asset Management Board to ensure that the Council's ICT assets are utilised in the most effective, efficient and economical manner in support of the Council's plans, strategies and service delivery.

The following approach will be undertaken to achieve this:-

- Business, corporate and strategic requirements will be identified.
- Procurement options will be tailored and developed to suit continuing needs, taking into account ongoing maintenance and sustainability issues throughout the whole life of the asset.
- Regular reviews will be conducted to assess fitness for purpose and performance of the asset in question.
- Full compliance with legislative and operational requirements during the withdrawal and subsequent disposal of ICT assets.
- Comprehensive ICT and asset management information in support of all of the above will be collected, maintained, stored efficiently and be readily available.

9.0 BUILDING ELEMENT RISK CATEGORY POLICY STATEMENT

The risk category for building elements is used as part of the condition surveys undertaken by Property Services. The classification for fabric related elements and building services are as follows:

Fabric – The condition of an element is based on a combination of factors including site visual appearance, manufacturer's guidance on the lifecycle of the element and frequency of repeated maintenance based on historical knowledge and recorded data. In taking cognisance of all factors an assessment is made and a score (out of ten) is applied resulting in a condition percentage being allocated to the element. A score of less than 40% is classified as **bad** and categorised as a red risk. A score between 40% and 60% is classified as **poor** and categorised as an amber risk. A score between 60% and 85% is classified as **satisfactory** and categorised as a yellow risk. A score greater than 85% is classified as **good** and categorised as a green risk.

In addition to overall condition and therefore the risk associated with elements, the Property Officers also identify "Hot Spots". These are generally small areas of an element whose condition is such that they do not significantly influence the overall score but require attention as their failure is likely to result in a significant disruption to the building functioning as intended. An example of this would be a bad condition flat roof over a boiler house where the failure of the roof element would potentially result in the heating failing.

As a result, a capital programme is established that deals with high risk elements including "Hot Spots". It is also prudent to include a Health and Safety budget to deal with any emergent issues throughout the financial year.

Services - Mechanical & Electrical – this assessment is based on the elemental lifecycle of the specific mechanical or electrical element or sub element. The assessment is coupled with the support of statutory cyclical service reports and industry standard recommendations. In taking cognisance of all factors an assessment is made and a score (out of ten) is applied resulting in a condition percentage being allocated to the element. A score of less than 40% is classified as **bad** and categorised as a red risk. A score between 40% and 60% is classified as **poor** and categorised as an amber risk. A score between 60% and 85% is classified as **satisfactory** and categorised as a yellow risk. A score greater than 85% is classified as **good** and categorised as a green risk.

In addition to the overall elemental condition and therefore the risk associated with elements, the Property and Technical Officers also identify "Hot Spots". These are generally parts of an element where condition is such that they do not significantly influence the overall score but require attention as their failure is likely to result in a significant disruption to the building functioning as intended.

As a result, a capital programme is established that deals with high risk elements including "Hot Spots". It is also prudent to include a Health and Safety budget to deal with any emergent issues throughout the financial year.

ARGYLL AND BUTE COUNCIL **COUNCIL**

STRATEGIC ASSET MANAGEMENT BOARD **23 FEBRUARY 2017**

CORPORATE ASSET MANAGEMENT PLAN

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1. EXECUTIVE SUMMARY

1.1 The Corporate Asset Management Strategy sets out the strategic framework for the development of asset management planning including the development of the Corporate Asset Management Plan, Service Asset Management Plans and ICT Group Asset Management Plan and provides the basis for corporate challenge within the asset management process.

1.2 The Corporate Asset Management Plan reflects the Council's strategic objectives contained in the Local Outcome Improvement Plan (LOIP) and Corporate Plan, capital investment priorities and Service Plans to support Strategic Change, Service Development and Asset Sustainability projects in 2017-18 and beyond. These projects have been developed taking account of the future service delivery requirements of the Council and the Argyll and Bute Health and Social Care Partnership (HSCP).

ARGYLL AND BUTE COUNCIL **COUNCIL**

STRATEGIC ASSET MANAGEMENT BOARD **23 FEBRUARY 2017**

CORPORATE ASSET MANAGEMENT PLAN

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2. INTRODUCTION

2.1 The Corporate Asset Management Plan reflects the Council's strategic objectives contained in the LOIP and Corporate Plan, capital investment priorities and Service Plans to support Strategic Change, Service Development and Asset Sustainability projects in 2017-18 and beyond. These projects have been developed taking account of the future service delivery requirements of the Council and the Argyll and Bute HSCP.

2.2 The Strategic Change programme identifies the Council’s strategic planning priorities which include the CHORD programme, the Lorn Arc Tax Incremental Funding (TIF) programme, School Replacement, Helensburgh Waterfront development and Road and Infrastructure projects.

2.3 The Service Development and Asset Sustainability programmes focus on addressing the Condition, Suitability and Risk associated with the Council’s assets. The Corporate Asset Management Plan addresses individual assets or asset groups which have been identified as highest risk (*significant* risk of impairment to both the asset and/or service delivery), either through capital plans founded on Business Cases, or through the proposed development of Outline Business Cases in 2017-18.

2.4 The capital projects in the Corporate Asset Management Plan are funded from existing Block Allocations.

2.5 The Corporate Asset Management Strategy sets out the strategic framework for the development of asset management planning including the development of the Corporate Asset Management Plan, Service Asset Management Plans and ICT Group Asset Management Plan and provides the basis for corporate challenge within the asset management process.

3. DETAIL

Corporate Asset Management Planning – Key Issues

3.1 The Corporate Asset Management Plan reflects existing Departmental and service structures and planning. It brings together the Council's strategic change programmes such as CHORD and the Lorn Arc Tax Incremental Funded project, with Service Asset Management Plans, ICT Group Asset Management Plan, the Argyll and Bute HSCP Asset Management Plan and capital plans.

3.2 Service Asset Management Plans and ICT Group Asset Management Plan set out how each Service is planning to manage the assets they utilise to deliver services. The standard of these reflects the current maturity of the Council's asset management planning and demonstrate an improvement in terms of information, quality and meaningful asset performance measures.

3.3 The quality of the information within the Service Asset Management Plans and ICT Group Asset Management Plan has improved in respect of the Condition, Suitability and Risk associated with asset groups under their management control. This demonstrates continuous improvement in respect of the asset management processes.

3.4 All new capital projects included within Capital Plan are founded on either an Initial Business Case (IBC) or an Outline Business Case (OBC) (as required by the Council's Capital Programme Planning and Management Guide). The quality and standard of business cases produced is reflective of the development of asset management planning across the Council. Strategic change project OBCs show best practice: incorporating options appraisal, whole life costing and risk analysis.

3.5 The Service Asset Management Plans and ICT Group Asset Management Plan provide the Council with a robust suite of data which informs strategic decision making. The data allows consideration of adjusting block allocations between Services and/or between strategic priorities and is useful in the context of Strategic Change, Service Development and Asset Sustainability. The data is becoming even more useful as improvements can be targeted and reported upon. It will also inform future decision making and corporate challenge in relation to asset disposal.

3.6 The main sources of data for the Corporate Asset Management Plan are the Service Asset Management Plans, the ICT Group Asset Management Plan and the Argyll and Bute HSCP Asset Management Plan. The plans are based on the objective assessment of Condition, Suitability and Risk that has been applied to asset groups.

3.7 The day to day operations of Local Authorities and the Argyll and Bute HSCP is very much dictated by legislation. Each Service has to be mindful of the legislation affecting each of its operations and the key legislation is set out in the individual Service Asset Management Plans. Relevant Legislation includes:-

- Legislation involving Care Commission issues
- Legislation relating to Education Scotland
- Roads (Scotland) Act 1984
- New Roads and Street works Act 1991
- Flood Risk Management Act (Scotland) 2009
- Health and Safety legislation
- Environmental and other protective legislation
- Legionella - Approved Code of Practice and Guidance Document

Corporate Asset Management Plan Development

3.8 The Strategic Asset Management Board approved during 2015-16 a revised set of Asset Performance Indicators and the associated programmes of asset surveys/inspections have been agreed. This will continue to improve the quality of Asset Management Plans which allows the Council to benchmark asset performance and provide the basis for corporate challenge within the corporate decision making.

3.9 The Corporate Asset Management Plan is updated annually to reflect national policy requirements. In addition, strategic asset management planning arrangements between other public bodies and major Community Planning Partners within Argyll and Bute are becoming more effective. The Council has an approved policy in place for this.

3.10 The gateway system for appraising and approving future capital expenditure has been in operation since 2010. The process has been utilised again for 2017-18 with consideration being given to addressing Highest Risks and improvements to the Condition and Suitability of assets. The programme for 2017-18 includes projects which have been previously approved by the Council as summarised in the following sections.

3.11 Each new project within the Corporate Asset Management Plan and Capital Plan has been subject to an Initial Business Case and/or an Outline Business Case (OBC), which has been reviewed and assessed by the Strategic Asset Management Board. Strategic Change projects have been subject to the requirement for Option Appraisals and detailed assessment of Life Cycle costs (Affordability and Value For Money). The Capital Programme Planning and Management Guide, which was approved in May 2010, updated January 2017 and is reviewed regularly, contains templates for each form of Business Case with the OBC incorporating Life Cycle Costing.

Capital Projects Previously Approved

3.12 The following significant strategic change projects have been previously approved by the Council:

- Progress and deliver the CHORD programme
- Progress the procurement Oban High School
- Progress the procurement of Kirn Primary School
- Progress the procurement of Dunoon Primary School
- Progress the procurement of Campbeltown Grammar School Campus
- Production of an FBC for the Helensburgh Waterfront development
- LED Street Lighting project
- Kintyre Renewables Hub.

3.13 The following significant service development projects have been previously approved by the Council:

- IT Applications Projects
- Tarbert High School Biomass

- Dunclutha Children’s Home
- Cycle ways Helensburgh and Lomond.

3.14 The following section summarises the position with regard to asset sustainability projects previously approved by the Council:

- Development and Infrastructure
    - The Roads Reconstruction programme is targeted on sections identified as High and Medium Risk by the Roads Maintenance and the Scottish Road Maintenance Condition Survey Road (SRMCS) and roads inspectors. Prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life within our communities.
    - The other Asset Sustainability programmes included in 2017-18 onward are Flood Prevention, Bridge Strengthening, Traffic Management, Street Lighting, Environmental, Fleet Management and Marine Assets.

- Community Services
    - The 2017/18 to 2018/19 capital programme will continue to include works to address the condition issues of the departments assets informed by the surveys carried out by Facility Services. The administration has no plans to review the school estate at this time and asset sustainability projects for schools will target suitability and condition issues.

- Customer Services
    - The IT Programme focuses upon securing information, IT hardware and data and voice networks, more use of collaborative tools such as Sharepoint, Unified Communications and Voice Over IP and the deployment of numerous services in support of a flexible workforce.
    - Council wide Personal Computer and laptop replacement programme
    - Extension of the Education network domain across all schools
    - **Facility Services**: the main thrust of the programme is health and safety upgrades to address red risk elements in strategically important Shared Offices and key Council buildings. In addition the Service will continue to support office rationalisation projects to ensure that the estate is managed efficiently.

- Argyll and Bute HSCP
    - The programme is focused on health and safety upgrades to address red risk elements in buildings.

New Projects Seeking Council Approval to Proceed in 2017-18 and 2018-19

3.15 The following projects require Council approval to proceed in 2017-18 and 2018-19. Each of these projects has been subject to Initial Business Case and/or Outline Business Cases which have been reviewed and assessed by the Strategic Asset Management Board. Where required, funding for the completion of these OBCs is allowed for within the capital plan for 2017-18.

3.16 The proposals for strategic change projects are noted below:

- Lorn Arc Tax Incremental Funding (TIF) initiative.
- Remaining CHORD Projects.
- Helensburgh Waterfront Development.
- Carbon Management/Climate Change Projects
- Campbeltown Flood Schemes.

3.17 The proposals for service development projects are noted below for which a Class Business Case has been prepared in respect of 600hrs:

- Education
    - Bowmore Primary School
    - Bunessan Primary School
    - Clyde Cottage
    - Craignish Primary School
    - Dunbeg Primary School
    - Iona Primary School
    - Kilmartin Primary School
    - Kilmodan Primary School
    - Lochgoilhead Primary School.

3.18 The proposals for asset sustainability projects are as noted below:

- The continuation of the programme of health and safety upgrades to address red risk elements within strategically important shared offices and other buildings.
- Roads Reconstruction Projects
- Bridge Strengthening projects
- Flood Risk Management Projects
- Amenity projects
- Lighting.

High Risk Assets Not Addressed within Capital Plan Proposals for 2017-18

3.19 The Capital Programme for 2017-18 has been structured to address the majority of the Council’s High Risk assets. In 2017-18, Service Asset Managers will develop Business Cases and Plans to tackle the following High Risk assets which are not addressed by projects within the Capital Programme for 2017-18 and 2018-19.

- Facility Services
    - The programme of asset sustainability projects to address red risks in strategically important offices and other buildings has been limited in recent years due to the restricted funding available. This has led to a scenario where work has had to be planned over several years thereby creating a backlog of urgent projects including rewires, fire alarm replacements, heating upgrades and structural improvements. As a result, the Council is facing the increased risk of property element failures that could adversely affect service delivery.

- The following red risks are not addressed within the proposed projects, an indicative cost has been provided for each risk:

Boiler house upgrade, Manse Brae District Office	£85k
Window/Door upgrade, Manse Brae District Office	£59k
Suitability upgrade, Manse Brae District Office	£15k
Outbuilding upgrade, Manse Brae District Office	£30k
Heat & Vent Upgrade, Chalmers St, Ardrishaig	£18k
Soundproofing Upgrade, Chalmers St, Ardrishaig	£6k
Suitability Upgrade, Chalmers St, Ardrishaig	£24k
Accessibility Upgrade, Chalmers St, Ardrishaig	£12k
Roof Upgrade, Chalmers St, Ardrishaig	£24k
Internal Door Upgrade, Ellis Lodge	£6k
Suitability Upgrade, Kilarrow House	£30k
Toilet Upgrade, Kilmory	£18k
Partial Roof Upgrade, Kilmory	£30k
Accessible Parking & Footpaths, Kilmory	£24k
Window upgrade, Municipal Buildings, Oban	£50k
Accessibility upgrade, Municipal Buildings, Oban	£24k
Window upgrade, Tobermory Area Office	£35k
Partial roof upgrade, Tobermory Area Office	£24k
Accessibility upgrade, Tobermory Area Office	£25k
External access upgrade, Whitegates	£24k
Roads and car park upgrade, Willowview, Oban	£18k

- In addition there would be limited budget allocation (circa £14k) to address emergent works associated with Capital Property Work which historically has required annual funding between £50k and £100k.

The funding for new expenditure may not address all the Statutory and Regulatory requirements in relation to Health and Safety.

- ICT
  - The reduction in capital funding will have an impact on the Council's ability to maintain and upgrade its applications, IT infrastructure and equipment to keep pace with improvements in technology. The critical service emerging priorities will not all be met following the reduction in capital. The programme will instead deliver limited infrastructure maintenance and a much reduced development programme covering only the highest priority projects The cycle for the replacement of PCs and laptops has increased from 3 to 4 years in corporate environments and 4 to 5 years in schools with no warranty or maintenance on PCs after the first 3 years. This will have consequences on the reliability of desktop

equipment and our ability to work with the latest releases of application software.

- Roads
  - In the most recent official figures provided by the Scottish Road Management Condition Survey the roads of Argyll and Bute were the lowest ranked in Scotland. However, the investment since 2011 has seen an overall improvement in the Road Condition Index (RCI) for the more strategic routes.

  In February 2011 Audit Scotland reported that "*Transport Scotland and councils should review their road maintenance strategies and plans to confirm that adequate prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life.*"

  Audit Scotland in its Audit report published in August 2012, of Argyll and Bute Council 'Maintaining Scotland's Roads – Follow up work', identified the following Risk:- Whilst the Council has increased the roads maintenance and reconstruction budgets, there is a risk that the budget will not be sufficient to meet maintenance requirements of the roads network.

  In terms of supporting the Council's Corporate Plan and the requirement to support and develop the local economy, it is essential that the Council targets its resources wisely to support routes which contribute to economic growth and the quality of life of our town and rural communities.

  While it will be a long term aim of the Council to improve its national ranking in terms of the Road Management Condition Survey, the short to medium term strategy to achieve the outcomes set out within the Corporate Plan is set out within the Council's Roads Asset Management Strategy, which sets out its capital asset investment and roads maintenance strategies. The Annual Status and Options Report also details the strategy, provides an analysis of performance and also models outcomes based on investment levels.

- Ferry Vessels
  - The Red Risk ferry assets have not been addressed.

- Bridges
  - The bridge inspection and assessment programmes continue to identify Red Risks. Works to address these Red Risk bridge/wall defects are being made through Bridge Maintenance Revenue and Bridge Strengthening Capital Programmes, and will be planned and prioritised to reduce the need for either restrictions or escalating costs. It is noted that Kilninver bridge continues to be monitored. Pennyghael Bridge on Mull, and Claonaig Bridge in north Kintyre both have approach geometry and construction types

    that make them vulnerable to strikes from vehicles. Both have had a number of minor works done to them to keep them in use, however there is an increasing risk that their unrestricted use cannot continue. The Kilbridemore Bridge in west Glendaruel has recently had a 3 tonnes weight limit applied. Public road access in this area is now limited to 7.5 tonnes, as the bridge at the south end of this road (Glendaruel) has had a 7.5 tonnes restriction for many years. Other weight restrictions on the network will need to be considered in light of structural condition and no identified budgets for strengthening work. All of the structural schemes have a significant lead-in time to reach construction stage. This can be measured in years if there are difficulties with land purchase.

- Piers
  - Investment at Piers and Harbours to accommodate increases through the introduction of RET
  - Further improvements to Campbeltown Old Quay inner wall – approx. 100m of 1940s piling to replace and Rothesay Harbour.

- Fleet Workshops
  - Both the Campbeltown and Lochgilphead workshops will be subject to Options Appraisal and the development of OBC in 2016-17. Following the recent fire at the Oban Millpark depot, it is too early to establish if there will be any financial implications for the Council. Options about rebuilding/relocation have to be worked up.

- Fleet Vehicles
  - The Strategic Asset Management Board approved a Fleet Procurement Policy on 29 January 2010 which will manage disposal of red risk fleet vehicles; those which are beyond policy life and uneconomic to retain. Business cases are required to be approved prior to the procurement of new vehicles. The introduction of these policies and procedures is designed to allow the Council to dispose of Red Risk fleet vehicles by the end of 2017-18, dependant on the Service Choices outcome.

- Amenity
  - Business Case will be made for future investment in machinery and plant to improve service efficiency as well as assets including public conveniences, war memorials playing fields and cemeteries.

- Coastal Protection and Flooding
  - Various protection measures to stabilise sections of coastal public road and also including the A818 south east of Dumfin Bridge (non-coastal).
  - Various flooding locations including Cardross, Helensburgh, Port Ellen, Oban, Sandhaven and Kilcreggan.

- Waste Management
  - Review of the waste management strategy driven by changing

requirements for zero waste to landfill. Revised strategy needs to be progressed in conjunction with Shanks who have a contract with the council until 2026.

Anticipated Developments Within Next Five Years

3.20 In the future the Corporate Asset Management Plan will need to move its focus from the current estate to considering what future service provision needs will be and the demands this will place on the asset base. This will ensure that in planning for the future the impact of the LOIP, corporate objectives and national priorities will be taken into account. Work has been undertaken with the Community Planning partners and the Scottish Futures Trust in respect of a "smarter places" review in Dunoon, further is being considered for the other major towns to look at the scope for further reviews to take place.

3.21 The main issues identified within the Service Asset Management Plans which must be considered within future asset management planning include:

- Strategic Infrastructure planning in conjunction with Strategic Infrastructure and Transportation Partners within the public and private sectors to support the future requirements of the Argyll and Bute economy: - renewable energy, 3G and 4G development, high speed broadband, housing (rural & town), marine science & aquaculture, tourism and timber.
- Demographic effects on school population and school estate planning.
- Business Case development for future waste management.
- Significant investment is in place to address the needs of island landfill sites and waste management infrastructure Environmental issues e.g. carbon management.
- Workforce Deployment and Office Property rationalisation.
- Community Partnership opportunities for smarter utilisation of assets through Shared Services - to support service delivery and the development of a strategy/mechanism to allow potential asset transfer to the Third Sector.
- Improving the learning environment for our children and young people.
- Depot and Fleet Rationalisation programme.
- Covered winter salt stores at Connel (Strategic salt store), Bute, West Cowal (Millhouse) and Lochgilphead.
- Investment and refurbishment to synthetic 'all weather pitches'.
- The Marine asset inspection regime to become part of the concerto programme in line with facility service assets.
- Vessel inspections will remain subject to annual refit and certification by the MCA.
- Ongoing work to facilitate implementation of the Flood Risk Management Act and how much budget the Council elects to fund its share of the national strategy to reduce flood risk.
- Further weight restrictions to the road network that may be necessary at bridges and retaining walls for the protection of road users for bridges that do not meet the 40 tonnes standard.

3.22 As a priority, Services must develop asset management planning, Options Appraisal and Business Case development to address all High Risk assets.

3.23 For assets rated C or D and an Amber Risk profile, future planning must appraise options to upgrade, replace or dispose of these assets. For assets rated A or B for condition or suitability, and/or with a Green or Yellow Risk profile, asset sustainability planning must ensure that these assets do not deteriorate by carrying out appropriate mitigation works. This will be achieved through the Council's Business Case gateway process.

Leased Land and Property

3.24 The Council leases land and properties to external parties giving a rental income of circa £730k per annum and leases property and land assets from external landlords with an outgoing rental of circa £220k per annum.

Asset Register Systems and Software

3.25 The Strategic Asset Management Board is overseeing the final stages of implementation of the new integrated property management system Concerto which will combine a number of processes which have operated independently and as a result simplify obtaining reliable property asset performance data as well as recording and maintaining that data.

3.26 Following the completion of the process for property it is necessary that Infrastructure and other assets are similarly controlled and work will commence to maintain the Finance asset register in accordance with the WDM system used to monitor our infrastructure assets.

4. CONCLUSION

4.1 The Corporate Asset Management Plan sets out the way in which the Council's Corporate Asset Management Strategy will be delivered in 2017-18 and beyond.

5. IMPLICATIONS

5.1 Policy – Sets out how the Corporate Asset Management Strategy will be delivered.

5.2 Financial – None.

5.3 Legal – The funding for new expenditure may not address all the Statutory and Regulatory requirements in relation to Health and safety.

5.4 HR - There are risks that the funding available will have an impact on the sustainability of the Property Design Team and the design team within Roads and Amenity Services.

5.5 Equalities – None.

5.6 Risk - There are insufficient resources to address all the red risk assets.

5.7 Customer Service – None.

Policy Lead for Strategic Finance: Councillor Dick Walsh

Malcolm MacFadyen, Head of Facility Services

Kirsty Flanagan, Head of Strategic Finance

For further information please contact:
Peter Cupples, Finance Manager – Corporate Support 01546-604183

ARGYLL AND BUTE COUNCIL **COUNCIL**

COMMUNITY SERVICES **23 FEBRUARY 2017**

COMMUNITY SERVICES ASSET MANAGEMENT PLAN 2017/18 and 2018/19

1.0 EXECUTIVE SUMMARY

Community Services Asset Management Plan ensures the Council is making best logistical and economic use of its assets. The asset management plan for 2017 - 19 supports the delivery of the Single Outcome Agreement 2013 – 2023 and the overarching aim that Argyll and Bute's economic success is built on a growing population. The Community Services Asset Management Plan (SAMP) adheres to the process laid out in the Council's Corporate Asset Management Strategy. The SAMP has been compiled in September 2016 using current data and follows regular assessments of the suitability and condition of the department's assets. The SAMP reflects the ownership of the department's assets post integration of Health and Social Care on 1 April 2016. The SAMP for 2017/18 and 2018/19 lays out the requirements for the delivery of improvements to each of the service's capital assets and the delivery of safe, efficient fit-for purpose public buildings which enhance service delivery and allow us to provide a quality services to our customers.

The 2017/18 to 2018/19 capital programme will continue to include works to address the condition issues of the departments assets informed by the surveys carried out by Facility Services. The administration has no plans to review the school estate at this time and asset sustainability projects for schools will target suitability and condition issues. There are no new service development projects proposed in the programme for 2017/18 and 2018/19 and strategic change programmes underway or planned include the new school projects for Kirn Primary School, Campbeltown Grammar School and Oban High School, the refurbishment of Dunoon Primary School and, the new Helensburgh Swimming Pool.

It is recommended that Council approves:

a) the updated Community Services Asset Management Plan for 2017/18
b) the Community Services Asset Management Plan for 2018/19

ARGYLL AND BUTE COUNCIL **COUNCIL**

COMMUNITY SERVICES **23 FEBRUARY 2017**

COMMUNITY SERVICES ASSET MANAGEMENT PLAN 2017/18 and 2018/19

2.0 INTRODUCTION

2.1 The Community Services Asset Management Plan identifies the capital requirement for the delivery of and improvements to the departments' assets. Elected Members approved the capital allocation for 2017/18 at the Council meeting on 11 February 2016. This report provides members with an update of the 2017/18 capital budget requirements and identifies the department's capital requirements for 2018/19.

2.2 Community Services Asset Management Plan ensures the Council is making best logistical and economic use of its assets to achieve the outcomes in the Council's corporate plan and the department's service plans. The Asset Management Plan for 2017 - 2019 supports the delivery of the Single Outcome Agreement 2016 – 2023 and the overarching aim that Argyll and Bute's economic success is built on a growing population. Investment in the departments assets will enable the Community Planning Partnership to achieve the following long term outcomes:

Outcome 2 – We have infrastructure that supports growth
Long term objective:

- Buildings and land use are optimised to best sustain economic growth
- Rural Growth is underpinned by a cohesive approach to regeneration

Outcome 3 – Education, skills and training maximises opportunities for all
Long term objective:

- Everyone in Argyll and Bute is supported to be ambitious and realise their full potential
- Our young people are supported to be more confident, resilient and skilled to manage the transition from school to further education, training and employment
- Skills and support are provided for our residents to progress in their working and learning lives

Outcome 4 – Children and young people have the best possible start
Long term objective:

- Children and young people have accessible and positive learning environments
- Children and young people have equality of access to play, physical education, physical activity and sport

2.3 The Community Services Asset Management Plan (SAMP) adheres to the process laid out in the Council's Corporate Asset Management Strategy. The SAMP was compiled in September 2016 using current data and follows regular assessments of the suitability and condition of the department's assets. The SAMP reflects the ownership of the departments assets post the integration of Health and Social Care.

2.4 The SAMP for 2017/18 and 2018/19 lays out the requirements for the delivery of improvements to each of the individual service's capital assets and the delivery of safe, efficient fit-for purpose public buildings which enhance service delivery and allow us to provide a quality services to our customers. The capital plan focuses on projects of 3 particular types, namely:

'Asset sustainability' – with a focus on maintaining or investing in the physical fabric of the building. These projects ensure existing assets are fit for purpose/continue to be fit for purpose based on existing use.

'Service development' – with a focus on enhancing the current asset to improve its fitness for purpose or its efficiency and effectiveness. Service development covers construction/acquisition of new assets to replace existing assets on a like for like basis or investment in assets to enhance service delivery based on existing use. The requirement for this investment would be driven by service, area and corporate priorities. Projects in this category are typically under £1,000,000 in capital costs.

'Strategic change' – with a focus on a significant investment across the service asset portfolio to support fundamental service development. Projects classified as Strategic Change would be where the new asset replaces a number of different existing assets including bringing a range of different services in to the same asset or a structurally significant investment in terms of the corporate plan. The requirement for this investment would be driven by corporate priorities. Projects in this category would typically be at least £1,000,000 in capital costs.

3.0 RECOMMENDATIONS

It is recommended that Council approves:

a) the updated Community Services Asset Management Plan for 2017/18
b) the Community Services Asset Management Plan for 2018/19

4.0 DETAIL

4.1 The Community Services department's building assets provide the base from which statutory education functions are delivered and leisure, sport, community learning and library facilities are provided to serve their local communities. The detailed information for each of these two services is appended to this report.

4.2 The integration of health and social care has seen the transfer of both social work services to the new Health and Social Care Partnership on 1 April 2016. The adoption of the Body Corporate model of integration by the Council and NHS board means that the assets of both organisations remain in the ownership of the parent body. The Integrated Joint Board and the Chief Officer for Health and Social Care have prepared their own plan for capital investment.

4.3 Community Services department includes Education and Community and Culture. The Education service covers pre 5, primary and secondary education, including additional support needs, educational psychology, opportunities for all, 16+ learning centres, Gaelic education and youth services. There are 3 education offices, 71 primary schools, 5 secondary schools, 4 x 3-18 schools, 1 joint campus, 6 Gaelic medium units, 1 learning centre for pupils with additional support needs, and 21 school houses.

4.4 The Community and Culture service covers housing, welfare rights, libraries, arts and culture, active schools, sport and physical activity, lifelong learning and community development. There are 5 community centres, 8 housing properties, Park House Women's Aid refuge, the strategic housing land bank, 7 halls, 4 leisure centres, 1 sport centre, 1 3G all-weather pitch (outwith the school estate), Dunoon Youth Centre, 1 museum, 7 owned libraries and 2 leased libraries.

4.5 To support the provision of all of these services, the objective is to provide attractive, safe and secure premises, in good order, with adequate heating and ventilation and which are fit for purpose and meet both the various statutory and regulatory authorities' requirements. Currently, as a result of limited capital and revenue budgets, expenditure is targeted at property condition issues, however there needs to be an awareness of the impact of poor suitability ratings, particularly if they result in any noncompliance of regulatory authority requirements. This is particularly challenging as many of the properties were inherited at the time of local government re-organisation and were not designed with current approaches to service delivery in mind nor do they have the flexibility in terms of their construction to be easily modified to do so.

4.6 Facility Services provide a support service to the department by managing the departments property assets including energy and carbon management and provide an estates service in relation to acquisition, disposal and leasing of property. The overall aim is to make the most efficient and effective use of the available assets, and to minimise the requirement to use leased assets. In addition where properties become surplus they are quickly identified for possible transfer to partner agencies, or alternatively marketed for disposal.

4.7 In addition to building assets, Community Services has works of art. The aggregate value of these is £1,257,705.
This total is made up of 3 collections of paintings:

- The Anderson Trust Collection* - £122,720. (Last valued 2015)
- Library and Museum Collection - £432,700. (Last valued 2015)
- Education Collection - £702,285. (Last valued 2016)

Associated with these works of art are museum exhibits insured for £519,605.
* The Anderson Trust Collection is not owned by the Council who look after it and insure it. This is a historical arrangement going back to the days of Dumbarton District Council.

5.0 STATUTORY REQUIREMENTS

5.1 The following acts and regulations provide the legislative framework for the delivery of the services within the department:

- The Education (Scotland) Act 2016

- The Education (Scotland) Act 1980
- The Education (Additional Support for Learning) (Scotland) Act 2009
- The Children and Young Persons (Scotland) Act 2014
- The Public Bodies (Joint Working) (Scotland) Act 2014
- The Schools Consultation (Scotland) Act 2010
- The Standards in Scotland's Schools etc. Act 2000
- The Scottish Schools (Parental Involvement) Act 2006
- The Protection of Children (Scotland) Act 2003
- The Regulation of Care (Scotland) Act 2001
- The Civic Government (Scotland) Act 1982 (Licensing of Houses in Multiple Occupation) Order 2000
- Care Inspectorate Requirements
- Education Scotland Requirments
- The Fire Scotland Act 2012
- The Helath and Safety at Work Act 1974
- Electricity at Work Regulations
- Legionella - Approved Code of Practice
- Control of Substances Hazardous to Health Regulations
- The Equalities Act 2010
- The Land Reform Act 2003

5.2 There are new legislative duties in the term of the current Council which will impact on its potential use of assets, notably the:

- The Scottish Government have outlined their aspirations in terms of the childcare provision within the Children and Young Persons Act (Scotland) Act 2014 to increase the flexibility of early year's provision to 1,140 hours. This could have substantial Capital implications for the Council and the Scottish Futures Trust recently collated information from all local authorities regarding these implications which they fed back to Scottish Government in Autumn 2016.

- The Education (Scotland) Act 2016 The Education (Scotland) Act 2016 passed by the Scottish Parliament on 2nd February 2016 introduced provisions in relation to school education covering new statutory duties to raise attainment and address educational inequalities of outcome for pupils. The Act also contains provisions that modify the Education (Additional Support for Learning) (Scotland) Act 2004 and section 70 of the Education (Scotland) Act 1980; provisions in relation to Gaelic medium education, the provision of school meals, the appointment of Chief Education Officers, the registration of independent schools and teachers in grant-aided schools and the standards of education and training of persons to be appointed as head teachers. It is wide ranging Act that enables provisions to be made requiring a minimum number of hours of school education to be provided, enables provisions to be made about school clothing grants; extends the duty to provide early learning and childcare to certain children; and for connected purposes.

6.0 ANTICIPATED DEVELOPMENTS WITHIN THE NEXT FIVE YEARS

6.1 The Council faces an extremely challenging financial outlook with reductions in public spending and population decline both having a significant impact on capital funding. Within this context of reduced budgets the department is looking to progress capital projects in response to legislative changes and future service demands.

6.2 The Children and Young People's (Scotland) Act 2014 introduced new requirements for early learning and childcare. The introduction of additional and increased flexible childcare provision will prove a challenge to modify existing facilities. Pilot projects are currently underway introducing flexible provision in a number of units which is tailored to the parents' individual needs. The introduction of 1,140 hours of childcare availability will pose a further challenge and the Scottish Futures Trust is reviewing capacity in all of the local authorities to deliver this. In response the education service are currently carrying out a scoping exercise and will pilot 1,140 hours pre-school provision in a small number of local authority units in Argyll and Bute.

6.3 For the education service the Council currently has 4 projects in Scotland's Schools for the Future (SSF) programme; the redevelopment of Oban High School, Campbeltown Grammar School and Kirn Primary School. The two secondary school projects are funded through a revenue based Design, Build, Finance and Maintain (DBFM) model. The Kirn Primary School project will be progressed through a Design, Build and Development Agreement (DBDA) procurement route. In addition, the Council was successful in its bid to the Scottish Government and has been awarded £4.9M funding to assist the Council in its refurbishment of Dunoon Primary School. It too will be progressed as a DBDA project.

6.4 Since the Dunoon Primary School funding award was announced, the refurbishment of Dunoon Primary School has received official Scottish Government status as a pilot refurbishment project. The project will see the Council working in partnership with Scottish Government, Architecture and Design Scotland, and Historic Environment Scotland. The initial designs for the school have been prepared and in August 2016 the Stage 1 Submission has been received from hubNorth Scotland Ltd, the Council's project partner on all 4 school projects. In total, the four SSF projects are expected to see an investment of approximately £80.5m in the school estate within the next 2 to 3 years.

6.5 The Campbeltown, Oban and Kirn projects reached their Close on 24 March and 5th April 2016 respectively. Construction work is now underway on each site and the works are progressing well. The Dunoon Primary project is expected to reach Close in March 2017 with the full school refurbishment and part new build being completed by April 2019.

6.6 The Queens Hall and Rothesay Pavilion are both currently closed for extensive refurbishment works and are expected to reopen in 2018 and 2017 respectively. Riverside Leisure Centre is also closed for repairs, improvements to the gym area and replacement of the pool filters, it is scheduled to reopen in January 2017. The Corran Halls is currently undergoing the last phase of the rewiring project and is closed for 6 weeks. Significant investment has been made in Aqualibrium to improve the air handing system and create a large dance/ exercise space and relocate the gym which has received very positive customer feedback.

6.7 There are ongoing problems with the roofs at Rothesay and Helensburgh Leisure Centres resulting in significant water ingress. Business cases are currently being prepared for consideration of replacement and/or repair to the roofs at these facilities. The funding package has now been finalised for the replacement swimming pool at Helensburgh as part of the Waterfront Development, with the new pool scheduled to open in 2020.

6.8 The Health and Safety Executive Approved Code of Practice (ACOP) L8 'Legionnaires' disease – The control of legionella bacteria in water systems' was revised in 2013. Water quality/Legionnaires is a key consideration in terms of asset management and Argyll and Bute Council has subsequently conducted a robust re-assessment of risks in water systems throughout its entire estate (circa 400no. premises with water systems). This important risk assessment programme is now complete and a substantial number of risks have been identified for resolution. The extent of the remediations to be implemented across the Council water systems will impact on staff and financial resource in the short term (2-3 years).

7.0 FINANCIAL PLANNING FOR CAPITAL AND REVENUE NEEDS

7.1 In the current financial climate concerns exist over the continued availability of capital budgets at a level which has been available in previous years. Any reduction will result in increased risk of building and building component failure and hence the likelihood of interruption to service delivery will increase. All available options will be pursued to identify alternate funding options including prudential borrowing and the speedy disposal of surplus assets. Additionally all necessary steps require to be taken to cut revenue costs and to ensure that the cost of leasing properties is reduced.

7.2 The current capital programme is based on the allocations for the period 2016-2017 and 2017–2018 agreed by Council in February 2016. Circa 50 individual projects are forecast to be either underway or completed by 31 March 2017. The majority of these projects are asset sustainability projects for the education service addressing condition issues. For 2018/19 in addition to the projects being put forward in the asset sustainability category to reflect the work necessary to prevent further deterioration to the fabric of the buildings, projects are also being proposed which will address suitability issues in our schools to ensure we have a teaching environment which supports the delivery of Curriculum for Excellence. It should be noted that in the absence of adequate funding many buildings and building elements are deteriorating at a rate which may not be able to be addressed by the current level of capital and revenue (maintenance) expenditure and this is beginning to impact on our inspection gradings. This will continue unless the number of properties is reduced or the capital and revenue budget is increased.

7.3 Wherever possible consideration is being given to ensuring that any work undertaken has a positive impact on future revenue streams. Examples include upgrading roof insulation whenever roofing works are being undertaken and the move to more energy efficient light fittings as part of rewiring contracts, this work will improve our carbon management.

7.4 The Climate Change (Scotland) Act 2009 places duties on public bodies with respect to climate change and in particular to contribute to carbon emissions reduction targets; contribute to climate change adaptation; and to act sustainably. The Act includes a national emissions target, set for the year 2050, for a reduction of at least 80% from the baseline year (1990). A Statutory Order under section 46 of the Act requires public bodies to annually report on compliance with the climate change duties.

7.5 In support of the Act, the key areas to contribute to carbon emissions reduction within the Education estate are implementation of energy/water efficiency measures and installation of renewable technologies. These are delivered through a combination of prudential borrowing (spend to save), traditional capital and revenue funded programmes/projects.

7.6 Argyll and Bute Council's Renewable Sourcing Strategy included an evaluation of the most appropriate renewable technologies to implement and a strategic overview of all property assets to determine where these preferred renewable technologies might be best installed.

7.7 As a result, 18 schools/pre-5 units now have roof mounted solar photovoltaic panels with a total installed capacity of 1.1MW. Furthermore, Bowmore PS and Islay HS are now both supplied by low carbon heat from a biomass boiler using locally sourced wood fuel and wood pellet biomass boilers have been installed at a further 8no. schools and a hostel. Next stages include installing a biomass system at Lochgilphead Joint Campus (NPDO) and preparing business cases for biomass low carbon heating solutions at the remaining 4no NPDO schools.

7.8 These installations have largely been funded on a spend-to-save basis with supportive income from the governments Feed-in-Tariff (FIT) and Renewable Heat Incentive schemes (RHI). Opportunity to access Feed-in-Tariff income is now much reduced given a significant uptake in the scheme. Renewable Heat Incentive is also subject to similar tariff degression. Income support for renewable project deployment in future therefore is subject to considerable uncertainty and this may impact on the Council's ability to deliver renewables projects on a value for money basis.

7.9 Renewables are however only one way of reducing carbon emissions and costs. The next 2-3 years will see resource allocated to a range of lower cost, best practice programmes to improve carbon management and reduce costs. Key considerations for the next delivery period include:

- Water Management/Efficiency
- Waste Water Asset Reviews
- Refreshed Programme of Energy Audits
- Energy Efficiency Training
- Support for School Eco Groups/Initiatives
- Behavioural Change Initiatives
- Energy Efficiency Projects (Small Scale)

- Building Management System (BMS) Improvements
- Further integration of energy/water/carbon best practice into capital projects
- Utility Meter Read Programme
- Improved Reporting of Energy/Water Use.
- Review of District Heating Opportunities
- Exploration of Community Partnering Opportunity

7.10 In summary, the 2017/18 to 2018/19 capital programme will continue to include works to address the condition issues of the departments assets informed by the surveys carried out by Facility Services. There are no new service development projects proposed in the programme for 2017/18 and 2018/19 and strategic change programmes underway or planned include the new school projects for Kirn Primary School, Campbeltown Grammar School and Oban High School, the refurbishment of Dunoon Primary School and, the new Helensburgh Swimming Pool.

8.0 RISKS

8.1 The 2017 to 2019 capital plan has been developed to minimise the risk of disruption to service delivery, and concentrates on the need to keep the fabric of Community Services properties in a wind and weather-tight condition, with mechanical and electrical services being upgraded as required in order that they are fit for purpose when assessed by modern day standards. In addition, the requirements of the Regulatory Authorities will be met. Projects are being taken forward to address the suitability of assets to ensure they meet the aspirations of the services who use them and their service users.

8.2 The biggest risk to service delivery and to the effective management of building assets is the uncertainty over the amount of future capital budgets and the direct impact this will have on the affected properties. Changes to political leadership and policy may lead to a change in priorities for the services and this could in turn impact on the use of building assets making the prioritisation of investment difficult at this time.

8.3 The current level of capital investment allied to inadequate revenue funding when applied to the existing property portfolio is insufficient to allow for all the necessary improvements to both asset condition and suitability. Any reduction in budgets without a reduction in the number of assets may lead to a more rapid decline in condition and suitability and hence increase the risk of disruption to efficient service delivery.

8.4 The condition of our assets is beginning to reflect the inspection gradings received by both Education Scotland and the Care Inspectorate, this not only is demoralising for staff, pupils and service users but also has a reputational risk for the Council.

8.5 The Council administration will continue to keep the school estate under review. If elected members were to consider a wider review of the school estate there would be implications on future capital and revenue budgets.

9.0 IMPLICATIONS

9.1 Policy: prepared in line with the Council's Corporate Asset Management Strategy and Policies

9.2 Financial: outlines the proposed capital budget for Community Services for 2017/18 and 2018/19

9.3 Legal: none

9.4 HR: none

9.5 Equalities: none

9.6 Risk: failure to invest in the departments assets will lead to a rapid decline in condition and suitability and hence increase the risk of disruption to efficient service delivery and a failure to meet the statutory requirements.

9.7 Customer Services: improving the condition and suitability of our assets will lead to increased customer satisfaction.

Ann Marie Knowles
Acting Executive Director of Community Services

6 February 2017

Cllr Rory Colville
Policy Lead for Education and Lifelong Learning

Cllr Robin Currie
Policy Lead for Strategic Housing, Gaelic, Community and Culture

For further information contact:
Morag Brown, Business Improvement Manager, Community Services
Tel 01546 604119

Appendices – Detailed Service Information

Appendix 1 – Education
Appendix 2 – Community and Culture

APPENDIX 1 – EDUCATION SERVICE

Acting Head of Service: Anne Paterson

The Education service covers pre 5 education (2 nurseries and 53 pre-5 units attached to primary schools of which 3 are Gaelic pre-5 units), primary and secondary education, including additional support needs, educational psychology, opportunities for all, 16+ learning centers, youth services and Gaelic education. There are 3 education offices, 71 primary schools, 5 secondary schools, 4 x 3-18 schools, 1 joint campus, 6 Gaelic medium units, 1 learning center for pupils with additional support needs and 21 school houses.

Service Functions

The Education Service provides the following services throughout Argyll and Bute:
3-18 Education
Curriculum for Excellence 3-18
16+ Learning Choices
Pupil support services
Psychological services
Education Scotland post and pre inspection support
Educational ICT
School reviews

Statutory implications affecting education assets include:-

Education (Scotland) Act 2016
Education (Scotland) Act 1980
Education (Additional Support for Learning) (Scotland) Act 2009
Children and Young Persons (Scotland) Act 2014
Schools Consultation (Scotland) Act 2010
Education Scotland requirements
Scottish Housing Quality Standard

The First Minister has reinforced the Scottish Government’s commitment to continually improve Scottish Education and close the attainment gap. After wide ranging consultation the Scottish Government’s key priorities have been updated as:

- Improvement in attainment, particularly in literacy and numeracy
- Closing the attainment gap between the most and least disadvantaged children
- Improvement in children and young people’s health and wellbeing
- Improvements in employability skills and sustained, positive school leaver destinations for all young people

The Scottish Government have also outlined their aspirations in terms of the childcare provision within the Children and Young Persons Act (Scotland) Act 2014 to increase the flexibility of early years provision to 1,140 hours. This could have substantial Capital implications for the Council and the Scottish Futures Trust has recently collated information from all local authorities regarding these implications and will be feeding back to Scottish Government in Autumn 2016.

The Education (Scotland) Act 2016 passed by the Scottish Parliament on 2nd February 2016 introduced provisions in relation to school education covering new statutory duties to raise attainment and address educational inequalities of outcome for pupils. The Act also contains provisions that modify the Education (Additional Support for Learning) (Scotland) Act 2004 and section 70 of the Education (Scotland) Act 1980; provisions in relation to Gaelic medium education, the provision of school meals, the appointment of Chief Education Officers, the registration of independent schools and teachers in grant-aided schools and the standards of education and training of persons to be appointed as head teachers. It is a wide ranging Act that enables provisions to be made requiring a minimum number of hours of school education to be provided, enables provisions to be made about school clothing grants; extends the duty to provide early learning and childcare to certain children; and for connected purposes.

The service priorities are as follows:

Expenditure in previous years has resulted in a demonstrable improvement in property condition with the majority of schools having been brought up to a "B" rating. The schools receiving a “C” score (poor) for condition are being addressed by the new schools project.

Improvements to school buildings are targeted at properties in the poorest condition, and building elements which are currently rated as Bad or Poor. For schools where the significant building fabric issues have now been addressed, consideration is now being given to works to improve suitability. Schools receiving a “C” (poor) or below score for suitability include Ardrishaig Primary, Bunessan Primary, Craignish Primary, Dunoon Primary, Easdale Primary, Lochgoilhead Primary, Lochnell Primary, Luing Primary, North Bute Primary, Campbeltown Grammar, Oban High School and Islay High School.

Priority is being given to ensuring fire alarms and electrical installations are fit for purpose across the rest of the estate as these are considered the areas of greatest potential risk.

Provision for Gaelic preschool education is being made at Sandbank primary with Scottish Government funding having been secured to support the capital development of a Gaelic Early Years Unit.

The Service is also working with the Scottish Futures Trust to identify possible programme of works to pre 5 establishments to support the delivery of 1,140 hours preschool education.

Future Planning - Anticipated developments within next five years

Subject to the level of government funding, the Council continues to invest in the school estate. Continued improvements such as to the fabric, services and energy improvements to our schools are required to maintain the asset condition status of our buildings and grounds.

Progress continues to be made on the 4 projects within the Scottish Schools for the Future Programme. The Campbeltown, Oban and Kirn projects reached their Close on 24 March and 5th April 2016 respectively. Construction work is now underway on each site and the works are progressing well. The Dunoon Primary project is expected to reach Close in March 2017 with the full school refurbishment and part new build being completed by April 2019.

In September 2016 Skipness Primary School was mothballed. There are currently 12 primary schools with rolls of 10 pupils or less and are therefore at potential risk of being mothballed if the roll were to fall to zero.

APPENDIX 2 - COMMUNITY AND CULTURE

Head of Service: Donald MacVicar

The Community and Culture service covers housing, welfare rights, libraries, museums, archives, arts and culture, leisure services, active schools, sport and physical activity, adult learning, community planning and community development. There are 5 community centres, 8 Housing properties, Park House Women's Aid refuge, strategic housing land bank, 7 halls, 4 leisure centres, 1 sport centre, 1 3G all weather pitch (out with the school estate), 1 archive, 1 museum, 7 libraries and 2 leased libraries.

Service Functions

Community and Culture provides the following services:

Housing Services

Manage the strategic housing land bank; the Women's Aid refuge and 8 properties retained by the Council after stock transfer. In addition they lease around 120 properties for temporary homeless accommodation from a combination of private landlords and RSL's. Accommodation is also provided through serviced and supported accommodation contracts with private landlords and Blue Triangle Housing Association. The service ensures that the Council meets it statutory obligations to secure temporary accommodation for people who are homeless and fulfils Council obligations in private housing in terms of the Housing (Scotland) Act 2006**.** The Housing Service also has a key strategic role in terms of housing development and works in partnership with housing associations and Scottish Government to deliver 110 affordable homes every year. Grants and loans from the Strategic Housing Fund support this programme.

Culture and Libraries:

The Culture and Libraries service covers libraries, archives, museums and arts development. It aims to provide a comprehensive public library service including free access to a wide range of lending materials, ICT facilities and lifelong learning support. In addition it also aims to promote arts and culture through provision of advice and support to organisations and individuals; and provide advice and support to the independent museum and heritage sector. There are 9 libraries, 1 archive and 1 council owned museum.

Leisure and Sport Services:

This service area manages the Council's 4 Leisure Centres (including swimming pools), Mid Argyll Sports Centre, and 6 Halls ranging from large venues such as the Queen's Hall, Dunoon, to small local halls such as the Ramsay Hall, Port Ellen, Islay and a 3G synthetic pitch in Campbeltown. In addition to the physical resources of these sites, the sport, leisure and sports teams operate out of schools and community facilities to improve health and well being and help our young people reach their potential.

Community Centres

The four community centres in Lochgilphead, Campbeltown, Dunoon and Rothesay are now being directly managed by Argyll and Bute Council, and the former Centre Councils ceased management responsibility as at 1st April 2016. Officers are now working towards an equitable pricing structure and reviewing opening hours within the four centres.

Adult Learning.

There are office buildings which are also used as learning centres, managed by Adult Learning. These are Kirkmichael Centre, Helensburgh and CLD office, Rothesay. No works are currently scheduled or planned for Adult Learning.

Community Development and Community Planning

This service area does not have any responsibility for assets which would fall under the scope of the SAMP**.**

Future Planning – Anticipated developments within next five years

Libraries

Tarbert Library was recently relocated to Argyll House in Tarbert and the ground floor was totally refurbished to accommodate the library.

It is apparent that a dedicated entrance for Campbeltown Museum would improve access for the museum throughout its opening hours to avoid restrictions arising through bookings of the marriage room. The cost and feasibility of this option is being explored.

Oban Library is scheduled for a roof overhaul (gutters) in 2017/18 budgeted at £10k and the replacement of boilers and heating improvements in the same period budgeted at £30k.

Community Centres

The Moat Centre in Rothesay is scheduled to undergo re-wiring in 2017/18 budgeted at £150k. The former Centre Council at the Moat Centre are in negotiations with the Council to transfer funds that will allow the toilets within the centre to be upgraded.

The Lochgilphead Centre is scheduled to undergo roof replacement in 2017/18.

Housing

Local strategic planning for housing is driven by the assessment of housing need. The Housing (Scotland) Act 2001 places a duty on local authorities to develop Local Housing Strategies (LHS), informed by an assessment of housing need and demand and the provision of related services in their area. The Public Bodies (Joint Working)(Scotland) Act 2014 which established the Health and Social Care Partnership (HSCP) sets out certain housing functions which must be delegated to the HSCP. In addition, duties relevant to adaptations provision exist under legislation relating specifically to disabled people, notably the Chronically Sick and

Disabled Persons Act 1970. It is in terms of this legislation that Occupational Therapists will carry out an assessment of disabled persons' needs. In addition to the mandatory grants the Council's current policy is to also provide assistance to owners in very limited circumstances.

1) To assist owners in sub-standard tenement buildings to appoint professional advisers and to pay for common repairs.
2) Repair grants are also provided to owners of houses in very limited circumstances.
3) Currently there is also budget to carry out tenement condition surveys and for Environmental grants.

There is also a residual housing land bank remaining following the transfer of the Council owned housing stock in 2006.

Housing Information Management System – All Housing Services activity is supported by a case management and information system hosted by the ABRITAS. This is administered on behalf of the HOMEArgyll partners to provide the Common Housing Register and Housing Options advice module.

Pools

Riverside Leisure Centre – refurbishment work commenced in September 2016 and will be completed by March 2017. The majority of the improvements will be in the replacement of the pool filtration plant, pool tiling, an expanded gym area and heating and ventilation upgrades. In addition, a range of minor cosmetic improvements will be made to provide a welcoming and modernised customer experience.

Helensburgh Pool - Proposals for the Development of the Helensburgh Waterfront have been subject to various studies and community consultations over a number of years. The outcome of which is for a new 6 lane by 25m long swimming pool with leisure facilities, public space and associated car parking for 250 cars with coach and taxi drop off facility.

The indicative timeline for delivery of the project is showing a start on site in June 2018 with a completion date of April 2020. It is anticipated that the detailed design will be presented for recommendation to the Helensburgh & Lomond area committee in spring 2017, with the FBC coming forward to local members and the Policy & Resources Committee in August 2017.

Helensburgh Pool has recurring roof leaks due to the age and condition of the building and patch repairs have been undertaken numerous times over recent years. These repairs have not resolved the problems and during wet weather buckets are required to catch drips. This has resulted in customer complaints and does pose a risk around electrical equipment and potential for slips and falls. In addition, the pool tiles are also deteriorating.
This situation must be remedied in the interest of customer safety and costs are being explored.

An IBC has been prepared to identify a solution which will maintain the building in an acceptable wind and watertight condition until the new pool opens.

Rothesay Pool - The facility is still incurring significant roof leaks and more intrusive investigating works have been undertaken to determine the solution. An Initial Business Case has been considered by the Asset Management Board which recommends a complete roof replacement at the earliest opportunity. There is also an ongoing problem with crumbling of the cement pool surround which will require remedial action.

Aqualibrium - a comprehensive survey of the building undertaken in February 2014 estimated that essential works were required in the region of £420K. In addition the biomass boilers are no longer functioning and are to be replaced as part of a larger tendering exercise at an estimated cost of £250K for new boilers and associated plant at Aqualibrium which is to be financed through Prudential Borrowing.

A new air handling unit was installed in 2015, and this plant along with the new ducting should resolve the existing problems related to corrosion in the wet duct system. The former Bistro was converted to a gym space and the gym converted to an exercise/ dance studio in 2016. This has greatly enhanced the facility and resulted in increased customer usage and satisfaction.

Further budgets have been identified in 2016/17 £275,000 and 2017/18 £145,000 for upgrading the fabric and services of the building.

Halls

Queens Hall, Dunoon - is a part of the CHORD project in Dunoon. The building closed to the general public on 31 May 2015 to enable the Council to undertake its statutory duties in respect of asbestos and lead in surveys prior to the commencement of construction works. The main contract will commenced in January 2017 and will run for a period of 60 weeks with an anticipated reopening of the facility in late spring/ summer of 2018.

Rothesay Pavilion is part of the CHORD Project and work is now underway. Management of this facility will be transferred to a local Charitable Trust upon completion of the work.

Victoria Halls, Helensburgh - the budget for the painting work scheduled for 2017/18 has been removed so there is no capital works planned for this building currently.

Corran Halls, Oban a further phase of rewiring is nearing completion for the café, the studio and external lighting and the reception area is being redesigned and improvemed.

Victoria Hall, Campbeltown - a budget is required to upgrade the flat roof over the front of the building in 2017/18 at an estimated cost of £75k.

Ramsey Hall, Islay – the wiring and heating systems are at the end of their useful life and do not meet current building codes. Rewiring and minor refurbishment is programmed for 2016/17 at an estimated cost of £100k

Leisure Management Information System

Phase 1 is complete and the system is operating well. The project plan for Phase 2 is being finalised and should go live in January – March 2017. Phase 3 will complete the project in June 2017.

ARGYLL AND BUTE COUNCIL **23 FEBRUARY 2017**

ARGYLL AND BUTE HSCP

ARGYLL AND BUTE HSCP ASSET MANAGEMENT PLAN 2017/18 and 2018/19

1.0 EXECUTIVE SUMMARY

The Argyll and Bute Health and Social Care Partnership (HSCP) Asset Management Plan ensures the Council is making best logistical and economic use of its assets. The asset management plan for 2017 - 19 supports the delivery of the Single Outcome Agreement 2013 – 2023 and the overarching aim that Argyll and Bute's economic success is built on a growing population.

The Health and Social Care Partnership Asset Management Plan (SAMP) adheres to the process laid out in the Council's Corporate Asset Management Strategy. The SAMP has been compiled in September 2016 using current data and follows regular assessments of the suitability and condition of the service's assets. The SAMP for 2017/18 and 2018/19 lays out the requirements for the delivery of improvements to each of the service's capital assets and the delivery of safe, efficient fit-for purpose public buildings which enhance service delivery and allow us to provide a quality services to our customers.

The 2017/18 to 2018/19 capital programme will continue to include works to address the condition issues of the departments assets informed by the surveys carried out by Facility Services.

The recommendations in the report are that Council approves

a) the updated Argyll and Bute HSCP Services Asset Management Plan for 2017/18

b) the updated Argyll and Bute HSCP Services Asset Management Plan for 2018/19

ARGYLL AND BUTE COUNCIL **23 FEBRUARY 2017**

ARGYLL AND BUTE HSCP

ARGYLL AND BUTE HSCP ASSET MANAGEMENT PLAN 2017/18 and 2018/19

2.0 INTRODUCTION

2.1 The Argyll and Bute HSCP Asset Management Plan identifies the capital requirement for the delivery of and improvements to the departments' assets. Elected Members approved the capital allocation for 2016/17 at the Council meeting on 11 February 2016. This report provides members with an update of the 2017/18 capital budget requirements and identifies the department's capital requirements for 2018/19.

2.2 The Argyll and Bute HSCP Asset Management Plan ensures the Council is making best logistical and economic use of its assets to achieve the outcomes in the Council's corporate plan and the department's service plans. The asset management plan for 2017 - 2019 supports the delivery of the Single Outcome Agreement 2013 – 2023 and the overarching aim that Argyll and Bute's economic success is built on a growing population. Investment in the departments assets will enable the Community Planning Partnership to achieve the following long term outcomes:

Outcome 2 – We have infrastructure that supports growth

Long term objective:

- Buildings and land use are optimised to best sustain economic growth

Outcome 3 – Education, skills and training maximises opportunities for all

Long term objective:

- Everyone in Argyll and Bute is supported to be ambitious and realise their full potential
- Our young people are supported to be more confident, resilient and skilled to manage the transition from school to further education, training and employment.
- Skills and support are provided for our residents to progress in their working and learning lives.

Outcome 4 – Children and young people have the best possible start

Long term objective:

- All children and young people should be protected from abuse, neglect and harm
- Children and young people have the right to experience the best health and wellbeing
- Children and young people have accessible and positive learning environments.
- Children and young people have equality of access to play, physical education, physical activity and sport.
- Children and young people are highly motivated, confident, supported and encouraged to realise their potential, within Argyll and Bute

2.3 The Argyll and Bute HSCP Asset Management Plan (SAMP) adheres to the process laid out in the Council's Corporate Asset Management Strategy. The SAMP has been compiled in September to November 2016 using current data and follows regular assessments of the suitability and condition of the department's assets.

2.4 The SAMP for 2017/18 and 2018/19 lays out the requirements for the delivery of improvements to each of the individual service's capital assets and the delivery of safe, efficient fit-for purpose public buildings which enhance service delivery and allow us to provide a quality services to our customers. The capital plan focuses on projects of 3 particular types, namely:

'Asset sustainability' – with a focus on maintaining or investing in the physical fabric of the building. These projects ensure existing assets are fit for purpose/continue to be fit for purpose based on existing use.

'Service development' – with a focus on enhancing the current asset to improve its fitness for purpose or its efficiency and effectiveness. Service development covers construction/acquisition of new assets to replace existing assets on a like for like basis or investment in assets to enhance service delivery based on existing use. The requirement for this investment would be driven by service, area and corporate priorities. Projects in this category are typically under £1,000,000 in capital costs.

'Strategic change' – with a focus on a significant investment across the service asset portfolio to support fundamental service development. Projects classified as Strategic Change would be where the new asset replaces a number of different existing assets including bringing a range of different services in to the same asset or a structurally significant investment in terms of the corporate plan. The requirement for this investment would be driven by corporate priorities. Projects in this category would typically be at least £1,000,000 in capital costs.

3.0 DETAIL

3.1 The Argyll and Bute HSCP building assets provide the base from which statutory social work functions are delivered.

3.2 The integration of health and social care saw the transfer of both social work services to the new Health and Social Care Partnership on 1 April 2016. The adoption of the Body Corporate model of integration by the Council and NHS board means that the assets of both organisations remain in the ownership of the parent body and the two social work services are therefore included within this report. The Integrated Joint Board and the Chief Officer for Health and Social Care will oversee the capital investment in the future.

3.3 There remain close service linkages between Community Services and the Integrated Health and Social Care Services.

3.4 The Children and Families Social Work Service provides the following services:
family support, child protection, looked after children, adoption and fostering, children with a disability and criminal justice.

The Children and Families Service shares 10 office bases with Adult Care and owns and manages 3 children's units.

The service also owns, and manages through an SLA, a respite provision for children with a disability.

3.5 The Adult Care Social Work service covers professional social worker care management and adult support and protection, home, day and residential care services for older people, learning disability, mental health, substance misuse, physical disability and sensory impairment across Argyll and Bute.

3.6 Within the HSCP there are arrangements where staff and other resources are either shared or hosted in either NHS or Council facilities, for example; Learning Disability Service, Addictions Team, Mental Health, Occupational Therapy and Equipment Stores.

The Adult Care Service shares 10 council office bases with Children and Families, owns and manages 6 council care homes and 11 resource centres.

3.7 To support the provision of all of these services, the objective is to provide attractive, safe and secure premises, in good order, with adequate heating and ventilation and which are fit for purpose and meet both the various statutory and regulatory authorities' requirements. Currently, as a result of limited capital and revenue budgets, expenditure is targeted at property condition issues, however there needs to be an awareness of the impact of poor suitability ratings, particularly if they result in any noncompliance of regulatory authority requirements. This is particularly challenging as many of the properties were inherited at the time of local government re-organisation and were not designed with current approaches to service delivery in mind nor do they have the flexibility in terms of their construction to be easily modified to do so.

3.8 Also, work to address suitability issues can only be properly addressed with due regard to the Council's Service Choices programme, the strategic plan objectives of the HSCP and in relation to any legislative changes such as the Children and Young Persons Act.

Co-location and mobile and agile working is key objective of the HSCP over the current period and the next 12 months. This directly supports person centred care, reducing the burden of work on staff, enhancing best value, asset utilisation and efficiency thereby delivering financial savings, improve working practice and integration.

3.9 Customer Services provide a support service to the service by managing the department's property assets including energy and carbon management and provide an estates service in relation to acquisition, disposal and leasing of property. The overall aim is to make the most efficient and effective use of the available assets, and to minimise the requirement to use leased assets. In addition where properties become surplus they are quickly identified for possible transfer to partner agencies, or alternatively marketed for disposal.

4.0 STATUTORY REQUIREMENTS

4.1 The following acts and regulations provide the legislative framework for the delivery of the services within the department:

- Children and Young Persons (Scotland) Act 2014
- Public Bodies (Joint Working) (Scotland) Act 2014
- Social Work (Scotland) Act 1968
- Adult Support and Protection (Scotland) Act 2007
- Social Care (self-directed Support) Act 2013
- Protection of Children (Scotland) Act 2003
- Regulation of Care (Scotland) Act 2001
- Care Inspectorate Requirements
- Fire Scotland Act 2012
  Health and Safety At Work Act 1974
- Electricity at Work Regulations
- Legionella - Approved Code of Practice
- Control of Substances Hazardous to Health Regulations
- Equalities Act 2010
- Asbestos Management Regulations
- Land Reform Act 2003.

4.2 There are new legislative duties in the term of the current Council which will impact on its potential use of assets, notably the:

- Implementation of community justice reform
- Public Bodies (Joint Working) (Scotland) Act 2014 establishing the HSCP in April 2016:
  - HSCP Strategic plan 2016/17 to 2018/19
    - Review of council care home provision
    - Asset rationalization
  - Co-location of health and social care staff
  - Redesign of learning and disability services
  - Impact of self-directed support

- Children and Young Persons Act including:
  - Increased early years provision
  - Throughcare and aftercare

4.3 The Council's is a mandatory participant in the UK Government CRC Energy Efficiency Scheme and is required to submit an annual Climate Change report to the Scottish Government.

5 ANTICIPATED DEVELOPMENTS WITHIN THE NEXT FIVE YEARS

5.1 The Council faces an extremely challenging financial outlook with reductions in public spending and population decline both having a significant impact on capital funding. Within this context of reduced budgets the department is looking to progress capital projects in response to legislative changes and future service demands.

5.2 The HSCP 3 year strategic plan is now in its first year of implementation with individual locality plans being developed to inform the decisions and investment made to the integrated assets, with co-location being identified as top priority in 2016/17 and early 2017/18. The following relocations from Council to NHS property are being planned to be implemented, Ellis Lodge, Dunoon, Old Quay Head and Hazel Burn, Campbeltown, Union Street, Rothesay. From NHS to Council property, Aros to Kilmory and Whitegates.

5.3 For Children and Families Social Work the new Dunclutha childrens unit is scheduled to be completed in April 2017.

5.4 The Children and Young People’s (Scotland) Act 2014 introduced new requirements for early learning and childcare, enshrines elements of the Getting it Right for Every Child (GIRFEC) approach in law, introduce new children’s rights and children’s service planning, increases the provision of support to those in care and care leavers and introduces free school meals for primary 1 – 3 pupils. The introduction of the Act has posed particular challenges for the department to modify existing facilities to support these enhanced services.

5.5 A new Carbon Management Plan (CMP2) has been developed with 2015/2016 baseline year. Longer term targets, to contribute to national greenhouse gas emission targets (80% by 2050 with interim target of 42% by 2020; 1990 baseline), are aspirational but short term achievable targets (annual) are also set and these will be reflect available budgets, staff resource, identification of viable projects etc. Contributing carbon emissions projects are typically delivered through capital and revenue funded Carbon Management Programmes.

6 FINANCIAL PLANNING FOR CAPITAL AND REVENUE NEEDS

6.1 The Argyll and Bute Integration Joint Board was established on the 1st April 2016 and is responsible for all health and social care services in the area. The 3 year strategic plan provides a road map describing the future shape of service provision for Health and Social Care which in essence is a single health and care team and workforce. Consequently, co-location and access to IT systems and data sharing clearly maximises the quality of service provision and maximises the benefits to service users provide a single point of contact driving out efficiencies etc.

6.2 The initial work undertaken by the HSCP within 2016 has identified, co-location as a priority in each locality to maximise the benefits of a single health and care service and accelerate the transformation of service required and crucially drive out efficiencies within 2016/17 and 2017/18 to meet its cost savings target. The areas identified for co-location are detailed in table 1:

Site	Relocation
Ellis Lodge (Council)	Cowal Community Hospital
Old Quay head and Hazel Burn (Council)	Campbeltown Hospital
Union Street (Social Work team)	Rothesay Annexe
Argyll and Bute Hospital	Mid Argyll Hospital and Integrated Care Centre
Aros (NHS)	Kilmory and other sites in Lochgilphead

6.3 The HSCP is preparing indicative costs for accommodation alterations within NHS buildings and identifying costs for occupying council buildings. Equally it is identifying savings by releasing accommodation.

6.4 In addition the IJB expects to develop mobile and agile working in a form the council has successfully implemented and is looking at accelerating co-location opportunities with the council and other partners for other corporate support services in Lochgilphead.

6.5 The IJB has also identified the need to progress business case development for larger capital projects over the course of the next 3 years. This includes:

- New health and care campus on Bute incorporating Adult Care Social Work.
- New GP practice premises in Dunoon.
- Tiree options are to be developed to support the future progressive health/care model to deliver a package of service improvements.
- Review of council provided elderly and elderly dementia residential care home provision in the West of Argyll.
- Review of council provided residential care home provision in Dunoon at Struan Lodge.

6.6 For Children and Families Social Work the new Dunclutha childrens unit is scheduled to be completed in April 2017.

6.7 The Children and Young People's (Scotland) Act 2014 introduced new requirements for early learning and childcare, enshrines elements of the Getting it Right for Every Child (GIRFEC) approach in law, introduce new children's rights and children's service planning, increases the provision of support to those in care and care leavers and introduces free school meals for primary 1 – 3 pupils. The introduction of the Act has posed particular challenges for the department to modify existing facilities to support these enhanced services.

7 FINANCIAL PLANNING FOR CAPITAL NEEDS

7.1 In the current financial climate concerns exist over the continued availability of capital budgets at a level which has been available in previous years. Any reduction will result in increased risk of building and building component failure and hence the likelihood of interruption to service delivery will increase. All available options will be pursued to identify alternate funding options including prudential borrowing and the speedy disposal of surplus assets. Additionally all necessary steps require to be taken to cut revenue costs and to ensure that the cost of leasing properties is reduced.

7.2 The current capital programme is based on the allocations for the period 2016-2017 agreed by Council in February 2016. Circa 100 individual projects are forecast to be either underway or completed by 31 March 2017. The majority of these projects are asset sustainability projects for the education service addressing condition issues. As referenced the new Dunclutha children's unit is scheduled to be completed in April 2017.

7.3 For 2017/18 the majority of new projects being put forward in the asset sustainability category reflect the work necessary to prevent further deterioration to the fabric of the buildings. Particular emphasis is being placed on keeping facilities safe, wind and water tight. Hence priority is being given to ensuring that fire alarms are of an appropriate standard and that electrical wiring is being replaced when it is no longer considered fit for purpose. However in the absence of adequate funding many buildings and building elements are deteriorating at a rate which may not be able to be addressed by the current level of capital and revenue (maintenance) expenditure and this is beginning to impact on our inspection gradings. This deterioration will continue unless the number of properties is reduced or the capital and revenue budget is increased.

The HSCP has considered the proposed funding allocation of £303K alongside the asset condition assessment provided by the council's property team with the emphasis on wind and water tight. In addition it has also assessed that the service advantages and cost efficiency gains via co-location should also see capital investment from the Council and NHS.

7.4 Wherever possible consideration is being given to ensuring that any work undertaken has a positive impact on future revenue streams. Examples include upgrading roof insulation whenever roofing works are being undertaken and the move to more energy efficient light fittings as part of rewiring contracts, this work will improve our carbon management.

7.5 In addition, Argyll and Bute Council's Renewable Sourcing Strategy has included an evaluation of the most appropriate renewable technologies to implement and a strategic overview of all property assets to determine where these preferred renewable technologies might be best installed. The most viable projects have now either been implemented or are planned for installation. These projects have largely been funded on a spend-to-save basis with supportive income from the governments Feed-in-Tariff (FIT) and Renewable Heat Incentive schemes (RHI). Opportunity to access FIT and RHI income is now much reduced given a significant uptake in the scheme and resulting depression of the available income rates. Income support for renewable project deployment in future therefore is subject to considerable uncertainty and this may impact on the Council's ability to deliver renewables projects on a value for money basis. Tenders are being prepared to test the marketplace further in respect of solar photovoltaic and biomass installations. Other funding options/solutions for renewable projects and carbon reduction projects generally continue to be explored.

7.6 The next 2-3 years will see resource allocated to a range of lower cost, best practice programmes to improve carbon management and reduce costs. A new Carbon Management Plan (CMP2) is currently being drafted and key considerations for the next delivery period include:

- Water Management/Efficiency
- Waste Water Asset Reviews
- Refreshed Programme of Energy Audits
- Energy Efficiency Training
- Support for School Eco Groups/Initiatives
- Behavioural Change Initiatives

- Energy Efficiency Projects (Small Scale)
- Building Management System (BMS) Improvements
- Further integration of energy/water/carbon best practice into capital projects
- Utility Meter Read Programme
- Improved Reporting of Energy/Water Use.
- Review of District Heating Opportunities
- Exploration of Community Partnering Opportunity

7.7 In summary, the 2017/18 to 2018/10 capital programme will continue to include works to address the condition issues of the HSCPs assets informed by the surveys carried out by Facility Services. It will also take into account opportunities to drive out best value and make cost efficiencies via co-location in the areas identified enhancing service suitability

8.0 RISKS

8.1 The 2017 to 2019 capital plan has been developed to minimise the risk of disruption to service delivery, and concentrates on the need to keep the fabric of Argyll and Bute HSCP properties in a wind and weather-tight condition, with mechanical and electrical services being upgraded as required in order that they are fit for purpose when assessed by modern day standards. In addition, the requirements of the Regulatory Authorities will be met. Projects are being taken forward to meet the legislative requirements especially in relation to Children and Young Persons (Scotland) Act and service improvements to support the integration of health and social care.

8.2 The Health and Safety Executive Approved Code of Practice (ACOP) L8 ‘Legionnaires’ disease – The control of legionella bacteria in water systems’ was revised in 2013. Water quality/Legionnaires is a key consideration in terms of asset management and Argyll and Bute Council has subsequently conducted a robust re-assessment of risks in water systems throughout its entire estate (circa 400no. premises with water systems). This important risk assessment programme is now complete and a substantial number of risks have been identified for resolution. The extent of the remediation to be implemented across the Council water systems will impact on staff and financial resource in the short term (2-3 years).

The biggest risk to service delivery and to the effective management of building assets is the uncertainty over the amount of future capital budgets and the direct impact this will have on the affected properties. In addition the uncertainty surrounding the outcome of the Services Choices process and the impact this may have on building assets makes the prioritisation of investment difficult.

8.3 The current level of capital investment allied to inadequate revenue funding when applied to the existing property portfolio is insufficient to allow for all the necessary improvements to asset condition and suitability. Any reduction in budgets without a reduction in the number of assets may lead to a more rapid decline in condition and suitability and hence increase the risk of disruption to efficient service delivery.

8.4 The condition of our assets is beginning to reflect the inspection gradings received by the Care Inspectorate, this not only is demoralising for staff and service users but also has a reputational risk for the Council.

9.0 IMPLICATIONS

9.1 Policy: Prepared in line with the Council’s Corporate Asset Management Strategy and Policies

9.2 Financial: Outlines the proposed capital budget for the HSCP for 2017/18 and 2018/19

9.3 Legal: None.

9.4 HR: None.

9.5 Equalities: None.

9.6 Risk: Failure to invest in the departments assets will lead to a rapid decline in condition and suitability and hence increase the risk of disruption to efficient service delivery and a failure to meet the statutory requirements.

9.7 Customer Services: Improving the condition and suitability of our assets will lead to increased customer satisfaction.

Christina West
Chief Officer
October 2016

Kieron Green – Policy Lead

For further information contact:
Stephen Whiston Head of Strategic Planning and Performance
01564-606424

Appendices – Detailed Service Information

Appendix 1 – Children and Families Social Work
Appendix 2 – Adult Care Social Work

APPENDIX 1 - CHILDREN AND FAMILIES SOCIAL WORK

Head of Service: Louise Long

Service Functions

The Children and Families Social Work Service provides the following services:

- Children and Families MAKI
- Children and Families Oban
- Children and Families Helensburgh
- Children and Families Cowal and Bute
- Criminal Justice

The Children and Families Service shares 10 office bases with Adult Care, owns and manages 3 children's care homes and 2 hostels. The service also owns and manages through service level agreements a respite provision for children with a disability and has a response centre in Kintyre.

Children and Families Localities

This service provides assessment and case management to children in need of support, care and protection (including children with a disability). The service is locality based and operates from 4 area based service centres which correspond to the Council's four administrative areas. Services are also delivered from Rothesay, Lochgilphead (Mid Argyll Community Hospital) and Islay.

Children and Families Looked After Children

This service directly provides, arranges and commissions residential services, care and support to children and young people who are looked after or who are leaving care. The service is responsible for the provision of an adoption and fostering service, through and after care services and residential care which is delivered through 3 children's care homes (Oban, Dunoon and Helensburgh). It commissions external residential and community based Support Services for children and young people.

Work is currently underway to replace Dunclutha children's unit, the existing building has been deemed unfit for purpose by the Care Inspectorate the new build is expected in April 2017.

In addition the service is responsible for school accommodation which is provided through two school hostels (Oban and Dunoon).

Criminal Justice

Criminal justice services are currently provided through small teams in Oban, Campbeltown, Ardrishaig, Rothesay and Dunoon, usually sited within the local social work teams, and overseen by a service manager and two team leaders in an

East/West split. Helensburgh is managed via the partnership arrangement with West Dunbartonshire. The local criminal justice team is part of the broader Children and Families service and provides all adult offender related interventions. This includes advice to Courts and Parole Board in respect of risk assessment, sentencing and custodial release; supervision of offenders on orders or release licenses in the community; provides Throughcare support during a custodial sentence and planning release; and providing an Unpaid Work scheme in the community.

There is currently a national review underway of Community Justice which includes Criminal Justice Social Work. By 2017/18 responsibility for local strategic planning and delivery of community justice will transfer from Scotland's eight Community Justice Authorities (CJA) to Community Planning Partnerships. Work is underway to make this transition via the Criminal Justice Social Work Partnership and local Community Planning Partnerships.

Statutory implications affecting service assets include:-

Children and Young Person (Scotland) Act 2014
Social Work (Scotland) Act 1968
Regulation of Care (Scotland) Act 2001
Protection of Children (Scotland) Act 2003
Public Bodies (Joint Working) (Scotland) Act 2014
Care Inspectorate Requirements

The implications of the Children and Young People's (Scotland) Act 2014 for Children and Families are the enshrining of the Getting it Right for Every Child (GIRFEC) approach in law, the introduction of new children's rights and children's service planning, increasing the provision of support to those in care and care leavers. There are no estimated capital costs in respect of the Act for the Children and Families Service. However continuing care will place a statutory responsibility on the local authority to deliver support to care leavers including appropriate accommodation to support them day to day before 26th birthday.

The Public Bodies (Joint Working) (Scotland) Act 2014, saw the establishment of the A&B HSCP from the 1st April 2016. The IJB is now implementing its 3 year strategic plan 2016/17 to 2018/19 is in place to support HSCP to deliver on its strategic priorities.

Future Planning – Anticipated developments within next five years

The Dunclutha Project is scheduled for completion by April 2017; estimated cost for the project is £1.2M.

Improvements continue to Social Work offices targeting properties in the worst condition, and building elements which are currently rated as Bad or Poor. Noting that the level of information held on these assets is developing.

The implementation of work to address suitability issues has been identified by the HSCP with regard to planning single service provision and is seen as a priority at strategic and locality level. The focus is therefore on co-location of health and social care teams within NHS and Council property. A profile of short term and larger long term project have been identified and additional capital funding to alter and upgrade buildings needs to be identified.

APPENDIX 2 - ADULT CARE SOCIAL WORK

Head of Service: Allen Stevenson (East), Lorraine Paterson (West)

Service Functions

The Adult Care Social Work service covers professional Social Work and Care Management to a range of people with a disability or vulnerability, so the service is for older people, learning disability, mental health, substance misuse, physical disability and sensory impairment across Argyll and Bute. Professional Social Work and Care Management service includes the functions of Assessment, Care Management, and also Adult Support and Protection. This means that Social Worker teams (and the management and support services) provide community interventions from local office bases to give support for adults and their carers across the aforementioned vulnerability and care groups.

Adult Care Social Work is furthermore a direct provider of homecare, day and residential services and also commissions suitable services from the independent and third sector. The service also has a number of shared responsibilities with the NHS met through partnership arrangements where staff and other resources are either shared or hosted in either organisation to deliver joint services and targets, for example; Learning Disability Service, Addictions Team, Mental Health, Occupational Therapy and Equipment Store.

The commencement of the IJB in April 2016 has resulted in a range of service model reviews and changes which will have an impact on the buildings used by the single health and care teams, This includes co-location, change of use and rationalisation and future planning for integrated health campuses.

Service Asset Overview

Accommodation for adult services and Social Work staff (including; professional Social Workers and assistants, administrative support, leadership, management, workforce and service development) is provided from a number of sites in council based offices and buildings throughout Argyll and Bute, including from;

- Social Work Offices
- Management and administrative offices, including space for Social Work Service Development Team and Adult Support and Protection
- Homecare, led and managed from the Social Work main offices
- OT and equipment stores are now a single service provided in a NHS owned building.
- Day Care for Older people
- Day Care specialist support for people with Dementia
- Day Care for people with a Learning Disability
- Residential Care Homes for Older people
- Supported living home for people with a Learning Disability

Social Workers, Care Management and Operations are provided from Social Work office centres in the main towns and some islands, offices are shared with the children and families service. Where there is no local Social Work office then visiting Social Workers and assisting staff access local council offices or utilise NHS office bases where necessary. There are 7 council residential units for older people, 3 day centres for older people, 5 resource centres for service users with a learning disability and a supported living site (*Greenwood, Campbeltown - previously known as a learning disability hostel*) where 6 people with a learning disability have tenancies. There is only one Mental Health link club still being supported by social work at a leased premises in Smiddy Lane, Lochgilphead (*other areas in Argyll and Bute are self-managed clubs and the Social Work and CPN services gives an in-reach service to them*). Most Mental health social work teams are now co-located with their NHS colleagues on NHS sites, however Oban Mental Health team continue to be based in the council premises at Willowview.

To support the provision of these services, the objective is to provide safe, secure, accessible premises, in good order, with adequate heating and ventilation and which are fit for purpose for staff and the vulnerable adults who access them. In addition to this, the requirements of the various Regulatory Authorities need to be met. Currently, as a result of limited capital and revenue budgets, expenditure requires to be targeted at property condition issues, however there needs to be an awareness of the impact of poor suitability ratings, particularly if they are as a result of any non-compliance of regulatory authority requirements.

The initial work undertaken by the HSCP within 2016 has identified, co-location as a priority in each locality to maximise the benefits of a single health and care service and accelerate the transformation of service required and crucially drive out efficiencies within 2016/17 and 2017/18 to meet its cost savings target. The areas identified for co-location are detailed in table 1:

Site	**Relocation**
Ellis Lodge (council)	Cowal Community Hospital
Old Quay head and Hazel Burn (council)	Campbeltown Hospital
Union Street (Social Work team)	Rothesay Annexe
Argyll and Bute Hospital	Mid Argyll Hospital and Integrated Care Centre
Aros (NHS)	Kilmory and other sites in Lochgilphead

The HSCP is finalising indicative costs for accommodation alterations within NHS buildings and identifying costs for occupying council buildings. Equally it is identifying savings by releasing accommodation through redesign of services including Thomson Court and Struan Lodge.

In addition the IJB expects to develop mobile and agile working in a form the council has successfully implemented and is looking at accelerating co-location opportunities with the council and other partners for other corporate support services in Lochgilphead.

Social work service provision can include transport particularly in day and residential care. This requires an accessible fleet of varying sizes of vehicle from cars to specially adapted minibuses to be maintained. This supports people to access the service as well as their local community and planned day activities from their day service or residential setting. Community based social work and support staff rely on covering many miles in the carrying out of their duties and require to access pool cars and other transport options. The scale and use of this transport resource is also being examined by the IJB allowing its staff to use without restriction NHS or Council fleet.

Statutory implications affecting service assets include:-

Adult Support and Protection (Scotland) Act 2007
Social Work (Scotland) Act 1968
Regulation of Care (Scotland) Act 2001
Care Inspectorate Requirements
Social Care (Self-directed Support) (Scotland) Act 2013
Public Bodies (Joint Working) (Scotland) Act 2014

The Council anticipates new legislative duties in the term of the current Council which will impact on its potential use of assets e.g. Self-Directed Support (SDS) and also in regard to Health and Social Care Integration.

The Social Care (Self-directed Support) (Scotland) Act 2013 offers more choice, control and flexibility to service users and may result in more people choosing non-traditional options for their social work care and support. If major changes transpire there may be a reduced use of current council buildings where the service delivery is buildings based particularly in Older People and Learning Disability services e.g. building based Day Care. The Act came into effect from April 2014 but has not had an immediate effect on activity however it is expected changes and the HSCP strategic focus will accelerate these changes, shift in the balance of care in the coming 2-3 years.

Future Planning - Anticipated developments within next five years

Older peoples service
The Council continues to be the provider of a significant level of residential care for the older people’s service. Currently this covers:-

- Eadar Glinn
- Tigh A Rhuda
- Thomson Court
- Struan Lodge
- Gortanvogie
- Ardfenaig

The IJB has also identified the need to progress or consider business case development for larger capital projects over the course of the next 3 years addressing suitability, condition and future need. This includes

- New health and care campus on Bute reproviding hospital, GP, dental and care services in a 21st century facility
- New GP practice premises in Dunoon replacing the 3 GP practices.
- Tiree options are to be developed to support the future progressive health/care model
- Review of council provided elderly and elderly dementia residential care home provision in the West of Argyll
- Review of council provided residential care home provision in Dunoon at Struan Lodge

The challenges of continuing to be a direct provider of residential care are significant. As well as the considerable and well established cost variation between internal provision and external purchasing of the same, there is also;-

- The age of the buildings
- The lack of a well-established market of provision in certain areas
- Our contradiction of expectation in what we provide as opposed to purchase for instance in relation to en-suite facilities and room size
- The considerable annual draw on revenue resources to invest in ongoing maintenance/ health and safety/ adaptation and upgrade
- The future direction of residential provision in the context of the IJB strategic plan and the future service models for older people- nursing and care home beds being used for those who need a higher level of care.
- The changing preferences of older people to be supported for as long as possible in their own homes
- The lack of capital investment opportunities to realise a replacement programme for our own stock
- An increasing emphasis on locality planning developing and support local community for local solutions
- The increasing trend and likelihood that the Care Inspectorate will look for clarity on future proposals in respect of our own provision allied to our mixed performance on inspections in relation to the care environment

The strategic plan of the IJB has enabled a review of care across all areas with ongoing engagement and dialogue with local elected members on provision in their area.

Resource centres

The Learning and Disability review is focusing on developing community based services and moving away from the resource centre model, but some clients will continue to require a building based service. This will create capacity in some buildings and review and co-location options will be progressed in 2016-18 or to shrink the footprint. A priority for the integrated Learning Disability service is to co-locate all health and social care staff on single locality sites where possible so that service become more accessible to the vulnerable client group.

In Campbeltown the service is looking at options for the creation of a cluster in partnership with the registered social landlords to provide some extra care housing a day services. Local community and stakeholder involvement will be sought in developing the proposals which will be completed during 2017/18.

Shared social work offices

Improvements continue to Social Work offices targeting properties in the worst condition, and building elements which are currently rated as Bad or Poor. Noting that the level of information held on these assets is developing.

The implementation of work to address suitability issues has been identified by the HSCP with regard to planning single service provision and is seen as a priority at strategic and locality level. The focus is therefore on co-location of health and social care teams within NHS and council property. A profile of short term and larger long term projects have been identified and additional capital funding to alter and upgrade buildings needs to be identified.

ARGYLL AND BUTE COUNCIL **COUNCIL**

CUSTOMER SERVICES **23 FEBRUARY 2017**

SERVICE ASSET MANAGEMENT PLANS

CUSTOMER SERVICES ASSET MANAGEMENT PLAN 2017/18

1 EXECUTIVE SUMMARY

1.1 The Customer Services Asset Management Plan (SAMP) clearly sets out the role of Facility Services in applying a corporate challenge to all other Council services to ensure that the Council’s asset base is kept as efficient as possible, and aligned to the Local Outcome Improvement Plan (LOIP), Corporate and Service objectives. It also sets out a clear direction of travel for the future management of the Council’s property assets, including the investment requirements for 2017/18 and future years.

1.2 The SAMP has direct links to the LOIP via the following outcomes:

- Outcome 02 - We have infrastructure that supports sustainable growth;
- Outcome 04 - Children and young people have the best possible start; and
- Outcome 06 - People will live in safer stronger communities.

It also has direct links to the Council’s Corporate Plan outcomes of:

- A place people choose to live.
- A place people choose to learn.
- A place people choose to work and do business.

Specifically the SAMP assists in delivering the following strategic priorities arising from the Council’s Corporate Plan outcomes:

- Make Argyll and Bute the best and easiest place to do business in.
- Use Council resources and facilities innovatively to generate income in order to protect and enhance services.
- Take advantage of the opportunities improved broadband availability brings and continue to demand improved mobile phone coverage.

It also has linkages to the Improvement Planning section of the People Strategy and Corporate Asset Management Strategy as it provides a framework for the Council to make the best logistical and economic use of its assets.

2 INTRODUCTION

The Customer Services Asset Management Plan (SAMP) clearly sets out the role of Facility Services in applying a corporate challenge to all other Council services to ensure that the Council's asset base is kept as efficient as possible, and aligned to the LOIP, Corporate and Service objectives. It also sets out a clear direction of travel for the future management of the Council's property assets, including the investment requirements for 2017/18 and future years.

2.1 **Links to Section Asset Management Plans, Corporate Asset Management Plan and Area Plans.** The brief statement below indicates how the Service Plan links its own Sections' plans to this plan and other corporate plans.

2.1.1 This Service Asset Management Plan has direct links to the Local Outcome Improvement Plan as follows:

- Outcome 02 - We have infrastructure that supports sustainable growth;
- Outcome 04 - Children and young people have the best possible start; and
- Outcome 06 - People will live in safer, stronger communities.

It also has direct links to the Council's Corporate Plan Outcomes of:

- A Place people choose to Live;
- A Place people choose to Learn;
- A Place people choose to Work and Do Business.

In particular this Service Asset Management Plan will assist in delivering the following Strategic Priorities resulting from the Council's Corporate Plan Outcomes:

- Make Argyll and Bute the best and easiest place to do business in.
- Use Council resources and facilities innovatively to generate income in order to protect and enhance services.
- Take advantage of the opportunities improved broadband availability brings and continue to demand improved mobile phone coverage.

The People Strategy has direct relevance to this Plan in that it provides the context for continuous improvement for all services, setting out the Council's commitment to identifying areas and opportunities within services for growth and improvement. The planning and performance management element of the People Strategy relates directly to asset management to ensure the Council is enriching asset performance data along with a good range and balance of information that allows improved scrutiny at a strategic level. As a result, the Council will make best logistical and economic use of its assets by improving asset performance throughout the office rationalisation programme. This Plan directly supports the outcomes of Area Scorecards and directly links to previous Area Plans by requiring action to remove or minimise risk to the Council's assets.

2.1.2 The requirements of the Council's Corporate Asset Management Strategy are adhered to.

2.1.3 The SAMP has been compiled using current corporate data, following regular audits, to identify the number and condition of Property and Light Vehicle assets across the Council estate.

2.1.4 This Plan deals with the disposal of surplus property assets to fund investment in existing assets per the Corporate Asset Management Plan (CAMP).

2.1.5 We are continually monitoring the Property Disposal strategy and process to refine and improve, as necessary, the existing surplus property management arrangements. Following the Council adoption of the Third Sector Asset Transfer strategy, a Third Sector asset transfer process is in place. The strategy and process are also being monitored and will be updated further following the publication of the regulations and guidance associated with the Community Empowerment legislation.

2.2 Service role within Department, Council and Council Areas: Sections 2.2.1 to 2.2.6 provide an explanation of the Service and how it deals with Area and Corporate requirements.

2.2.1 The Council consists of four distinct departments headed by the Chief Executive or an Executive Director, and Customer Services, as part of their range of operations, provides in-house support services to other Council departments. This is done through four Heads of Service for: Facility Services; Customer and Support Services; Governance and Law; and Improvement and Human Resources. The department also provides a range of direct services.

2.2.2 Facility Services manages the Council's property assets including energy and carbon management; offers a catering and cleaning service for all Council premises as well as a fleet management service for light vehicles and school and public transport. Transitional arrangements are also being developed to facilitate the provision of an estates service via the Special Projects Team. This relates to services including the acquisition, disposal and leasing of property.

2.2.3 Customer and Support Services provides the following services:

- ICT – provision and maintenance of application servers, voice and data network including unified communications and video conferencing, desktop support to all Council departments except secondary schools, first line support of applications, installation and testing of software upgrades and new releases, interfaces between applications, procurement of new systems and project management of their implementation, ICT strategy and general ICT advice to Council.
- Customer Service – access to a wide range of council services via a network of Customer Service Points, the telephony service point, and information and transactional capabilities on the Council web site. Responsible for registration of births, deaths and marriages.
- Procurement and Commissioning - payment of suppliers and employee travel and subsistence claims, maintenance of Members register of expenses. Procurement of best value contracts in line with legislation. Commissioning of

social care services. Management of key Council contracts.
- Revenues and Benefits - collection of local taxes (including council tax reduction scheme) and sundry debts, collection of domestic water and sewerage charges on behalf of Scottish Water, administration of Scottish Welfare Fund, and administration of housing benefit on behalf of DWP. Council-wide cash collection processing and control.
- It leads on the cross council response to welfare reforms though the Welfare Reform Working Group and is driving forward a consortium based bid to deliver financial inclusion services under contract to the Big Lottery Fund.

2.2.4 Governance and Law provide a range of largely, but not exclusively, internal services e.g. supporting Council services, Councillors and the framework which the corporate objectives of the Council and Community Planning are pursued. It includes Legal Services: Commercial and Corporate, and has responsibility for delivering elections and providing support to Community Councils.

2.2.5 Improvement and HR provide a range of internal professional support services to the organisation. This includes HR and payroll, which ensures compliance with the Council's legal requirements as an employer, including the management of trade unions relations. The Improvement and Organisational Development function are responsible for corporate policy, planning and performance management; best value, self-assessment and improvement; organisational development, learning and training, including statutory compliance with the Scottish Social Services Council (SSSC) and the operation of a Scottish Vocational Qualification (SVQ) centre. The Health and Safety team advise, support and train employees and managers on their statutory responsibilities relating to health and safety law and the corporate communications team oversee internal and external communications for the Council, including management of print and social media and managing press relations.

2.2.6 More detailed service information is available in the appendices.

2.2.7 **Corporate Challenge:** In undertaking the duties outlined within section 2.2.2, on behalf of Customer Services, Facility Services and the Special Projects Team apply a corporate challenge to all other services to keep the Council's overall land and property base under constant review. This is to enable robust investigation of opportunities for rationalisation/cost reduction, property investment and alignment with SOA/LOIP and Corporate/Service objectives. In turn, this approach helps to ensure appropriate targeting of future investment only on assets that require to be sustained on an ongoing basis. Wherever possible, these opportunities will be investigated jointly with our Community Planning partners.

2.3 **Service Legislative Requirements:** Statutory implications affecting Services assets include:-

2.3.1 Facility Services is responsible for the provision of all statutory health and safety property inspection, testing and maintenance requirements which are governed by more than 50 pieces of legislation, codes of practice and British and European standards. The following, while not exhaustive, are the main pieces of legislation which drive the statutory maintenance and inspection programme:
- Health & Safety at Work Act

- Electricity at Work Regulations
- Control of substances hazardous to health (COSHH)
- Control of Asbestos Regulations
- Fire Precautions Act/Fire (Scotland) Act
- Gas Safety Regulations
- Lift Operations and lifting Equipment Regulations
- Legionella - Approved Code of Practice and Guidance Document.

Facility Services is governed by the following requirements:

- Local Government (S) Act - requirements to obtain the best consideration reasonably obtainable for the disposal of surplus property assets; and provision of school transport in accordance with policy and legislative requirements.

In addition, the Council's existing Carbon Management targets require to be realigned to national greenhouse gas emission targets (80% by 2050 with interim target of 42% by 2020; 1990 baseline) with reductions in energy and utility consumption etc. delivered through capital and revenue funded Carbon Management Programmes.

2.3.2 Customer and Support Services is affected in a variety of ways, a selection of which are detailed below:-

i. Council tax collection is a statutory function under the Local Government Finance Act 1992.
ii. Collection of domestic water and sewerage is also a statutory function under the Water Billing and Collection Orders.
iii. Collection of non-domestic rates and BID levies is governed by various acts from Local Government (Scotland) Act 1947 onwards.
iv. Payment of suppliers needs to be made timeously to avoid interest under the Late Payment of Commercial Debts (Interest) Act 1998.
v. Procurement is regulated by EU Procurement Directives and Procurement Reform (Scotland) Act 2014, Public Contracts (Scotland) Regulations 2015 and Procurement (Scotland) Regulations 2016.
vi. Administration of housing benefit under benefits legislation on behalf of DWP.
vii. Administration of Council Tax Reduction Scheme under The Council Tax Reduction (Scotland) Regulations 2012.
viii. Administration of Scottish Welfare Fund under the Welfare Funds (Scotland) Act 2015.
ix. Registration under Registration of Births, Deaths and Marriages (Scotland) Act 1965; Marriage (Scotland) Act 1977; Civil Partnership Act 2004; and Local Electoral Administration and Registration Services (Scotland) Act 2006.
x. Issue of blue badges under The Disabled Persons' Parking Badges (Scotland) Act 2014.

All the above statutory functions are delivered with the support of resilient, highly available and reliable ICT information systems.

2.3.3 Improvement & HR support services are governed by a range of legislative frameworks including:

Health and Safety

- Health and Safety at Work Act (1974) and regulations enabled by that act

- Fire (Scotland) Act (2005)
- The Health Act (2006)
- The Smoking, Health and Social Care Act (Scotland) (2005)
- The Health and Safety (Offences) Act (2008)

Human Resources and Organisational Development (HROD)

- The Local Government Scotland Act 2003 – duty to deliver best value
- Equalities Act 2010
- Gaelic Language (Scotland) Act 2005
- Employment Rights Act 1996
- Local Government Scotland Act 2003 – Recruitment
- Protection of Vulnerable Groups (Scotland) Act 2007
- Immigration, Asylum and Nationality Act 2006
- Equalities Act 2010
- ACAS Guidance
- HMRC Guidance for Employers
- Pension Regulations for Local Government and Teachers

Communications Team

- Local Government Scotland Act (1986) – Code of Recommended Practice on Local Authority Publicity

3 FUTURE PLANNING

3.1 **Asset Register/Systems Software:** A brief description of the systems and processes in use to record asset, acquisition and disposal, and performance is provided in sections 3.1.1 to 3.1.6**.**

3.1.1 The Council uses a commercially available and externally supported Property Management System (Concerto) to ensure property asset information is held corporately in one location. The information held includes core data about the asset, Estates information, Statutory Maintenance details, Capital Project information and Property Repairs Information. During 2017/18 there will be continued development in populating/cleansing/updating Concerto to provide consistent and robust property asset information and performance data to permit services to take key decisions regarding the managing of property assets in the future supported by the best quality information on asset performance.

3.1.2 Future developments will include further collaborative working with Development and Infrastructure to secure the mapping of the property data held within Concerto. Additional collaboration with Governance and Law should assist with the ultimate goal of digitally recording all title information.

3.1.3 The Council's vehicle fleet is managed via the Tranman Fleet Management System.

3.1.4 The Council has a detailed process for managing the acquisition of new ICT systems which involves scoring the proposed systems against a matrix of attributes along with consideration of the related business case. The ICT Steering Board will then allocate funds to those proposals which score best provided all exceed a given threshold.

3.1.5 The Council’s payroll and HR management information, for all employees and elected Members, is contained within the commercially available Resourcelink HR and Payroll system. Updates, version migration, to accommodate for example, new legislative requirements on tax, NI or pensions, is carried out by the HR team with external contracted support from Northgate Arinso. HR management reports are developed and run by the HR team. There is a corporate improvement project currently underway (Resourcelink 3) and a further project at business plan stage (Resourcelink 4) to improve the functionality, efficiency and effectiveness of this system, its operation and its performance reporting. A further phase of this improvement project is scheduled and underpins both the Digital First Agenda of the Council and the business efficiencies required to make savings from the service in 2018/19.

3.1.6 The Council uses the commercially available QPR software system, commonly known as Pyramid, to collate, analyse and report on all performance information. Updates and new versions are implemented by the IOD team members. QPR is populated with information from a range of other systems across the Council, such as Resourcelink, to ensure accuracy of performance data.

3.2 Anticipated developments within next five years: The key features likely to affect assets and their use in the period, including environmental, obsolescence issues etc. are as follows:

3.2.1 The Council faces an extremely challenging financial outlook with reductions in public spending and population decline both having a significant impact on capital funding. Within this context of reduced budgets the department is looking to progress capital projects and water quality risk assessment remediations, on a risk based approach; in response to legislative changes; and maximising efficiency within the Council’s estate.

3.2.2 Office rationalisation programmes will continue to be developed by Property Services over the next two years and will be carried out in conjunction with asset sustainability and carbon/energy management programmes. The main objective is to reduce the number of buildings that the Council occupies in line with the staff numbers, service needs and any associated outcomes from Service Choices. In particular, the Council will continue to work closely with Community Planning partners, supported by the Scottish Futures Trust, to deliver asset rationalisation using the Smarter Places Review methodology. In addition, we will continue to work closely with the Argyll and Bute Health and Social Care Partnership to identify opportunities for asset sharing in relation to both property and information. This work will be taken forward through the application of the Corporate Challenge approach referred to in section 2.2.7.

3.2.3 The Health and Safety Executive Approved Code of Practice (ACOP) L8 ‘Legionnaires’ disease – The control of legionella bacteria in water systems’ was revised in 2013. Water quality/Legionnaires is a key consideration in terms of asset management and Property Services has subsequently conducted a robust re-assessment of risks in water systems throughout the Council’s entire estate (circa 400no. premises with water systems). This important risk assessment programme is now complete and a substantial number of risks have been identified for resolution. Customer Services is therefore looking to implement the necessary remediations in the Shared Accommodation in the short term (2-3 years).

3.2.4 The school and public transport service will be kept under review to ensure that it is fit for purpose given the changing policy and legislative context.

3.3 **Action Plan:** A brief summary on planned replacement and improvement programmes based on existing block allocation together with a note of other areas requiring consideration is indicated in sections 3.3.1 to 3.3.3.

3.3.1 Facility Services will continue with its work to ensure that the Council's property estate is kept efficient, fit for purpose and aligned to the SOA/LOIP and Corporate Objectives with investment being targeted on the basis of risk. As a first step, measures will be taken to investigate opportunities for office rationalisation in Islay and Bute. In addition, the Estates service will actively promote the sale or lease of properties surplus to the requirements of the other Council services including those that become surplus from completed office rationalisation projects. Particular emphasis will be placed on investigation and delivery of enhanced commercial returns from investment in non-operational properties. This will include an ongoing review of the investment portfolio with a view to maximising the benefit that can be achieved from the Council's existing land and buildings. Facility Services will also continue to support the development of new property assets in tandem with the sponsoring service e.g. the proposed Helensburgh Waterfront Development in collaboration with Development and Infrastructure Services; and the refurbishment of Dunoon Primary School in collaboration with Community Services. Business cases for carbon management projects requiring funding from prudential borrowing will be developed and presented to Council for consideration out with the capital plan programme cycle.

3.3.2 The Council's vehicle assets will continue to be monitored in terms of condition, suitability and on-going use and will be subject to replacement/disposal as required by our rolling programme.

3.3.3 Reconciliation between the Council's financial management system (AIRS) and property management system (Concerto) will continue to be carried out in accordance with the asset priorities set by the Strategic Asset Management Board (SAMB).

3.4 **Financial planning for Capital and Revenue needs:** The following brief summary indicates the financial position based on existing plans.

3.4.1 The Plan assumes that capital resources will reduce in the coming years resulting in increased risk of building and building component failure and the likelihood of increased interruption to service delivery. There is also limited scope for a programme of planned maintenance of buildings and we will continue to operate with a risk based approach to Health & Safety issues, statutory maintenance and reactive maintenance to maximise the impact of the limited financial resources we have available. Within this context capital projects will be considered through the business case process taking full account of the risk associated with the condition and suitability of assets as highlighted in this Plan. A draft capital allocation has been identified for offices in 2017/18 and this will be used to implement asset sustainability projects that will primarily deal with external fabric upgrades and mechanical and electrical plant replacement.

3.4.2 While recognising the impact of the UK government triggering Article 50 of the Treaty of Lisbon, the opportunity for projects to be co-financed from European funding programmes up to 2020 will be explored. In particular projects will be checked by the Council's European Team for alignment with the following European (EU2020) Themes:

1. Strengthening research, technological development and innovation.
2. Enhancing accessibility to, and use and quality of information and communication technologies.
3. Enhancing the competitiveness of SMEs innovation.
4. Supporting the shift towards a low-carbon economy in all sectors innovation.
5. Promoting climate change adaptation and risk prevention.
6. Protecting the environment and promoting the sustainable use of resources.
7. Promoting sustainable transport and removing bottlenecks in key network infrastructures.
8. Promoting employment and supporting labour mobility.
9. Promoting social inclusion and combating poverty.
10. Investing in education, skills and life-long learning.
11. Enhancing institutional capacity and an efficient public administration.

3.5 Service Provision Risks

3.5.1 The overall financial context prevents the Council from adopting the required planned maintenance programme for its property assets. This in turn leads to properties deteriorating on an on-going basis. We are therefore highlighting high risk property assets for attention through the Capital Plan Gateway Process. Similarly our vehicle assets are being prioritised for replacement having regard to the risk presented by their condition and suitability.

Appendices – Detailed Service Information

Appendix 1	Facility Services
Appendix 2	Customer and Support Services
Appendix 3	Governance and Law
Appendix 4	Improvement & HR
Appendix 5	Asset Performance Data Summary for Customer Services excluding IT Infrastructure

APPENDIX 1 Detailed Service Information **Facility Services**

Head of Service: Malcolm MacFadyen

Included with the service functions listed below are certain service targets seen as significant in the context of Asset Management:-

a) Provide and manage safe, efficient, fit for purpose public buildings which enhance service delivery through statutory legislation, informed testing and maintenance programmes.

b) Provide catering and cleaning services across Council facilities in a responsive and proficient manner appropriate to the Council's business.

c) Achieve further reductions in energy consumption, utility consumption and carbon emissions aligned to national targets through Council-wide capital and revenue based energy and carbon management programmes.

d) To assist in the preparation of business cases for property related programmes in the pursuit of office rationalisation, energy and carbon management, and the achievement of Council development plans such as the Improvement Plan, Process for Change and Capital Plan.

e) The Estates Section is involved as follows:
   - Asset Valuations
   - Rating Appeals
   - Lease management (Lease renewal; New lettings; Rent reviews; Enforcing lease conditions
   - Debt re-scheduling
   - Disposals
   - Acquisitions
   - Dilapidations
   - General property advice

   The Estates Section manages the investment portfolio and the leased properties on behalf of the other Council departments. Properties which are surplus to the requirements of the other departments are processed for disposal by the Estates section. These functions help to drive forward the maximisation of income through good property management and through the disposal of surplus assets and the reinvestment of sale proceeds into the remaining property portfolio. These functions shall also assist with the development and subsequent implementation of a revised property disposal strategy which will take account of the potential for property assets being transferred to the third sector.

   Facility Services will continue to support this activity following the transfer of the Estates Service to the Special Projects Team.

f) Administration of contracts for school and public transport and where appropriate direct provision of school transport together with a fleet management service for light cars, vans and buses across Council services.

APPENDIX 2 Detailed Service Information **Customer and Support Services**

Head of Service: Judy Orr

ICT – provision and maintenance of application servers, voice and data network including unified communications and video conferencing, desktop support to all Council departments except secondary schools, first line support of applications, installation and testing of software upgrades and new releases, interfaces between applications, procurement of new systems and project management of their implementation, ICT strategy and general ICT advice to Council. Provision of a limited range of IT application support services to ACHA under a service level agreement .

Customer Service – access to a wide range of Council services via a network of Customer Service Points, the telephony service point and information and transactional capabilities on the council web site. Responsible for registration of births, deaths and marriages.

Procurement and Commissioning - payment of suppliers and employee travel and subsistence claims, maintenance of Members register of expenses. Procurement of best value contracts in line with legislation. Commissioning of social care services and commissioning in support of the Health & Social Care Partnership. Management of specialist ordering teams for all travel and accommodation, construction and educational supplies. Management of key Council contracts. Management of Council imprest accounts.

Revenues and Benefits - collection of local taxes (including council tax reduction scheme) and sundry debts, collection of domestic water and sewerage charges on behalf of Scottish Water, administration of BID levies for Bid4Oban and PA23, collection of non-domestic water and sewerage charges on behalf of MACC, administration of Scottish Welfare Fund, and administration of housing benefit on behalf of DWP. Liaison with DWP’s Single Fraud & Investigation Service. Corporate counter fraud team. Council-wide cash collection processing and control.

Overall co-ordination of Council’s response to welfare reform.

APPENDIX 3 Detailed Service Information **Governance and Law**

Head of Service: Charles Reppke

Governance and Law provide legal services as well as offering support to elected members around the democratic processes. Governance and Law manage the operation of the Council's democratic processes, election processes, oversee the governance of the organisation and ensure compliance with all necessary regulations and standing orders including:

- Compliance with the scheme of delegation in regard to the disposal of assets.
- Compliance with the scheme of delegation in relation to voluntary work on Council assets.
- Preparation of formal offers to buy and sell property, take or grant servitude rights, etc., conclusion of relevant bargains, attending to all conveyancing matters, settling transactions and recording/registering titles.
- Preparation of formal offers to lease property or enter into variations or assignations of leases, conclusion of relevant bargains and completing all conveyancing formalities.
- Preparation and negotiation of the terms of contracts.
- Management of the Council's insurances including consulting on requirements, tendering and obtaining quotations, dealing with inquiries and claims made by and against the Council.
- Provision of an in-house debt collection service including writing to, emailing and telephoning debtors and initiating court proceedings as necessary.
- Provision of a rent roll system in relation to the Council's leased properties, issuing rent notices and reminders and pursuing outstanding rents as required.
- Provision of advice and legal services in relation to Planning and Roads law including dealing with sections 69 and 75 Planning Agreements, Tree Preservation Orders and Traffic Orders.
- Provision of advice in relation to and dealing generally with the making and implementation of Compulsory Purchase Orders.
- Provision of all functions in relation to the administration of liquor and civic government licensing.
- Representation of the Council at all courts, tribunals and inquiries as necessary.
- Initiating and defending court proceedings by and against the Council.
- Provision of legal advice on all aspects of Social Work, Education and Employment law.
- Provision of a corporate framework, advice and guidance in relation to Freedom of Information, Data Protection legislation and Civil Contingencies.
- Ensure compliance with Community Safety and Anti-Social Behaviour duties.
- Compliance with the duties placed on the Council by the Civil Contingencies Act.

APPENDIX 4 Detailed Service Information **Improvement and HR**

Head of Service: Jane Fowler

Improvement and HR (I&HR) provides a range of largely, but not exclusively, internal services supporting other Council services and elected Members. The main functions of I&HR are the provision of specialist advice and expertise on health and safety, HR and communications to the Council as a whole and to specific Council Services. The service also provides the payroll service to all employees and elected members. I&HR also supports Council Services to improve performance by developing the people assets employed by the Council through learning and development and the business processes of the Council through improved business and management systems and processes. The service is the custodian of the Council's Planning and Performance Management Framework, is responsible for ensuring that processes are in place to achieve best value and that we are compliant with legislation on equalities and Gaelic. The specific service team activities include:

Health and Safety

- Provide specialist health and safety advisory and support services.
- Provide specialist health and safety training.
- Provide policies, standards and guidance on health and safety issues.
- Provide health and safety contractor assessment.
- Monitor and report on health and safety activities and compliance.

Human Resources and Organisational Development (HROD)

- Provide accurate, legally compliant and timely employee and elected member pay.
- Comply with pensions, tax and national insurance regulatory and legislative requirements.
- Provide professional advice and support to members, employees and management to ensure compliance with employment and other relevant legislation.
- Develop HR policies and procedures to ensure that the Council's duties as an employer are discharged.
- Negotiate and comply with national and local collective agreements with the recognised trades unions, maintaining good employee and industrial relations.
- Deliver corporate policy guidance and advice on people related matters.
- Develop, review and implement the Planning and Performance Management Framework, including corporate, service, team planning and PRDs.
- Implement and manage a corporate performance management system.
- Ensure processes are in place to comply with best value.
- Lead on the development and implementation of corporate improvement programmes and projects across the council.
- Provide corporate information and analysis to the organisation.
- Ensure compliance with equalities legislative requirements.
- Ensure compliance with the Gaelic Language Act.

- Deliver corporate and social work learning and development programmes informed by legislation, corporate priorities and PRDs.
- Provide an accredited SVQ centre service.
- Support and deliver change management and workforce planning and development.

Communications

- Protect and enhance the council's reputation through appropriate use of media.
- Support effective internal communication.

ARGYLL AND BUTE COUNCIL **COUNCIL**

CUSTOMER SERVICES **23 FEBRUARY 2017**

ICT GROUP ASSET MANAGEMENT PLAN

1.0 EXECUTIVE SUMMARY

This latest version of the ICT Group Asset Management Plan (GAMP) has been updated following a review of the most recent ICT Asset Performance Data. The plan incorporates outcomes from the Corporate Plan 2013-17 and has received contributions from all services and has been approved by all Departmental Management Teams before submission to the full Council. The Plan has been compiled using current corporate data and follows regular audits to identify the number and condition of ICT assets in use across the Council estate. It has taken a lead from the Council's current ICT Strategy and ICT service priorities as agreed by the ICT Steering Board, and influenced by the draft new ICT and Digital Strategy which is under development.

The format of the GAMP was agreed following a review of the existing Asset Management process by the Special Projects Team which involved an examination of the current Service Asset Management Plans (SAMP). The Strategic Asset Management Board agreed that the ICT Service should continue to produce a GAMP rather than a SAMP.

The primary objective of maintaining a Group Asset Management Plan is to achieve the aims and objectives of the Corporate Asset Management Strategy, ensuring assets are:

- Fit for purpose;
- Used efficiently;
- Maintained on a sustainable basis; and
- Matched in investment terms to service needs.

In addition to measuring current asset condition, suitability, and overall performance, the GAMP contains significant details around “Emerging Departmental Priorities” which represent the key Council business development priorities that are dependent on underpinning ICT technologies and services. This has become the main feed into the ICT Development Plan and the resulting allocation of ICT Capital. Some of the items listed in section 5 are critical to each service transformation programme and although many may be “concepts” at this stage a fuller business case analysis is be carried out and presented to the ICT Steering Board as detailed proposals – normally via the appropriate ICT Client Liaison Officer. The Council's Capital programme has decreased significantly and the level of investment available for the ICT Capital Programme has fallen to a level where we are able to maintain existing assets but unable to completely satisfy the demand from departmental emerging priorities. The priorities for investment will therefore be determined by the ICT Steering Board through the ICT Development Framework and included in the ICT Development Plan for future years and then ratified by the Strategic Asset Management Board. It is clear, however, that the funding requirement is already much greater than the funding levels available for the next three years.

The reduction in capital funding will have an impact on the Council's ability to maintain and upgrade its applications, IT infrastructure and equipment to keep pace with improvements in technology. The critical service emerging priorities will not all be met following the reduction in capital. The programme will instead deliver limited infrastructure maintenance and a much reduced development programme covering only the highest priority projects The cycle for the replacement of PCs and laptops has increased from 3 to 4 years in corporate environments and 4 to 5 years in schools with no warranty or maintenance on PCs after the first 3 years. This will have consequences on the reliability of desktop equipment and our ability to work with the latest releases of application software.

ARGYLL AND BUTE COUNCIL **COUNCIL**

CUSTOMER SERVICES **23 FEBRUARY 2017**

ICT GROUP ASSET MANAGEMENT PLAN

1.0 INTRODUCTION

1.1 This 2017-18 ICT Group Asset Management Plan (GAMP) is the the fourth annual plan produced following a review of the Asset Management Plan formats carried out on behalf of the Strategic Asset Management Board (SAMB). This latest version of the ICT GAMP incorporates outcomes from the Corporate Plan 2013-17 and has been updated following a review of the ICT Asset Performance Data. The SAMB have agreed again for 2017/18 that ICT will continue to develop the GAMP format rather than the Service Asset Management Plans covering all other services.

1.2 In an extremely challenging financial climate, the levels of ICT Capital investment have decreased significantly and this has had a major impact on the ICT Development Programme. Despite decreasing funding levels the Council has recognised that ICT has a key role to play in helping it to become a “forward looking and ambitious” organisation through the delivery of reliable and efficient ICT Services, by maximising access to information to support better quality decision making, via continuous improvement, and supporting a change in work styles. A newly published Assisted Digital Strategy will sit alongside a new ICT Strategy for 2017-2020 and the Council expects the ICT Service to seek further opportunities to contribute to an on-going transformation programme and to help deliver the greatest service delivery efficiencies possible. This will be much harder to achieve with significant decreases to the ICT Capital budgets. This new GAMP for 2017/18 therefore carries a significant message about investment in IT services and clearly shows how the ICT Steering Board will prioritise only the highest scoring business cases from services. Where possible the board and ICT service will continue to try to ensure assets are matched in investment terms to service needs but the capital allocations for the next two years will not meet all of the emerging departmental priorities for ICT investment.

2.0 LINKS TO CORPORATE & SERVICE DEPARTMENT PRIORITIES

2.1 This ICT Group Asset Management Plan has been compiled using current corporate data and follows regular audits to identify the number and condition of ICT assets in use across the Council estate. It includes an assessment of additional ICT systems used by services rather than only those funded via previous capital investments and approved by the SAMB. The plan has taken a lead from the Council’s ICT Strategy and ICT service priorities as agreed by the ICT Steering Board. The ICT service is an ‘enabling’ function which supports the Council in its delivery of services and in performing a leading role in the local community. The Council’s Corporate Plan 2013-

17 outlines our key corporate objectives and outcomes where we are “forward looking and ambitious, continuously improving our relationship with our partners, customers and employees to ensure that we deliver the right services, by the best people, in the best way. In this time of efficiency savings we are continuing to transform the Council”.

2.2 The Council's Communication Strategy and Corporate Plan aims to ensure both internal and external communications are robust, reliable and capable of supporting an extended service delivery culture amongst our customers and community planning partners. In turn, the GAMP looks closely at the core server and network components required to support such a culture and presents a manageable maintenance and replacement cycle while recognising, responding to and addressing emerging risks associated with this environment.

2.3 ICT has a key supporting role in the Council’s corporate objective of “Working together to improve the potential of our area” by supporting the development and modernisation of the region’s broadband and mobile networks. Various national initiatives are underway to provide the core infrastructure needed to deliver a vision for Scotland’s Digital Future. At the heart of the vision is a programme of work to modernise and upgrade the core national communications infrastructure and introduce standards for sharing information, collaboration, and interacting with other agencies.

2.4 The Council is particularly involved as an early adopter of the Scottish Wide Area Network (SWAN) and is a participant, through Pathfinder North, in the SWAN Vanguard project. We are currently transitioning from the old Vodafone network to the new SWAN network and the objective is to maintain stability and service delivery while we push to get the best value from a significant investment. The Council is also involved in both the Highlands and Islands and Rest of Scotland Next Generation Broadband projects which are delivering super-fast broadband speeds to most of the premises in our area. These are recognised as being central to the economic development of our area. The Council’s private network requirements have stimulated growth in the development of the national fixed and mobile networks in our area and, with improvements coming to infrastructure across all communities, ICT and the Digital First agenda will play a greater role in the way services are delivered to our constituents and customers, and in the way we communicate with our partners and stakeholders. The network must also continue to meet the very high security standards set by the Cabinet Office via the new PSN accredited standard and it is essential the Council continues to invest in a maintenance and replacement programme on the current 5 year replacement cycle.

2.5 ICT also has a key role in delivering the objective of “Working together to improve the potential of our organisation”. We are working with Health partners to support the new Integrated Joint Board and will continue to push for seamless integration between both organisations with all staff able to communicate freely and access the infomation they need to do their job properly. This has been a significant challenge but significant progress has been made.

2.6 ICT will continue to support the Digital First initiative and help make it easy for our citizens to do business with us online, through the customer service centre, telephony centre and service point network. We will help improve the efficiency of the internal organisation through providing more integrated systems and make it easier to communicate. In particular ICT will embrace the opportunites presented via the improvements to the fixed and mobile networks enhance this Council's delivery of services in an area of challenging geography.

2.7 The Council's Corporate Plan contains a number of specific Corporate Outcomes which ICT assists in delivering as follows:

ICT related Corporate Outcome	**Comment/ Current Status**
We will help our communities to help themselves and will be proactive in making sure that our communities are empowered to work in partnership with the Council to meet their local needs.	We continue to develop our digital first agenda to ensure the necessary systems and processes are in place that support and enhance customer focussed service delivery. A new Assisted Digital Strategy will be supported by a new ICT and Digital Strategy for 2017
We will provide outstanding Education to young people so that our schools attract people to live in the area.	Schools continue to benefit from the Education Domain Expansion, access to GLOW2, centralised ICT Support and the corporate PC replacement programme. We are seeking innovative ways to support the delivery of Education services such as the deployment of Lync to schools
We will take advantage of the opportunities improved broadband availability brings and continue to demand improved mobile phone coverage	We continue to use our relationship with broadband and mobile providers to influence service and availability improvements across the region. We will progress the transition to the new SWAN network and the use of new Next Generation Broadband Services as they become available for Council and community use.
We will promote and market Argyll and Bute and encourage companies and individuals to relocate to this area	Many services are now delivered online. Our digital first strategy will offer more efficient and easier to use online services for the benefit of all of the Council's customers and partners.

ICT related Corporate Outcome	Comment/ Current Status
Provide excellent communications, customer service, consultation and engagement	Customers can access council services more easily via multiple communication channels and these services are continuously improving. IT applications and infrastructure are available to users when they want to use them, and meet business needs. The Council's data centres have been rated as the most efficient in the Scottish public sector. We have systems and processes in place that support and enhance customer focussed service delivery

2.8 The national Local Government Strategy for ICT refers to a changing political landscape and points towards potential shared service opportunities available with other partners of the new Scottish Wide Area Network. The Council's continued Public Services Network (PSN) accreditation and the resulting security procedures and controls the Council has had to adopt ensure we can continue to communicate with other public sector partners and could consider sharing services in the future. Our data centres have been the subject of a national infrastructure case study and are regarded as the most efficient of all those surveyed. Our continued PSN accreditation and our efficient and secure data centres alongside our advanced use of Unified Communications have positioned the Council as a very attractive potential shared services partner and ICT will continue to seek to exploit any opportunities that may arise in this area.

3.0 ASSET MANAGEMENT OBJECTIVES

3.1 The primary objective of maintaining a Group Asset Management Plan is to achieve the aims and objectives of the Corporate Asset Management Strategy, ensuring assets are:

- Fit for purpose;
- Used efficiently;
- Maintained on a sustainable basis; and
- Matched in investment terms to service needs.

3.2 While the Asset Management Board is responsible for the management of the strategy, the ICT Steering Board operates within a framework designed to ensure all of the above four objectives are met. The ICT Steering Board meets quarterly and includes senior representatives from all service departments. The board considers and approves the Council's ICT Development Plan prior to the plan's submission to the Strategic Asset Management Board. This ensures all projects included in the ICT Development Plan have been assessed and agreed by a Council wide body of departmental representatives before it is presented to the SAMB for funding approval.

3.3 Although there is a well-established process for evaluating capital funding proposals within the Council and the Strategic Asset Management Board employs a standard approach to business case presentation, it was agreed the process was not entirely appropriate for evaluation of ICT proposals specifically. In addition the Council applied an evaluation process to outputs from the last service reviews and decided to take some additional projects forward. Features of both of these methods have been exploited but adapted accordingly for the purpose of evaluating ICT proposals by the ICT Steering Board. The board adopted an ICT Development Framework as a means of assessing ICT Projects and to outline an approach and method for evaluating development proposals for inclusion with the ICT Development Plan.

3.4 The purpose of the ICT Development framework is to establish a consistent and transparent method for the evaluation of ICT proposals being presented to the ICT Steering Board and subsequently to the Strategic Asset Management Board. The framework allows competing demands for Council resources to be compared like for like with the purpose of establishing an ICT Development Plan that will include a mix of small and significant ICT developments that are both affordable and deliverable. The current ICT Development Plan will form the basis of the ICT Capital Plan for 2017/18 onwards and will be the sole mechanism for determining the ICT Asset service development priorities and the levels of funding required to meet them.

3.5 The approach adopted by the board is largely based on that adopted for recent Council service reviews and focuses on key elements for assessment and prioritisation. i.e.

- Impact
    - Corporate Plan;
    - Customers;
    - Individual Service Plans;
    - Legislative / regulatory compliance;
    - ICT Strategy
- Affordability
    - Negative or positive financial impact
- Deliverability
    - Timescale;

    - Resource needed/ available (IT and non IT);
    - Complexity
- Implementation Risk

The following method is applied in scoring proposals:

- Each element (impact, savings, deliverability and risk) is scored out of 100.
- A weighting of 40% impact, 30% affordability, 15% deliverability and 15% risk is applied to the score out of 100 to get the weighted score for each element. The total score is the sum of the weighted scores for each element.
- Scoring is completed on the assessment template provided by the project team.
- The factors considered and rationale for score are to be captured on the template

4.0 CURRENT ASSET MANAGEMENT PERFORMANCE

4.1 While the ICT Development Framework will determine the new investment priorities as outlined above, the Council has accepted that all of the operational & sustainability assets included in this plan require a properly funded programme of maintenance and replacement. Maximum lifespan for servers and communications equipment has been agreed at 5 years and the ICT GAMP and the investment profile previously reflected a cycle of replacement over the 5 year period. This fell in line with best practice and recognised the need to maintain a reliable and robust core infrastructure. The recent overall reduction in the Capital allocation for ICT puts that cycle at risk. While the majority of the allocation has been set aside for Asset Sustainability projects there is an insufficient amount availale to replace the Council’s servers within the previously agreed timescale. The industry is moving towards an externally hosted cloud model where the core server infrastructure is purchased as a service and hosted anywhere in the Internet “Cloud”. The ICT Service has worked with Gartner and has concluded a widespread move is not yet in the best interests of the Council. The reducing capital investment levels may well force the Council towards that model – even if the traditional data centre proves to be more efficient. The ICT Service has therefore assessed and reported on the condition and suitability of the core infrastructure assets on the basis of their relative age against an expected five year lifecycle but in line with the changes seen across the IT industry, will look for opportunites to transition to a revenue based cloud service model for the major departmental applications once the market is mature enough and more affordable.

4.3 ICT will continue to monitor the use and condition of software and system assets but the responsibility for determining suitability, in particular with those systems delivering a service governed by legislative requirements, rests firmly with the service departments. The initial suitability assessment for software and applications included in this plan has been made in conjunction with the ICT Client Liaison Officers (CLOs) but has been be verified through approval at DMTs.

4.4 A PC & Laptop Asset Management system records details of all devices deployed across the network. Additional records of IT equipment are maintained on Excel Spreadsheets. In addition the ICT service maintains a software licence database covering all major corporate applications. It includes a performance assessment of a wide range of departmental systems.

4.5 Systems records includes details of the core and standard build desktop software in use across both the corporate and education networks. There is a detailed desktop software inventory taken from our PC Software Asset auditing system – SNOW. The inventory is so vast it is not possible to produce a performance assessment of every software product but it is hoped the inventory will highlight areas of duplication or where the use of software can be improved.

4.6 Responsibility for the supply and maintenance of desktop equipment has changed since the introduction of the 3 year corporate and 4 year Education replacement programme for all PCs and laptops. The replacement programme focuses on standard PCs, laptops, and MACs within schools and the programme had incorporated a limited capacity to deal with exceptional requests from those who require non-standard equipment (e.g. CAD workstations and laptops). Previously some customers suggested the standard equipment is not suitable for day to day use. Several comments in the last satisfaction survey suggested we should be transitioning to tablets or iPads and the Council has responded through the deployment of large numbers of iPads across the schools estate. Some tablets are also in use in other departments. The Council is prepared to take advantage of the opportunities available from the superfast broadband network or the proposed upgrade of the mobile networks to 3G and beyond. Such infrastructure will support an even more flexible workforce where real time mobile access to corporate and departmental systems might become the norm rather than the current exception. A changing working landscape will have a bearing on the types of end user equipment we need to deploy in the support of innovation and in the transformation of service delivery. We asked that such requirements should be clearly articulated by departments and incorporated into proposals to be considered within the ICT Development Framework approval process outlined in section 2 above where the perceived benefits can be tested and quantified using a standard approach and the resulting investment priorities adjusted accordingly. Last year we agreed that the significant reduction in capital allocations will limit the flexibility available within the PC replacement programme and our ability to provide anything other than the standard PCs and laptops. The replacement cycle has been extended in schools to 5 years to accommodate the additional costs associated with the current MAC deployment. In addition the PC replacement programme was cut to a level where the replacement of iPads and tablets are not included and such replacements should continue to be met from school budgets.

4.7 The Workforce Deployment programme transformed the way the Council works and with an extensive wireless and guest wireless network available in all Council offices, our staff and partners can now work from multiple locations. The initial Workforce Deployment plan included many more fully equipped touch down zones than now in use. This was meant to support those working away from their normal office but the project funded an even greater transition by ensuring more users were equipped with a laptop which meant they can work from anywhere where a wireless signal is available. As a result more than 50% of our corporate users are equipped with laptops and the suitability and condition assessments have been adjusted accordingly and show a significantly improving desktop and laptop estate.

5.0 FUTURE SERVICE DELIVERY ASPIRATIONS

5.1 The Council has embarked on a “Digital First” agenda and will aim to use available ICT investment over the coming years to help transform service delivery by enabling more and easier to use online services. Our vision is to “offer digital services so good that all who can use them, prefer to use them”. The SMT are currently considering how the digital programme can help the council to meet future funding challenges especially if a more radical digital approach were adopted. A new digital transformation programme may well be developed to help achieve the following three key principles:

- Services will be delivered as “digital first” and customers who can will be enabled and encouraged to self-serve;
- Customers who are unable to self-serve will be assisted to access services so they are not disadvantaged;
- Service access, delivery and associated business processes will be re-designed to improve performance and productivity and to the reflect the above 2 principles.

Progress continues to be made in transforming online service delivery but the Council’s ambitions in this area has been undermined by the significant reduction in the ICT Capital Programme. If investment levels are such that the majority of available capital funding is required to maintain limited infrastructure maintenance, the opportunities to invest in digital first projects will rely heavily on funds being released from other sources.

5.2 Alongside our digital ambitions and in consultation with departments, ICT have planned for the introduction of many more systems over the next 4 years. The new server room in John Street, Helensburgh is now fully operational and our disaster recovery and business continuity facilities have been reviewed and strengthened to support flexible working challenges, on-net backup facilities between the two major server rooms and to ensure rapid recovery in the event of a major service failure. Digital Scotland recently launched a tool to work out the cost of data centres compared to cloud storage or use of commercial data centres as part of a strategy for reducing IT costs across the Scottish public sector. The two ABC data centres were acknowledged as the most efficient in their sector. The IT Management Team has also worked with Gartner to look at the maturity of cloud based storage and hosting options and have agreed with the Digital Scotland conclusions that the current operations in Argyll and Bute will deliver the most appropriate and efficient services for the Council for the foreseeable future. This class leading environment will need continued investment from the ICT Capital Programme to ensure current efficiency levels are maintained.

5.3 A major upgrade is underway to transition from the current Vodafone private network to the new Scottish Wide Area Network (SWAN) supplied and managed by Capita for the Scottish public sector as a whole. This a major transition programme covering all Council schools and offices. Much of the current network asset sustainability budgets have been allocated to replace customer equipment at each site connecting to the new network. This in turn should provide us with the continued stability and reliability we have come to expect from the existing network but will open doors to further shared service opportunities with other members of the SWAN network. The ICT Service remains confident about the introduction of Lync/SfB in schools and is working with Education colleagues to develop a business case to take the project forward. The pilot at Tarbert Academy is now fully operational. An additional six schools were identified including Campbeltown Grammar and Islay High which now have Skype for Business 2016 running internally, with their affiliated primaries Clachan Primary, Gigha Primary, Keills primary, Skipness Primary, and Small Isles Primary (Jura) now all live. Based on the experience of the pilot and realisation of expected service benefits, a costed business case will be required for the further roll out of LYNC to all schools which will look at the use and management of Lync in schools and the educational benefits it can help deliver.

5.2 The ICT Client Liaison function serves an important role in ensuring that ICT is delivering services very much in-line with the priorities and focus of Departments and the individual services that they represent. Individual reviews of the priorities for each of the four departments were recently undertaken when developing the new ICT strategy and resulting action plans have been produced by the ICT Client Liaison Officers.

5.3 The table "*Emerging Departmental Priorities*" below represents the key business development priorities that are dependent on underpinning ICT technologies and services. Some of the items listed below are merely "concepts" at this stage – in order for an ICT project to progress, a fuller business case analysis will be carried out and presented to the ICT Steering Board as proposals – normally via the appropriate ICT Client Liaison Officer. Those proposals shall be assessed and prioritised against the clearly defined set of criteria and methods described in section 2 above and the explanation around the new ICT Development Framework but with a reducing capital budget it is likely a greater proportion of a reducing capital budget will be required to sustain and replace existing core infrastructure assets and less will be available to meet development needs. Many IT services have been repackaged by suppliers to offer subscription based services where capital investments are no longer required but customers can commit to an ongoing revenue based subscription agreement. This can take the shape of hosted services such as server and storage provisioning, software as a service such as a Microsoft Office 365 agreement, or many other cloud based value added services available from the industry. The IT service has agreements with Microsoft and Oracle which are seen as revenue based licensing agreements and will consider further opportunities to look more at subscription based services funded via revenue if the Council is in favour of transferring asset sustainability commitments to a revenue stream. This may alleviate some of the capital pressures but only to the point that the pressure is transferred to revenue. In the meantime the majority of the Council's capital programme for the coming years will deal with the sustainability of IT assets and systems.

5.4 Emerging Departmental Priorities

Department	Emerging Service Priorities	Initial Outline
Cross Departmental	Information and Records Management Management	This is a multi-facted programme of work which includes: 1. CareFirst integration with Civica EDMS; 2. Improvements in the use of Civica EDMS across all services; 3. Management of the Information Asset Register as part of the broader Council Records Management Plan. Now that all of the Council IARs are complete, methods and tools for aiding services in the ongoing maintenance and review of IARs as defined in the records Management Plan, require to be established. A pilot for assessing record management tools in Sharepoint may result in a further business case for associated technologies.
Development & Infrastructure Services (D&I) (..continued Development & Infrastructure Services (D&I))	Information Management	DIS is currently in the process of engaging with the Council's Information Management programme and developing its Information Asset Register. From a records repository perspective, Civica Workflow and Document Management System 360 and IDOX Uniform applications support case based records and associated documents for Planning and Regulatory services, Tranman supports fleet asset and driver records and WDM holds the majority of Roads and Amenity Services asset management records and associated case files. Recent introduction of MARnis offers Marine services a repository for Risk assessments and incident management records associated with Piers and Harbours assets. There are other services particularly in Economic Development with no formal management information system to support records management. Corporate solutions in place include MS Sharepoint and network storage on file shares. A new SharePoint Integrated Management System has been set up by DIS Performance and Business team to support services operationally and is proving effective at delivering value for running meetings electronically and tracking committee paper workflows.

Department	Emerging Service Priorities	Initial Outline
		Requirements to add photographic evidence to each roads job for evidence purposes; electronic back scanning of historic structural asset records will have a significant impact on data storage and system performance unless disposal policies and regular housekeeping is undertaken. Applying rigorous information retention and disposal policies based on each Information Asset type in the register, will optimise system performance and records manageability through the allocation of records champions.
(..continued	Mobile Working	Development and Infrastructure Services is keen to adopt mobile solutions for staff delivering services in the field. Mobile solutions can achieve increased productivity and efficiency by allowing services to be delivered in timely and more cost efficient ways and freeing staff to work more flexibly. There are challenges relating to culture, connectivity to and compatibility with back office applications; also in ensuring a range of suitable devices can be offered to the department to fit the varying operational needs, which can additionally be supported by both the Desktop support team and the supplier application. Due to the nature of field work, ranging from roads maintenance to environmental health inspections, suitable devices have to be on offer from laptops, through to tablets with digital pens down to larger smartphones, all of which have to be capable of not only supporting security requirements, but also running the specific applications to do the job. A separate paper scoping the department's mobile strategy will be a deliverable over the next period. A high degree of benefit and efficiencies is perceived from the use of mobile technology for closer integration between the Oracle customer relationship management solution and field based officers e.g. Amenity Services environment wardens, Trading Standards and Environmental Health officers to offer improved responsiveness to customer requests, reduce administration, encourage digital engagement, and provide better performance management and reporting capability. This is an area of focus for the coming year both technically and for performance /service process improvement teams. Amenity services is planning to pilot the use of tablets for grounds maintenance works

Department	Emerging Service Priorities	Initial Outline
Development & Infrastructure Services (D&I))		orders using the hosted WDM Environmental Land Manager module (ELM). The pilot will inform the scope of rollout and further application development and integrations. WDM Roads and Lighting operatives use windows 7 Toughbook tablets in the field for works instructions, inspections and updating asset inventory. WDM is planning to replace its Visual Inspection Collector (VIC) software with a webservice product in the coming year. This will require robust user and field testing and potentially upgrading of Toughbook devices. There continues to be issues with some tablets not connecting to the back office system and root cause analysis within Roads and Lighting teams is required. A pilot of a tablet device within Planning services proved generally successful particularly for general management and administration activity, but highlighted the need for some specialist software to make the difference when handling large detailed drawings, and general case management activity. This pilot will be extended to Building Standards and Regulatory Services in 2016/17 to support digital working generally and inform a business case for procurement of mobile modules from case management provider IDOX. Negotiation for use as an early adopter may offer benefits where development could be supplied at a reduced rate.
Roads and Amenity Services (continued…Roads and Amenity Services)	WDM Optimisation & Integration - Core system - ELM - Interface to CRM - Flood management - Document management and data storage	WDM is the core system used by Roads and Amenity Services for asset management and maintenance of roads, lighting, amenity and bridges /structure assets. Infrastructure Design team is currently implementing the Flood Management module WDM system provides a powerful business tool for Development and Infrastructure Services, and plays a key role in the effective service planning and delivery for all Road and Amenity Services asset management programmes. Recent investigation work for a replacement lighting system has highlighted the need to ensure an accurate asset inventory is maintained by technical (operational) teams on completion of improvement works to accurately inform maintenance and prioritisation activity. A workshop is planned to review development roadmap for system enhancement/ improvement activity aligning with service choices and improvement plans to scope and

Department	Emerging Service Priorities	Initial Outline
(continued…Roads and Amenity Services)		allocate business and supplier resources. Ongoing commitment of ICT Applications input and support is key. A major risk is the reduced level of system administration resource and skills. The senior system technician is on long term sick absence, and assistant technicians do not have the training and experience to develop and maintain this critical system without a high level of supplier and ICT input and support. Focus needs to be given to filling this knowledge gap, ensuring system technicians are upskilled and have the opportunity to attend training and supplier hosted user groups for networking and knowledge management. ICT procured supplier consultancy services in April 2016 to install a fully patched version as a Test environment to support development activity and reduce operational risk when upgrading application software. This requires testing and the Live system subsequently upgraded to ensure the WDM system continued to be operationally available, PSN compliant and supportable by the supplier. System downtime must be minimised and robust testing and upgrading of the live environment should be seen as priority. WDM Ltd's strategic software development policy is to eventually migrate from traditional client /server software to hosted, web based technologies which will have a significant cost and support impact downstream for introduction of new modules and/or support for the current platform. No date is provided for desupport, which will be a few years yet, but customers purchasing new modules are almost exclusively adopting the hosted solution. WDM Ltd has advised that this is their recommended approach due to difficulties when installing onto customer's own environments. This is a trend echoed by one of their main competitors, Symology. **Environmental Land Management (ELM)** module is due to be implemented shortly by Amenity Services. This has been built as a supplier hosted solution and will transform asset management, works instruction management and performance management process from a highly manual paper and spreadsheet based system to a single integrated electronic management system. Crucial to its success is ensuring commitment of amenities teams, agreeing and streamlining processes, and allocation of

Department	Emerging Service Priorities	Initial Outline
		dedicated super user resource for day to day operational management. A service priority is to ensure close linkage between CRM and the relevant Roads/Lighting/Amenity modules in WDM. Customer complaints, faults and service requests must be responded to quickly and the customer kept informed of progress and service delivery to improve customer satisfaction and performance measures. This requires robust two way interfaces between these applications to deliver end to end data transfer but primarily changes to business processes and local procedures. **Flood Management** is also now being managed within WDM using a specialist module to assist the service to meet SEPA reporting requirements, and ensure flood assets and associated documents are accurately recorded and available. Future requirements include the ability to publish this flood data, both for planners and customer benefit, the platform for which could be provided by new GIS Online functionality.
	Roads Traffic Management and parking enforcement - Permit Gateway - Cashless parking	Roads and Amenity services implemented an electronic solution to support introduction of Decriminalised Parking Enforcement in 2014 The application is being extended to include a centralised Residential and Off Street parking Permit management module to replace the paper based systems at each Area office. The additional permit citizen gateway feature will allow for sales and renewals of permits via the Council's website. Use of mobile devices and software for ePayments has grown rapidly in the last 2 years with the introduction of ApplePay and Android platform equivalents. The service is keen to pilot a cashless parking payment option using Paysmarti from the incumbent supplier to allow parking by mobile, website and text. This is reliant on a good mobile signal strength both for customers to pay and wardens to check, which will improve over time. A pilot is scheduled for the Helensburgh area from early 2017
(continued…Roads and Amenity	Small Plant and equipment asset management and HAVS compliance	Neither Roads nor Amenity Services records small plant and equipment asset inventory on an asset management system. Amenity holds a MS Excel spreadsheet for each area depot which Health and Safety team has provided the Hand Arm Vibration Syndrome (HAVS) rating for each item of equipment. No formal record of equipment

Department	Emerging Service Priorities	Initial Outline
Services)		maintenance is held. A new module within Civica Tranman can support an equipment asset inventory and facilitate scheduled maintenance and operator safety and training records to ensure compliance with the current legislation.
	Fleet Services	The focus on the coming year will be to ensure Tranman fleet management system is upgraded to the latest version. This will allow fleet services the platform to base potential shared working arrangements on with Police Scotland, neighbouring local authorities and other emergency services vehicles. Trackyou vehicle tracking system is a hosted solution with trackers on all Council owned and hired fleet vehicle assets. The contract is due for renewal in 2017 and a review of the current utilisation will take place with a view to reducing the scope of services, and/or ensuring better utilisation of purchased functionality across all departments.
	Marine Management -Ferry ticketing solution - Risk management	The current ticketing software and hardware is now obsolete and no longer supported. The future of ferry services operations has been under review for some time. Meanwhile the current system is labour intensive, and costly to operate. Investigations are underway to assess feasibility and a business case for a replacement solution, which will also support online ticketing and card payments, although may be dependent on a suitable mobile or wireless signal at ferry points for data download. There are limited software suppliers in this market, but solutions available support self- service and on board ticketing, ferry scheduling, timetabling and manifest. Roads and Amenity head of service has indicated that replacement of the current system would be required and this will be a project requiring ICT resource. The service requires a high degree of auditing of marine operations for statutory risk management purposes. A risk management solution has recently been implemented by the service to support operational legislation and will form part of their Information Management solution for records management.
(continued…Roads and Amenity Services)	Roads Collaboration- regional boards	The Roads Collaboration Board and Councils are working together to establish 5 regional groups exploring collaborative working opportunities. Regional partnerships will investigate the impact and benefits including larger mobile workforce, back end administration streamlining and greater purchasing power via shared service working. Ensuring accurate roads asset inventory, condition data and prioritisation can be

Department	Emerging Service Priorities	Initial Outline
		supported and maintained within WDM will be pivotal in ensuring successful maintenance scheme management with dwindling resources.
Planning and Regulatory Services	GIS	The GIS strategy and workplan supports a number of service priorities and is integral to the ICT Strategy to allow improved efficiencies and service delivery across all service areas, for example: • Core Path Planning • Route Optimisation and mapping e.g. refuse collection • Scotland HEAT map • Widening access to One Scotland gazetteer A major project is underway to replace ESRI's Localview Fusion, support for which is being withdrawn, with ARCGIS Online which fits with the Council's ICT strategy and ensures PSN compliance.
	Alternative solutions to deliver ICT for Development Policy team	As part of service choices, Development Policy team has sacrificed its ICT budget and as a result no longer uses Uniform case management and as of next year will also have no potential to support CAMS. IDOX has now withdrawn support for Online Local Development Plan module which is now obsolete. The use of new GIS Online functionality is proposed to support presentation of the Local Development Plan and possible consultation using the new Storymap function which is also being used by some other local authorities to good effect. Citizenspace public consultation platform has been investigated and whilst a suitable fit for DP, its potential for broader corporate use is being developed by Jane Fowlers team. DP will however be unlikely be able to contribute towards ongoing support costs.
(…continued Planning and Regulatory	IDOX Uniform enhancements and optimisation	PRS has developed a prioritised ICT Workplan aligned with the ICT Strategy and Departmental ICT Strategy. Extension and ongoing development of IDOX Uniform modules is central to improved service delivery and maintenance of service standards. A key priority within PRS to ensure resilience and available administrative support for planned upgrades and enhancements and to optimise its investment in both case management and document

Department	Emerging Service Priorities	Initial Outline
Services)		management systems. Integration between 3rd party application Civica electronic document management solution (eDMS) and IDOX and Civica public access products presents a higher risk to business continuity and customer service where there is reliance on third parties to support and maintain compatible application connectors, and for each to keep up with general ICT industry trends e.g. mobility, server operating platform support strategies. A high level of intervention is required from ICT applications and ICT project management for co-ordination of upgrades for this increasingly complex technical solution. IDOX Uniform has now developed mobile applications for Building Control and Commercial Premises and potential for early adoption in the next financial year is being assessed.
	Civica electronic document management and workflow- system optimisation.	A recent Assessment of Current Use audit across the Council's instances of Civica eDMS and Workflow solution indicated high potential for optimisation of the system to achieve better value for money, and improve efficiency gains across Planning and Regulatory Services. Delivery of the recommended actions will be crucial to achieving necessary savings associated with implementation of the new ePlanning and eBuilding standards portals, and generally help to reduce manual effort associated with document and email handling within these service operations. An action plan and PID has now been developed to assess priorities, costs and benefits and roll out process changes within Civica eDMS and workflow. The document Disposal module is expected to be implemented in the coming months and require close tie in with the Information Asset Register retention and disposal policies. Increased level of integration with Uniform case management system is required for Trading Standards, Planning and Building Standards to support Uniform system optimisation and improve service targets. This is being developed by Civica and expected to be delivered this financial year.

Department	Emerging Service Priorities	Initial Outline
(…continued Planning and Regulatory Services)	Shellfish movements certificates	All shellfish movements must be recorded and tracked under DEFRA and EU legislation. The Council currently supports approx. 3000 annual requests. An internal project and small development is proposed to deliver a back end database and a means of self service certification. This will reduce potential for fraud and also improve data for audit and analysis, as well as reducing manual effort. The service plan indicates this as a priority improvement and ICT is leading on specification and option appraisal for solutions.
	Event Management	Event organisers must interact with several Council departments for medium-large events resulting in delays, costs, and raising risks to people safety, environmental health and breaches of legislation if not properly managed. A Safety Advisory Group is set up to review policies, processes, cross team working and ICT requirements including self service and automation potential for better co-ordination and cross department working.
Economic Development & Strategic Transportation		EDST consumes corporate ICT services and applications and does not have any supported ICT Application assets externally supplied. EDST has not identified any ICT priority requirements for the coming year. All management information software databases used have been developed internally using MS Access and no budget is available to procure and maintain externally sourced applications. The ICT strategy has documented the risk and sustainability of using internally developed databases for critical operational functions, and whist offers have been made to migrate databases onto a more robust platform such as MS SQL server, and to develop enhancements such as for Oban Airport, resource has not been available in the service to determine a specification of requirements. New European funded programmes are re-using a 'LEADER' database successfully to manage and report and support records management; shared access MS Sharepoint sites are available for collaborative group projects. Major economic development capital programmes such as CHORD and CARS use a combination of MS Project and MS Office applications to manage them. The Concerto Programme management solution was demonstrated and found to be suitable to offer enhancement management

Department	Emerging Service Priorities	Initial Outline
(…continued Economic Development & Strategic Transportation)		information capability and would assist greatly with records management and business continuity, however no resource is available to either implement or administer a software solution.
Performance and Business Management		PBM uses internally developed MS Access databases for operational functions such as work planning, training forward planning etc. A recent conversion of a MS Access database for Commercial Waste to a small system development by ICT has proven successful in ensuring sustainability and provided enhanced functionality.
	Digital First - Action Plans	Priority over the coming year is to embrace the opportunities arising from the new CRM system to re-engineer business processes relating to service requests, customer complaints, Members casebook to improve customer satisfaction and performance levels, and maximise potential for self service. The majority of the Digital Action Plan can be delivered from within the service using the CRM tools and business process improvement, other aspects including 3rd party system interfaces are incorporated into formal ICT projects and pipeline projects already covered in this report.

Department	Emerging Service Priorities	Initial Outline
Community Services		
Social Care	Health and Social Care Integration Agenda	The integration of health and social care services continues to progress in Argyll and Bute and is one of the Key priorities for Community Services. Thanks to the hard work of a lot of people in the council, NHS and our partner organisations, progress continues. Integration is about bringing together all health services including planning and contracted services and all Adult Social Work and Children & Families Social Work in Argyll and Bute. ICT have been jointly leading with NHS Highland IT colleagues on the Information Management and Technology work stream across the partnership. The work stream has continued since the partnership went live in April 2016. The work stream faces significant challenges and many aspects of the work, such as providing access to data and services between 2 different organisations, whilst trying to maintain security standards and upgrade infrastructure and systems is recognised as an important part in supporting the Council and NHS wider integration project. The work plan covers a number of areas requiring resource form both ABC and NHS ICT services in support of Health and Social Care strategies. The current priorities are: 1. Provision of access to information systems across both Health and Council networks – As the rollout of SWAN has progressed across Health and Council networks, new opportunities have arisen to facilitate access to information systems on both networks which are more cost effective and efficient for the HSCP. Work is currently underway involving the Oban Hospital site to provide access to Council network for colocation staff at the site using the NHS SWAN connection. 2. Supporting colocation working – IT services have been supporting a number of moves to accommodate colocation of HSCP staff. Further moves throughout the year are scheduled and with the advent of SWAN network, the most effective access to networks is being targeted.

Department	Emerging Service Priorities	Initial Outline
(…continued Social Care)		3. Supporting improved communications – Lync/SfB Business Case work has commenced and is being supported by Argyll and Bute ICT. HSCP management are leading on production of a business case.
	CareFirst - core Social Work information management system. Multi Agency Information Sharing (e.g. Multi Agency View (MAV), Getting it right For Every Child (GIRFEC), mobile and shared assessments (see also Information Management below)	At a general level this is a priority for all areas of Social Work. The on-going development and use of the CareFirst Social Work Management System is key as the application underpins service delivery for Adult, Children, Mental Health and Criminal Justice services in addition to statutory reporting, budget management and income generation. At present, a pilot of 31+ Health staff (Occupational Therapy and Extended Community Care Team) are being provided with access to the revised Universal Adult Assessment which has been setup in CareFirst. Work on the development of the UAA within CareFirst has been ongoing and access form Health network to Council network is currently being tested with the pilot targeting end Oct to commence. Should this be successful, it is anticipated further Health Staff may be given access to CareFirst. Earlier in 2016 Community Services upgraded CareFirst licensing to an enterprise edition to cover potential growth in number of users. Opprtunities for even better information sharing and collaboration are increased with the integration of the Civica Electronic Document Management System and CareFirst.
	Information Management	This is a multi-facted programme of work which includes: 4. CareFirst integration with Civica EDMS; 5. Improvements in the use of Civica EDMS across all services; 6. Management of the Information Asset Register as part of the broader Council Records Management Plan. 1. The current CareFirst system holds client records and care plans and financial assessment data but there is a plethora of manual records with retention requirements and no formal system in place for electronic integration with case related documentation.

Department	Emerging Service Priorities	Initial Outline
(…continued Social Care)		Social Work (including Children and Families, Criminal Justice, Income Maximisation and Adult Care) are developing the functionality contained within the Civica Standard Social Care Electronic and Document Management System (SCEDMS) module to address the deficiencies identified with CareFirst. A project is now well underway with key objectives to: • Improve customer service by providing Carefirst users with a single consolidated "view" of service user records within the SCEDM removing the need to view a separate hardcopy casefile for new case records; • Improve risk management and legislative compliance by reducing reliance on hardcopy case records which are reliant on manual information management practices, and implementing system based document retention and disposal processes; • Introduce work force efficiencies through the facility to generate, store and retrieve information from within a single case management system. • Introduce physical resource efficiencies by reducing the requirement for storing hardcopy case files and minimising duplication • Rationalise regional Information Management processes and practice across Children and Family services. Opprtunities will be explored to extend this resource across the H&SC partnership. 2. Opportunities exist for improving the use of Civica EDMS now that a broader range of modules are available within the Enterprise arrangement with Civica and continue to be assessed for adoption. 3. Now that all of the Council IARs are complete, methods and tools for aiding services in the ongoing maintenance and review of IARs require to be stablished. A pilot for assessing record management tools in Sharepoint may result in a further business case for associated technologies.

Department	Emerging Service Priorities	Initial Outline
(…continued Social Care)	Home Care Management System	A new Home Care scheduling and Monitoring system was procured earlier in 2014 to meet the needs of the internal Home Care service. Phase 1 of the project is live. HCSMS provides the necessary functionality to support the automation of carer scheduling and monitoring and payroll production however is reliant on up to date comprehensive feed of information. Restructuring of homecare operation to support contingency for scheduling and monitoring and identification of specific responsibilities shared between Operational and administrative staff is essential. Most of the Internal Home Care service are now using the system for scheduling and monitoring of visits. The second phase of the project is commencing to provide an automated payroll function has not been yet delivered. HCSMS provides the necessary functionality to support the automation of carer scheduling and monitoring and payroll production however is reliant on up to date and comprehensive feed of information. The essential restructuring of homecare operation to support contingency for scheduling and monitoring and identification of specific responsibilities shared between Operational and administrative staff. Once this is operating successfully, the information collected will be sufficiently robust and complete to allow automation of payroll integration. ICT have a considerable role in helping the service implement the payroll integration phase of the system during 2017, including consideration of the potential for looking at engagement with NHS and external service providers.
Community and Culture	Leisure Management System (LMS)	Since the New LMS System (SYX) went Live with core LMS system across Leisure facilities in March 2015, there have been significant delays caused by direct debit functionality and data quality issues, seriously impacting momentum for roll out of subsequent phase. Now that these issues have been resolved, the 2nd phase is being progressed that will deliver online Leisure Centre content and bookings and a 3rd phase for completion of theatre booking module targeting the end of March 2017.
	Archives Service - Digital Archive Solution	Archives service seeking a digital archive solution that actually manages digital records in line with the OAIS standard. There may be opportunities to share solutions with other authorities/ organisations.

Department	Emerging Service Priorities	Initial Outline
(…continued Community and Culture)	Increase Community Planning Events	Further develop capacity to host more community planning events across a wider range of locations and utilise VC or Lync options for communities to conference into centrally help events. 4 Business Day Sites now set up and in operational use (Oban, Rothesay, Helensburgh & Dunoon Pier). Decisions yet to be finalised for a site at Campbeltown
Education	3 New school builds project – ICT work requirements Oban Joint Campus, Campbeltown Secondary, Kirn Primary new Builds and Dunoon Primary refurbishment works.	Initial ICT contribution to requirements specification works for new builds has been completed. There is an active, ongoing engagement with the schools build project team and relation to both new builds and planned refurbishments.. Earlier in 2016, ICT supported the decant of Kirn primary school to Dunoon Grammar, this was an extensive relocation project and went very well with ICT and the Schools project team working closely. ICT have contributed to the design documents for new builds and refurbishment projects and remain in constant liaison with the project team.
	Microsoft LYNC for Education	The original LYNC pilot at Tarbert Academy during 2015 is fully operational. An additional 6 schools were identified including Campbeltown Grammar which and Islay High now have Lync (Skype for Business 2016) running internally, with their affiliated primaries Clachan Primary, Gigha Primary, Keills primary, Skipness Primary, and Small Isles Primary (Jura) being brought on. Based on the experience of the pilot and realisation of expected service benefits, a costed business case will be required for the further roll out of LYNC to all schools.
	Bring Your Own Device (BYOD) – Pilot Oban High School	The BYOD pilot was completed early in 2015. Although the school indicated many instances of good use of service by senior pupils in light of the primary aim of supporting an enhanced learning experience through own tablet device use the evidence suggested that the that majority of use is via mobile

Department	Emerging Service Priorities	Initial Outline
(…Education continued)		smartphones and for personal/social purposes. Education are looking to relaunch this pilot in 2017 based on the activities of other authorities in Scotland.
	Domain Extension	Continued 4 year Education Domain extension programme which includes an overhaul of IT security arrangements, access to file & print services, and the extension of the wireless infrastructure across the school estate. This will provide staff and pupils with access to a more reliable and secure infrastructure where their information is secured to corporate standards. A range of corporate services can be exploited by Education including Microsoft LYNC, Remote desktop support, central storage, backup of data, improved email service, etc. Initial Secondary and Primary Schools were pre-determined as "first adopters" of the new Education Domain in preparation for trials of Lync – namely - Campbeltown Grammar, Ardrishaig Primary, Clachan Primary, Gigha Primary, Keills primary (Islay), Skipness Primary, and Small Isles Primary (Jura). Gigha, Clachan, Small Isles and Keills (all Skype Pilot Sites) have now migrated onto the Education Domain. The project is now in the main roll-out to the remainder of the Primaries.

Department	Emerging Service Priorities	Initial Outline
CHIEF EXEC'S Strategic Finance	- Improved Management Information & Reporting (Business Intelligence)	Replacement of the Discoverer Reporting Tool which should consider corporate application.
	- Right First Time – Data Entry.	In order to improve efficiency a number of areas need to be focused on including some review of business processes and potential re-engineering. Issues over repeated double keying, due to data errors from other areas, is hindering the use of resources appropriately. The Head of Service also highlighted the need for improved Management Information, Reporting and system interfaces.
	- Concerto Embedding – Project Management Module for Capital Monitoring (decommissioning of CAMIS)	Upgrade planned for 1/10 now delayed due to resource issue at suppliers. Further delay until December due to resource issues at supplier.
	- Pyramid Interfaces	Awaiting Business Case
	- PSTM (Public Service Treasury Management)	Considering hosted product for consideration within a future business case.
	- Access Databases / Spreadsheets Integrity Review	
Customer Services		
Human Resources	- Resourcelink Development	Improve efficiencies including extension of Interfaces, the roll out of Leave Management, and a further roll out of MyView to provide access from home – all of which is ongoing. The current contract has been extended until September 2018 to allow the Council to review the market for an improved software solution and service with possible opportunities for savings.
	- Cognos Reporting Review	Cognos Reporting – Reduction on the reliance of the Cognos Reporting tool which is very complex for the Business. Most of the Cognos reports now replaced with the Northgate Reporting Services tool. (Also linked to corporate Busines Intelligence

Department	Emerging Service Priorities	Initial Outline
	- Learning & Development - Time Management - Expansion of HUB access to staff	solution) Automation of the PDR process and employee self-service for training & development needs. Integration of the E-Learning Tool with Resourcelink Employee Records. A review of the current Time Management system to allow a greater level of integration with Resourcelink.
Customer and Support Services	- Extension of Customer Service Delivery Channels - Extension of services available 24/7 - Review of Public Provision Equipment in Service Points	Standardisation of public facing equipment across Customer Service Points using Kiosks.
Procurement		
Revs & Bens	- Gandlake eBilling and Landlord portals - Replacement of Revs and Bens	Considering the replacement of this product with an alternative product linked to main revenues and benefits system. Currently undergoing market testing and research to establish benefits of moving from existing Northgate solution to alternative providers.
Governance & Law	- Records Management - Central Licensing Portal	Linked to Information management Project – provision of tools to assist services implement and manage records. Possible central national portal for licensing applications.
Facility Services	- Concerto	Implementation of outstanding Concerto Modules to support Capital Projects, Estates Management, PPM Remedial/Asbestos/Water Quality. Possibility of move to Cloud

Department	Emerging Service Priorities	Initial Outline
(…Facility Services Continued)		solution from current on-premise solution to allow Contractor Supplier Portal functionality to be enabled.
	• Mobile Capability for Property staff	Improved IT tools and mobile working along with corresponding staff training to fulfil duties, integrated with the Property management System. Pilot with one device with potential Business Case to expand further.
	• Expansion of time logging to Janitorial & Cleaning staff	This removes the need for manual time recording and multiple entry of data. Information received on solution being used at Borders Council for logging via telephone logging which can be an internal or managed service.
	• Reduction in manual processing within the Catering Service.	Exploration of opportunities to introduce automated processes to replace current manual processes in terms of Reporting this will support the implementation of Universal free school meals for P1-P3 pupils.
	• Smartcard expansion on School Transport	Building on new NEC card
	• Transport Operators Access Database	Replacement of access database with small development to meet internal audit requirements on user access.
	• Catering and Cleaning Innovation Project	Improvements include possibilities for an Argyll and Bute distribution centre and shared services which could have implications for new Catering Management System and existing network connectivity.
	• Car Sharing	Opportunities possible for mileage payments and environmental benefits.
	• Mobile devices for Health & Safety Team	Windows 10 tablets with corporate build available. Funding would need to be provided for a pilot tablet from the Business Unit. Would require Business Case.

Department	Emerging Service Priorities	Initial Outline
ICT	• Public Sector Network (PSN) • Office 365 Pilot	Maintaining PSN accreditation Assessment of maturity/ viability (use with Council applications) and affordability
PCI DSS	Reduce the Councils scope for PCI DSS compliance through removing the need for any staff member to handle sensitive payment card information. Achieve PCI DSS accreditation for all payment channels.	PCI DSS certification achieved for internet payments. The requirement is multi faceted including: • An upgrade of the Civica ICON Cash Receipting (Income Management System) and associated payment card hardware; • Replacement of the Capita Internet Payments with the Civica equivelant solution; • A review of the Councils telecoms contract required to secure the range of services for the next 3 years which will include a DTMF solution (Semafone), SIP trunks and telephony currently supplied by Azzurri. • Linkage of the Civica hosted card payment solution to a DTMF mid call solution. Following the above, we will be in a position to undertake compliance exercise for all card payment methods.

6.0 INVESTMENT NEED & FUNDING

6.1 The Council's Capital programme has decreased significantly compared with previous years and the level of investment available for the ICT Capital Programme has been cut accordingly. This has had a considerable impact on the Council's ICT Development programme for 2017-2020 with the majority of the capital programme now concentrated on maintaining the current service levels and assets. The level of funding available for service development projects has been severely curtailed. The priorities for investment will therefore be determined by the ICT Steering Board through the ICT Development Framework and included in the ICT Development Plan for future years and then ratified by the Strategic Asset Management Board. It is clear, however, that the funding requirement is already much greater than the funding levels available for the next three years.

6.2 The Council's IT infrastructure requires a considerable level of investment to maintain current services. The core network and server components are replaced on a five year lifecycle and any extension of this lifecycle is likely to introduce considerable risks to service delivery. Over recent years the core network infrastructure has required approx. £1m annual investment to maintain systems and allow for an expansion via the introduction of new services including a modern corporate wide wireless network and over 260 virtual server installations across our two modernised data centres.

6.3 The PC Replacement programme was funded by central capital to ensure the desktop tools were reliable and fit for purpose for all corporate staff, teachers and school pupils. The programme required approx. £850k per annum to meet the original replacement targets but the programme has been cut to less than £550k for 2017-18 and is expected to fall even further for the next two years. The programme can no longer support the inclusion of an extended warranty for PCs and laptops. PC and laptop devices in schools will be replaced every 5 years. There is no longer any capacity to include additional equipment (such as iPads, tablets) or to standardise on the device ratios per pupil in schools.

6.4 The Education ICT Strategy group previously heard complaints from schools where the device to pupil ratios were not high enough. The group agreed that the Education Service would come forward with plans to change the PC Replacement programme and address the device ratios in schools and look at how the central fund could pay for additional devices such as iPads. Such plans would include recommendations on how the programme would deal with schools where there was already a high proportion of PCs per pupil as well as those schools where there was not. The Education ICT Strategy group agreed that it would support any future sound business case and a redistribution of the allocated funds but accepted this would cause difficulties with the principles of asset sustainability and affordability unless the costs for such an exercise were contained within existing limited budgets and a suitable alternative asset replacement programme could be developed. No business case has yet been developed and the replacement programme allocation per school will continue as agreed for 2016-17.

6.5 In addition to the asset sustainability position outlined above, the development plan will take account of the emerging service priorities described in section 5.4. However with funding levels cut significantly the Council will need to prioritise accordingly. As of October 2016 the Capital funding expected to be available for IT investment for 2017/18 onwards as reported to the Strategic Asset Management Board is as follows:

	2017-18	**2018-19**	**2019-20**
	£000s	**£000s**	**£000s**
IT Asset Sustainability	854	560	955
IT Service Development	100	0	0
Total	**954**	**560**	**955**

Figure 1 – Draft Allocations 2017-20

6.6 The current agreed plan for 2017-20 is as contained in Figure 2 below with an allocation figure at this time of £954k for 2017-18, which means only £100k is available for service development projects. Asset sustainability investment is insufficient to deal with all requirements:

Project Description	2017/18	2018/19	2019/20
	£000s	£000s	£000s
Server Capacity Growth			
PC Replacement	550		
Telecomms Network			
Computer Network Security			
MS Exchange & Doc Sharing			
Internet / Online Access			
Unified Communications and Video Conferencing			
Corporate GIS Portal Rollout	10	10	10
Block Allocation	294	550	945
IT Education			
Total Asset Sustainability	**854**	**560**	**955**
Property Management System			
Education Domain Extension			
Consolidated Server Replacement			
IT Enablement Process for Change			
Applications Projects	100		
Council Chamber Video Conferencing			
LYNC 2013			
Total Service Development	**100**		
TOTAL ICT Capital Programme	**954**	**560**	**955**

Figure 2 – ICT Capital 2017-20

6.7 Figures 1 and 2 above illustrate how the ICT Capital Programme for 2017 and beyond is facing a considerable shortfall when compared with current funding. The programme has been overhauled and a significant change has been made to the way the Council funds the Asset Sustainability projects. This has therefore put considerable pressure on the use of the Application Projects budget to deal with the projects emerging from the Departmental Priorities summarised in section 5.4. The Council is no longer in a position to deal with all of the emerging priorities and it is likely that only the highest scoring business cases will be taken forward as projects. This is unlikely to change unless the Council agrees to a considerable increase in the capital allocation for ICT related projects from 2017/18 onwards.

6.8 An ICT Development Plan Summary has been produced which shows the work requested for the forthcoming year and includes details of further projects in the pipeline for future years. Full business cases have been developed or will be developed in support of each project and the business cases will be assessed and approved by the ICT Steering Board and then by the Strategic Asset Management Board alongside all competing demands for capital from other Council services.

For further information please contact:

Gerry Wilson
ICT and Digital Manager
Tel: 01436 658936
Email: gerry.wilson@argyll-bute.gov.uk

ARGYLL AND BUTE COUNCIL **COUNCIL**

DEVELOPMENT & INFRASTRUCTURE **23 FEBRUARY 2017**

SERVICE ASSET MANAGEMENT PLANS
DEVELOPMENT AND INFRASTRUCTURE ASSET MANAGEMENT PLAN

1 EXECUTIVE SUMMARY

1.1 The Development and Infrastructure Service Asset Management Plan sets out how the service can assist in the realisation of the strategic priorities within the Corporate Plan 2015 – 2017 with regard to:-
.

Making Argyll and Bute a place people choose to live

- We will make Argyll and Bute an attractive place to live by continuing to invest in the infrastructure of our towns, villages and islands
- We will help our communities to help themselves and will be proactive in making sure that our communities are empowered to work in partnership with the Council to meet their local needs.

Making Argyll and Bute a place people choose to work and do business

- We will make Argyll and Bute the best and easiest place to do business
- We will use Council resources and facilities innovatively to generate income in order to protect and enhance services.
- We will take advantage of the opportunities improved broadband availability brings and continue to demand improved mobile phone coverage
- We will promote and market Argyll and Bute and encourage companies and individuals to relocate to this area
- We will work to improve strategic transportation links: We will make best use of our airports, work with ferry companies to enhance services and bring pressure to bear on the Scottish Government and Transport Scotland to find substantial solutions to the current limitations of the A82/83

1.2 The Development and Infrastructure Departmental Service Plan requires the provision of safe and sustainable transportation assets and operations, an efficient Amenity Service and a safe Regulatory Service. Well maintained and available transport links are essential to support economic viability and growth.

1.3 The Service has responsibilities across all Council geographic Areas for the following functions:-

- Transportation infrastructure (Council Roads, Airports, Harbours), including management, maintenance and improvement. These are arguably the most important Council asset groups as they underpin all aspects of economic activity and of people’s lives.

- Management, maintenance and improvement of community infrastructure including parks, cemeteries, crematorium, war memorials, equipped play areas and sports pitches, public conveniences, woodlands and informal recreational spaces.

- Economic Development, Environmental Infrastructure, Regulatory Services, (environmental health, trading standards and animal health) Fleet and Waste.

ARGYLL AND BUTE COUNCIL **COUNCIL**

DEVELOPMENT & INFRASTRUCTURE **23 FEBRUARY 2017**

SERVICE ASSET MANAGEMENT PLANS

DEVELOPMENT AND INFRASTRUCTURE ASSET MANAGEMENT PLAN

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2 GENERAL INFORMATION

2.1 **The strategic priorities within the Corporate Plan 2015 – 2017 that D&I can help achieve are:-**

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Making Argyll and Bute a place people choose to live

- We will make Argyll and Bute an attractive place to live by continuing to invest in the infrastructure of our towns, villages and islands
- We will help our communities to help themselves and will be proactive in making sure that our communities are empowered to work in partnership with the Council to meet their local needs.

Making Argyll and Bute a place people choose to work and do business

- We will make Argyll and Bute the best and easiest place to do business
- We will use Council resources and facilities innovatively to generate income in order to protect and enhance services.
- We will take advantage of the opportunities improved broadband availability brings and continue to demand improved mobile phone coverage
- We will promote and market Argyll and Bute and encourage companies and individuals to relocate to this area
- We will work to improve strategic transportation links: We will make best use of our airports, work with ferry companies to enhance services and bring pressure to bear on the Scottish Government and Transport Scotland to find substantial solutions to the current limitations of the A82/83

2.2 The Development and Infrastructure Departmental Service Plan requires the provision of safe and sustainable transportation assets and operations, an efficient Amenity Service and a safe Regulatory Service. Well maintained and available transport links are essential to support economic viability and growth.

2.3 The Service has responsibilities across all Council geographic Areas for the following functions:-

- Transportation infrastructure (Council Roads, 3 Airports, 41 Harbours and 4 ferry services), including management, maintenance and improvement. These are arguably the most important Council asset groups as they underpin all aspects of economic activity and of people’s lives. Ports range from minor use and a few fish landings to major passenger and freight facilities.

- Management, maintenance and improvement of community infrastructure including parks, cemeteries, crematorium, war memorials, equipped play areas and sports pitches, kayak trail infrastructure, Cycleways, public conveniences, woodlands and informal recreational spaces.

- Economic Development – taking forward a number of capital projects to make Argyll and Bute a great place to live, work, invest and visit.

- Environmental/Economic Development Infrastructure and Regulatory Services. These services are essential for the functioning of our communities and include Amenity Services, Environmental Protection, Flood alleviation, Waste Management and Landfill sites (managed by either the Council or through the PPP contract with Shanks), Fleet Management (heavy equipment), environmental health, trading standards, animal health, Planning, Economic Development Small Business sites and Start Up units and Oil Spill Response.

These asset groups and quantities are tabulated below:-

Asset Group	Asset Quantity (approximate)	A&BC responsibilities	A&BC contracted out
Roads	2,332km	Management, Maintenance, Renewal	
Car Parks	126	Management, Maintenance, Renewal	
Bridges	900	Management, Maintenance, Renewal	
Retaining Walls	Estimated 2,000	Management, Maintenance, Renewal	
Lighting	14,000 units	Management, Maintenance, Renewal	
Waste Disposal Sites	11	For 6 no. sites Management, Maintenance, Renewal	For 5 no. sites this is contracted to Shanks until 2026
Sports and recreational Facilities	Tbc	Management, Maintenance, Renewal	
Equipped Play spaces	28	Management, Maintenance, Renewal	
Public Conveniences	39	Management, Maintenance, Renewal	
Cemeteries	131	Management, Maintenance, Renewal	
Crematorium	1	Management, Maintenance, Renewal	
Parks and open space including	Parks –	Parks and open space	

Infrastructure	787,873 Sq.m.	including Infrastructure	
War memorials	73	Management & Maintenance	
Woodlands ,trees and informal open space	Woodlands – tbc Trees - tbc Informal Open space – 25,715 Sq.m.	Management, Maintenance, Renewal	
Coastal Protection	200km (estimated)	Management, Maintenance, Renewal	
Kayak Trail Locations	9 (not including those on the Crinan Canal that Scottish Canal's are responsible for).	Management, Maintenance, Renewal	
Airports	3	Management, Maintenance, Operation, Renewal	Scheduled air services (until 2018)
Vehicles Replacement	500	Management, Maintenance, Operation, Renewal	
Harbours	41	Management, Maintenance, Operation, Renewal	
Small User Sites	56	Management/maintenance	

Appendix 1 summarises the detail of capital investment across the various categories within D&I.

Appendix 2 details, by way a table, the 11 groups of activity that Development and Infrastructure Services have responsibility for in terms of Capital investment.

Appendix 3 summarises the hierarchy of a number of policy and asset management documents within Roads and Amenity Services.

Appendix 4 provides a flow chart that illustrates the various investment strands within Development and Infrastructure.

3. Financial planning for Capital and Revenue needs: brief summary indicating financial position based on existing plans and what financial gaps exist in relation to backlog maintenance if any and the effect on assets and replacement improvement programmes.

3.1 Roads

3.1.1 The public road network is the Local Outcome Improvement Plan(LOIP) highest valued asset the Council has responsibility for. The stated value of the public carriageway asset being £2,190.8m as detailed in the asset valuation (2016). The significant roads reconstruction investment from 2011 to date has been successful in halting the decline in condition through a programme of edge strengthening, structural patching, surface dressing and overlays/inlays. This is illustrated in Figure 1. However, it is important to note that the change of direction in road condition can take a few years to be realised. The narrative accompanying Figure 1 details the frequency of machine based surveys. Condition surveys are not being carried out each year on all routes (see Figure 1 below) which means the impact of maintenance work may not be immediately captured in performance data. In 2014 a full network survey was carried out which provides a baseline for reviewing road condition over coming years.

3.1.2 Further significant investment in infrastructure is required to allow the Council to deliver its part in achieving the (LOIP, particularly Outcomes 1) The economy is diverse and thriving, 2) We have infrastructure that supports sustainable growth; and 6) People live in safer and stronger communities. In its widest sense, to encourage businesses, means a well-connected road network with none or very few restrictions on travel. To encourage people to move to Argyll and Bute and reduce peripherality within the Council area investment is needed in the transport infrastructure. The nature of road network is such that many communities rely on only one road. Therefore to maximise the local economy and the health of our communities' lives, investment must be made to allow the full benefits of the people's energies and abilities to be brought to fruition.

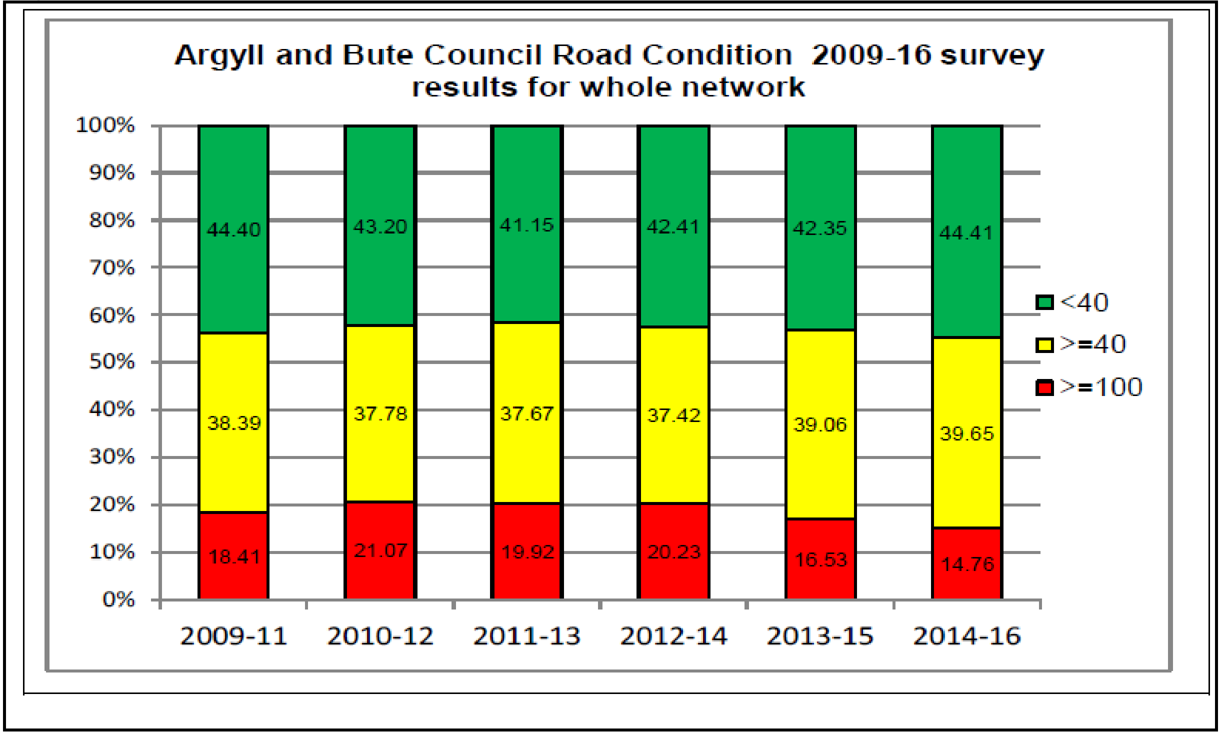
3.1.3 The Council's Environment Development & Infrastructure Committee considers the Annual Status and Options Report which provides an analytical assessment of the condition of the road, lighting and bridge asset and sets out options for asset management for those assets.

3.1.4 The Scottish Road Maintenance Condition Survey (SRMCS) is the main method of condition assessment of the road network. The survey method is undertaken throughout Scotland to a nationally accepted standard. Red condition represents lengths of road in need of maintenance/resurfacing etc., amber represents road lengths in need of investigation for potential maintenance i.e. some but not all of these road lengths will warrant treatment in the short term.

3.1.5 Road Condition Survey results for Argyll and Bute from 2008 – 2016 are shown below; the chart indicates that recent capital investment has arrested the decline in the condition of the network resulting in an overall improvement to Road Condition Index. The additional investment has improved the overall road condition as illustrated in the chart and graph below.

3.1.6 There is also a lifecycle planning tool which can predict future carriageway condition over 60 year term based on a number of selected treatments over the period for each road class. It is planned to use these tools to ascertain where it is recommended that the roads budget should be spent. These tools allow sophisticated asset management techniques to be applied to ensure that the council benefits from the most appropriate use of its limited finances.

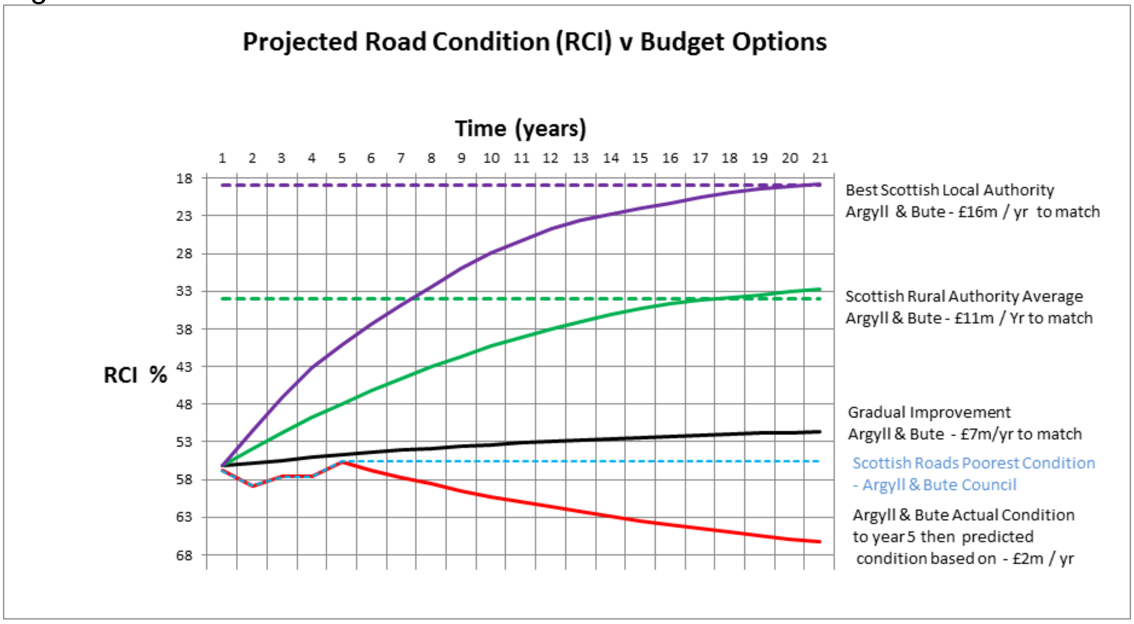
Figure 1



The data represented is collected using a nationally accepted specification. The survey results for A, B, C and U roads are based upon machine surveys. Not all of the road network is surveyed each year. The survey is carried out on 100% of A Class (in one direction only), 50% B Class, 25% C Class and 10% U Class. The annual results are reported based on an average of 2 years results.

3.1.7 The following graph indicates the predicted funding levels required to meet desired targets within a given timescale based on the Society of Chief Officers of Transportation in Scotland (SCOTS) cost projection tool calculations for carriageway resurfacing works only. The graph shows a range of long term investment scenarios which assume consistent levels of investment in each of the 4 scenarios.

Figure 2



3.1.8 The above graph has been produced using the SCOTS Financial modelling tool and achieved through the submission of robust and detailed historical carriageway data from a number of authorities. This was originally produced in 2013 and since then the average annual capital expenditure on Roads Reconstruction has been circa £8m. The vast majority of this was invested on carriageway works only and did not address other factors that affect the road condition such as scrub clearance and ditch/drainage maintenance. It is currently expected that the average budget for 16-17 and the next 3 years will be less than £4m. It is expected that this will produce a significant reduction in the RCI following this period. However, in order to mitigate this as much as possible and to maintain the RCI more focus will be given to structural patch repairs and surface dressing with a lesser percentage of machine surfacing when compared to previous years. This approach will help to ensure that the road surface is sealed to prevent the ingress of water which contributes to deterioration.

3.1.9 The Council has 126 car parks and the income is expected to stabilise over the next two years to approximately £1.2m. This includes on-street and off-street ticket receipts and income from penalty charge notices. Over the next 12 - 18 months it is expected to increase the accuracy of the car park asset register including consideration of some Amenity Services controlled car parks being transferred to Roads control. Updates to the parking policy may lead to changes in the tariff structure.

3.2 Bridges and Other Structures

3.2.1 The number of weight restricted bridges and retaining walls has been managed by a programme of strengthening and replacement, alongside inspection and maintenance works.

3.2.2 The capital expenditure has averaged £437k over the last 9 years and was able to prevent any need for new weight restrictions apart from emergency requirements due to weather damaged structures. Currently the expected budget level for the next three years (from 2017/18) financial year is £250k with nothing identified beyond that year. The reduced funding level has already given rise to a new 3 tonnes restriction on a bridge in west Glendaruel and may require additional structural restrictions to be able to keep some other bridges open for lighter traffic (such as has happened in January 2017 at B8035 Knock bridge on Mull). Officers will manage the assets and resources as best can be done to minimise the number of restrictions that are necessary. However most of the structural projects take some years from inception to completion and with only three financial years' budget identified it does become difficult to plan suitably far ahead. Ideally a ten year budgeted programme should be in place manage the assets.

The number of abnormal loads in the Council area has steadily increased to nearly 800 per annum (mainly due to wind farm developments) and this together with the inspections, technical approval, maintenance and general management of the structures all compete for funding from the bridge maintenance budget allocation.

3.2.3 Coastal protection assets have been maintained mainly through the revenue funded programme of inspections and maintenance works. Capital budget (from the Strategic Housing Fund jointly with Scottish Water) has been used to enhance the coastal defences at Furnace.

3.3 Amenity

3.3.1 Long term sustainability of Amenity Services assets must take cognisance of the need to focus beyond core maintenance of open spaces. The WDM/ELM project brief includes updating the inventory of the very diverse range of assets and should detail current condition, usage figures, community and customer expectation, future service vision, policy and strategy statements. Capital investment will be required to carry out physical works to extend existing and create new cemeteries, improve and maintain sports and leisure facilities, improve public conveniences and equipped children's play areas, woodlands, enhanced public open space and informal recreation areas across Argyll and Bute over the coming years.

3.3.2 Delivery of local and national government goals on fitness and well-being rely on suitable asset availability.

3.3.3 Statutory functions such as disposal of the dead by earth burial or cremation must be fulfilled. Appropriate space to allow this function to continue to deliver customer expectation of ongoing local provision must be matched by appropriate and adequate financial development resources.

3.3.4 Grounds maintenance resources deliver a core basic maintenance plan but will be reviewed to release efficiency savings. An updated inventory and a specification reflecting agreed service levels will be developed which prioritises investment to maintain service delivery within available budgets.

3.3.5 Many of the public conveniences that are responsibility of Amenity Services are in need of major refurbishment and do not comply with DDA compliant access. A detailed survey / report will be required via Property Section to establish the works and associated costs in upgrading these facilities going forward. This report could advise on lifespan and highlight risks associated with long/short-term maintenance and associated costs of each building. We are currently engaging with community groups to hand over responsibility of day to day management of rural conveniences. We need to identify units at risk in terms of lifespan or where cost impact on the Service is unsustainable, to look at asset transfer as opposed to Agreements that tie the council to insurance liability / energy costs and supply of materials etc.

3.3.6 With constant pressure on capital funds it is necessary to continue to review all assets in order to identify those that could be enhanced / improved and/or managed by community asset transfer or community partnership to deliver customer service requirements.

3.4 Flood Prevention

3.4.1 The first Local Flood Risk Management Plans were published in June 2016. Currently central government is expected to contribute 80% to the overall funding but no contributions are expected for design works. The cost of design works varies depending on any individual scheme but is generally 10 – 20% of total cost. This means that Local Authorities will have to fund the full design and development process with no guarantee of government funding being available for physical works. The Scottish Government has already confirmed to the Council £80k award of the estimated preliminary costs to March 2017 for the Campbeltown Flood Scheme. In accordance with the Flood Risk Management Act (2009), the Council has helped prepare and publish the Local Flood Risk Management Plan (LFRMP) which details the actions to be taken over the first 6 year cycle of the Plan (2016 – 2022). In summary, the first cycle of the LFRMP includes for preparation of Surface Water Management Plans and Studies in several locations within the Council area, together with preparation of options/scheme and works for Campbeltown. The project is to fund the necessary development work in connection with the LFRMP. To enable a positive feed into the second round of prioritisation (for 2022 – 2028) the Surface Water Management Plans need to be completed by December 2018 and the Studies by September 2019.

3.4.2 In the first six year cycle, Argyll and Bute Council has one potential (works) scheme for Campbeltown (to be developed and designed) and at least four schemes for development/further study and four Surface Water Management Plans to be drafted. The cost profile of the delivery of the LFRMP is expected to be (very approximately) as below:-

Year	16-17	17-18	18-19	19-20	20-21	21-22	Total
Funding source	(£k)	(£k)	(£k)	(£k)	(£k)	(£k)	(£k)
Capital Cost	100	150	400	2,000	6,430	250	9,330
Capital – Council Contribution	**20**	**30**	**80**	**400**	**1,286**	**50**	**1,866**
Revenue	250	350	350	250	250	250	1,700

The Scottish Government has awarded the Council an additional £113k and a business case has been prepared for this funding to be utilised for flooding studies and scheme preparation The studies and Surface Water Management Plans are as noted below:-

Location	Flood Studies	Surface Water Management Plans/Studies
Oban	X	X
Lochgilphead	X	
Tarbert	X	
Campbeltown		X
Kilcreggan		X
Helensburgh	X	
Dunoon		X

3.5 Airports

3.5.1 The Council's airfields and associated buildings and specialist vehicles will require periodic capital investment to ensure they are maintained fit for purpose and meet standards set out by the Civil Aviation Authority. Oban airport opened in 2008 and its runway has a life span of around 20-25 years. Coll and Colonsay have a longer lifespan as they experience less traffic (mainly scheduled services). White lining at Oban appears to require maintenance every 5 years. This requires to be refreshed in 2017/18 and the cost is estimated at £20k funded through current revenue. The paint used is specialist paint (rather than thermoplastic) as it requires to be non slip. Potential to purchase our own machine to carry out maintenance – especially for the island maintenance. This would be beneficial due to difficulty in attracting contractors to carry out this type of work. Again the lining on the islands is in better condition but there is a need to refresh the runway designators. There are differing issues with the island runways compared to Oban, such as weed control and goose droppings on the runway (majorly so on Coll). Options for addressing these issues are being considered in conjunction with Amenity team. Ditch clearance and drainage work has also been undertaken on Coll due to ponding issues adjacent to runway.

Fire appliances – two replaced in 2015 at Oban and a business case is being prepared for fire appliances on the islands that are at the end of their life cycle. (£50k per vehicle). It is anticipated income from leased area at the airport will allow borrowing consent to purchase these vehicles.

Meteorological equipment was recently upgraded at Oban airport.

There currently is a property maintenance Iissue with the water supply at Colonsay, which is being investigated.

A Masterplan is being developed that may lead to income generation potential, however investment may be needed to realise this.

3.6 Piers and Harbours

3.6.1 The Council is responsible for 41 piers and harbours (Dunoon (concrete breakwater and timber pier) and Campbeltown (Old and New Quays) counted as two each). The review of Piers & Harbours fees and charges continues - currently the Council is carrying out a public consultation exercise to ascertain views on how best to make use of income generated from the Council's marine assets. The consultation runs until 13th February and results will be discussed at the next Harbour Board meeting in April.

3.6.2 Maintenance works and improvements have generally been funded from on ongoing maintenance budget with some works from capital. The Council could be able to finance loan charges for capital investment through prudential borrowing allowing the upgrade or improvement of the various assets to ensure they are able to meet future demands. The piers and harbours are inspected on a biennial basis with a principal inspection for the structures at Craignure, Rothesay, Dunoon, Oban and Campbeltown every six years which involves a dive survey and detailed report. Principal inspections are being organised for Bruichladdich, Craighouse, Gigha (south pier), Helensburgh, Port Askaig and Rothesay. Information produced from these inspections will inform the overall marine asset management plan. The asset management plan is currently at its second revision stage and awaits approval by the Harbour Board; the next meeting of the Board is due April 2017. This document will be subjectto regular updates.This document will ensure that the Council's marine assets are maintained and developed in a sustainable manner to meet future demands. It is gives a clear investment plan for the next 10 years and will be updated at least annually on a rolling basis. This may influence the Council's capital plan. Of particular note are the pier facilities at Craignure, Fionnphort and Iona where significant investment may be required to meet ferry operator's aspirations.

3.6.3 Land and building assets are recorded in Concerto (the new property management system). Vessels are subject to an annual refit and inspection/certification by the Maritime Coastguard Agency. Consideration is being given to the recording of piers, harbours and vessel condition in the Concerto system to align it will other property assets allowing more consistent prioritisation and planning of works to be carried out. A review of piers and harbours will consider future capital works required and develop a draft forward plan for members' consideration. This will be done in conjunction with the review of fees and charges to ensure that the cost of prudential borrowing is factored in.

3.7 Vehicles and Plant

3.7.1 Capital investment is required to replace the various vehicles and plant used across various Council services. The Council currently replaces vehicles and plant at the end of their useful life - five to seven years dependant on capital costs and type of usage. Vehicles and plant are financed either through revenue, capital or leased depending on the results of an options appraisal to determine the most economically advantageous solution at the time of procurement. This is carried out by corporate finance.

A fleet review will commence in 2017 to look at Argyll and Bute Council's policies on procurement, use of vehicles and disposal.

The Council also has access to an anthrax incinerator which although over 6 years old is fit for purpose for next 5 years. It is available as a contingency measure in the event for a suspected or confirmed case of anthrax. The incinerator is managed by Regulatory Services and there are agreements in place with seven other authorities for its use, and they contribute to the operating costs.

3.8 Waste Disposal

3.8.1 A 25 year waste model is being developed which will be reported to the Environment, Development and Infrastructure Committee in April 2018/19 Financial Year. The model highlights potential demand pressures in future years. As a result the waste strategy will be reviewed with a view to reducing the impact of this, identifying ways in which future legislative requirements can be met and to develop an understanding of future infrastructure requirements.

The approach to managing and restoring the council's landfill sites will also be addressed. The current PPP/PFI arrangement with Shanks comes to an end on the 4th September 2026. The current contract requires that the landfill sites and transfer stations be returned to Argyll and Bute Council in an appropriate condition. Pre contract plans must be put in place for arrangements to return to Argyll and Bute Council.

Argyll and Bute Council currently operates three PPC Permitted landfill sites at Glengorm on the Isle of Mull, Gartbreck on the Isle of Islay and Gott Bay on the Isle of Tiree, and three WML Waste Management Licence Sites at Cliad on the Isle of Coll, Bonaveh on the Isle of Colonsay and Blackhill in Helensburgh. These sites are regulated by the Scottish Environment Protection Agency (SEPA).

If the sites are to close as landfills due to the introduction of landfill bans in 2020, purpose built transfer stations will be required on Gartbreck, Isle of Islay and Glengorm Isle of Mull. There are recycling sheds already on these sites, but these sheds are fully utilised for recyclate sorting, storage and bailing. Significant contract negotiations will also be required with Shanks, and it should be noted that the process of a contract variation is complex and lengthy - it is not a flexible process which permits change easily.

Each site has a specific PPC Permit or Waste Management Licence, these Permits and or Licences detail conditions that Argyll and Bute Council must achieve to operate the sites and comply with all relevant legislation for the acceptance, treatment and disposal of waste. These conditions cover things like waste disposal operations, monitoring requirements, capping of landfill cells and closure and aftercare requirements.

When a site is closed for the acceptance of waste and has been fully restored, monitoring of the waste mass and treatment systems such as the reed bed in addition to routine sampling is required, this stage is known as closure and aftercare, and it can extend up to 50 years after the site has stopped accepting waste depending on monitoring results, whatever the case the surrender of the Permit or Licence will not be accepted by SEPA until there is no threat of pollution from the sites. A landfill asset management plan has been developed for the PPC sites.

3.9 Projects

3.9.1 The Council is progressing a number of projects such as Capital Regeneration Projects (redevelopment of the Queens Hall, Dunoon and Rothesay Pavilion; and the development of the Oban North Pier Maritime Quarter – visitor facility and transit berthing facility) and the Lorn Arc Tax Incremental Finance Initiative (TIF). Capital funding is in place for the various projects in our major towns and any borrowing associated with TIF will be serviced from revenues received from additional Non Domestic Rates (NDR). Another significant project is the development of the Helensburgh Waterfront development with the focal point being a new swimming pool and leisure facility with associated flood defence works, car parking and public realm. The Hermitage Park project creates a better place for people to enjoy and also a more efficient place to maintain. A small amount of capital funding has been allocated to this project but the majority is being funded by through a Heritage Lottery Fund grant. In order to deliver on the Hermitage Park Project the council agreed on the 11th August 2015 to ring fence funding in line with requirements to secure Heritage Lottery Fund funding of £2.2m. This ring fenced financial resource (staffing and resources) is for the delivery phase of years 1-5 and the 10 year Management and Maintenance Plan which begins in 2020. The agreed figure of £81kpa includes a 20% service choices reduction from the original budget of £101kpa. This figure does not include inflationary increases. A realistic maintenance budget beyond 2030 has to be set to provide long term security for this project.

3.9.2 Following successful bids to Heritage Lottery Fund and Historic Environment Scotland the Council has successfully delivered the Rothesay and Campbeltown Townscape Heritage Initiative/ Conservation Area Regeneration Schemes (CARS) which with match funding from the Council secured in excess of £6million investment into the fabric of these two towns . The Council is currently delivering the Inveraray and Campbeltown CARS, total investment in excess of £4million and in addition has submitted funding bids to Historic Environment Scotland (HES) for a second CARS project in Rothesay and a CARS project in Dunoon. The CARS provide grant funding to private owners of heritage properties within town centres to secure investment into the built fabric of the buildings to ensure that our towns are attractive places for our communities to live, work and visit.

3.9.3 Any capital funding committed to Council projects can potentially be used as match funding to lever in external grant funding. This is particularly in relation to active travel / footway projects where external funders such as Sustrans will potentially fund up to 50% of total project costs. Recently such grant funding has been used to construct footways on the A815, sections of the Helensburgh and Lomond Cycleway and in 2016-17 a new footway will be constructed at Letter Daill, Cairnbaan which is being 100% funded by external grants. With regard to Hermitage Park, mentioned in section 2.10, £300k has also been secured from Sustrans in 2016/17 to upgrade the path network and lighting within the park using the Heritage Lottery Fund money as match funding.

3.9.4 The Argyll Sea Kayak Trail was created with Circa £230K of external funding and developed sites at Ganavan, Arduiane, Ellenabiech, Crinan Canal, Tarbert, Bute Forest, Toward, West Bay, Helensburgh (www/paddleargyll.org.uk), through a variety of investments such as slipway improvements, kayak and signage. This was designed with minimal maintenance however there will be a budget requirement to replace, signage and other infrastructure during and beyond the 10 year life span of the project.

3.9.5 The Argyll and Bute Council 2016-17 Budget included an announcement of a £3 million Tarbert and Lochgilphead Area Regeneration Fund. The main objective of the Lochgilphead and Tarbert Regeneration Fund will be to promote the regeneration and/or economic development of the Mid Argyll area. The projects to be supported have yet to be formally identified however projects will be prioritised using criteria such as their ability to create jobs, grow the population and/or stimulate private sector activity; supporting the delivery of the LOIP whether the proposal is included within the Council's MAKI Economic Development Action Plan; available match funding; demonstration of SMART economic and social outcomes for each community; and/or contribution to overcoming barriers to economic growth and sustaining prosperous communities. Eleven projects have now been identified for further feasibility work and a number of these proposed projects could impact Council assets in the future.

3.9.6 Argyll and Bute Council have had a long standing aspiration to develop a park and ride facility serving Helensburgh Town Centre to cater for commuter parking and free up town centre parking spaces. The Council has been awarded £80k from SPT's 2016/17 Capital Programme to purchase the former gasometer site adjacent to Grant Street to deliver a park and ride car park and approval is being sought from the Policy and Resources Committee to proceed with the purchase of the site.

3.10 Investment for Income

3.10.1 There are opportunities to invest for income. One successful example which is in operation is the installation of a wind turbine at Glengorm on the Isle of Mull that will generate an income for the Council over 25 years and reduce our carbon footprint. This links directly back to the Council's Renewable Sourcing Strategy and Carbon Management plan. There are also likely to be future opportunities that may require capital investment particularly in relation to renewable energy with potential for the council to buy into consented renewable energy schemes that offer a good rate of return to the council.

3.10.2 Another area of opportunity of investment for income is the small user sites that sit within the Economic Development account. These sites are located within our main towns of Campbeltown, Oban, Rothesay and Dunoon. They were originally created to provide a valuable asset for small businesses to establish and grow. Business needs are changing and this is reflected in the demand for some of these sites. There is a need for a comprehensive review of the existing sites to quantify the demand in each town, how they are currently used and managed and how they should be used in the future. Working with colleagues in Estates a review is to be undertaken of all of the sites to determine if best value is being secured. The review will inform the Councils future strategy in regard to these small user sites and will examine the potential for increased income and the options for funding necessary future repairs and upgrades given that the income does not currently cover the full cost of maintenance of the sites and associated infrastructure.

3.11 Grants to Third Parties

3.11.1 The Council has supported a number of grant applications over the years to third parties which has the potential to bring in significant numbers of tourists with associated economic benefit for the wider area. Examples include assisting the development of Kilmartin Museum, NVA at St Peters, Cardross and the Campbeltown Cinema. There may be further opportunities for this assistance to third parties in the future helping to make our area an attractive place to live and helping to grow our economy through attracting more visitors. A major example of this is the UK Spaceport bid at Machrihanish. The Council also provides financial assistance to advice agencies to support communities and the vulnerable in our communities; and grants to improve the quality of drinking water in private water supplies which is principally to health protection measure, but supports communities and sustainable business.

4 FUTURE PLANNING

4.1 Asset Register/Systems Software: brief description of the systems and processes in use to record asset, acquisition and disposal and performance.

4.1.1 Systems are in place across many parts of the service that record inventory information, condition surveys and allow for prioritisation and planning of works to be carried out.

4.1.2 During 2010 Tranman was introduced as the new fleet management and rental system and further development to improve the performance data received is currently being introduced. A new vehicle tracking system was implemented in 2013, and all Council and hired vehicles and plant are fitted with the tracking system. Current systems are being upgraded timeously.

4.1.3 The remaining assets are registered within either manual hard copy or Excel spreadsheets but some like car parks or war memorials are partly included in the four sections of the WDM system. A new module of WDM, the Environmental Land Management module (ELM), is currently being piloted in Helensburgh. This module allows us to record and monitor Amenity land assets such as parks and cemeteries.

4.1.4 The LED street lighting project which the Council is working on with Scottish Futures Trust, has completed its design phase and implementation has begun in Helensburgh. This replaces standard luminaires with LED equivalents to reduce the amount of energy used and hence the annual revenue cost. A proportion of the savings in energy costs will be reinvested back into the network to replace older columns.

4.2 Anticipated developments within next five years: Key features likely to affect assets and their use in the period e.g. environmental or obsolescence issues etc.

4.2.1 The projects below encompass both projects that are at concept stage at present as well as general asset replacement/enhancement initiatives.

- Depot Rationalisation will be progressed to reduce operating costs
- Cemetery Extensions and woodland burial sites
- Road Reconstruction and associated structural maintenance works (resurfacing, structural patching etc.)
- Roads reporting through the Annual Status and Options Report (ASOR)
- Infrastructure Improvements for roads, coastal, flooding, bridges and retaining walls
- Heavy Vehicle and Plant replacement

- Ongoing work to facilitate implementation of the Flood Risk Management Act
- Investment to address the needs of island landfill sites and waste management infrastructure
- Business Case development for future waste management

- The Marine asset inspection regime to be dealt with on an asset management basis similar to that in place for roads assets
- Vessel inspections will remain subject to annual refit and certification by the MCA
- Street Lighting energy efficiency programme
- Waste Management Strategy
- Lorn Arc projects
- Investment for growth such as Glengorm wind turbine
- Create hangarage at Oban Airport plus replacement fire appliances at the island airports

4.2.2 The Health and Safety Executive Approved Code of Practice (ACOP) L8 'Legionnaires' disease – The control of legionella bacteria in water systems was revised in 2013. Water quality/Legionnaires is a key consideration in terms of asset management and Argyll and Bute Council has subsequently conducted a robust re-assessment of risks in water systems throughout its entire estate (circa 400 no. premises with water systems). This important risk assessment programme is now complete and a substantial number of risks have been identified for resolution. The extent of the remediations to be implemented across the Council water systems will impact on staff and financial resource in the short term (2-3 years)."

4.3 Action Plan: brief summary planned replacement and improvement programmes based on existing block allocation together with a note of other areas requiring consideration.

4.3.1 It is proposed that the capital resources be used to progress the necessary bridge strengthening and road reconstruction programmes designed to extend the useful life of our existing infrastructure assets. A medium term need will be to replace the piles along the quay face outside the harbour master's office in Campbeltown. Addressing the issue of settlement at Rothesay Harbour is considered to be a priority and the services of the external consultant, AECOM, who have an in depth knowledge of this problem, have been procured. The Council will progress the Business Case for the upgrade of ferry berthing facilities at Gigha, Tayinloan and Craignure on the basis that the any works will be funded in full from an increase in berthing charges which will be applied to the ferry operator; as agreed between Transport Scotland, Argyll & Bute and CMAL in 2012. This will be a Service Development project but is not currently included within the Capital Plan. It is envisaged that capital borrowing will be required to deliver these works with any borrowing being serviced from income collected from fees and charges.

4.3.2 The Council will be taking forward the actions contained within the Local Flood Risk Management Plans with its partners in Highland & Argyll and Clyde & Loch Lomond Local Plan Districts. Please also see section 3.4. Other more local projects will be taken forward if budget allows.

4.3.3 Condition, suitability and risk have been assessed for a number of low value properties as a desk top exercise. This information will be collated through inspection regimes and a process developed to hold the information in either WDM or Concerto, whichever system proves the more appropriate, in future years. Process Development is currently planned to take place in 2015-18.

5 Service Provision Risks

5.1 The capital investment in the last 4 years in roads reconstruction has helped to negate negative impact through reduced revenue expenditure. However, if budgets are reduced, there is a high risk of road condition deterioration, restrictions being in place for weight and vehicle size for sections of road and some bridges and increased third party claims.

5.2 For the roads condition profile indicator, a modelling tool has been created to demonstrate how asset condition is affected not only by the level of investment but also by how it is invested. The model shows the predicted asset condition over 12 years based on the same level of investment towards either Green, Amber or Red condition roads or the difference between where investment is targeted in relation to the asset deterioration curve. It demonstrates that treating on a worst first basis is not necessarily the best long term investment option however this can change depending on level of funding.

5.3 The Street Lighting stock in Argyll and Bute is in a generally poor condition partly through age and partly through environmental conditions experienced in our coastal location. A business case has been developed to replace lanterns with LEDs and this project is now underway. This will reduce energy use and hence costs. Residual risks remain in relation to the cabling which are not addressed by the project. Risks relating to older columns are partially addressed by this project. . This project also benefits by significantly contributing to carbon reduction.

5.4 There are a number of assets that are listed against Economic Development. These relate to

1. small users sites within our key settlements of Rothesay, Dunoon, Campbeltown, Oban, Tarbert, Tobermory
2. Kilmory home farm,
3. Kilmory industrial estate
4. Buildings/land at MacBrayne Lane, Lochgilphead
5. Buildings/land at Dalintart farm which are leased out as part of an agricultural holding.
6. Land at Russell Street, Rothesay
7. Buildings at Broadcroft Lane, Rothesay
8. Buildings/land at Lochside Street, Oban

As previously highlighted at para 3.10.2 there is a need to review the small user sites and this review should be extended to include the additional sites and parcels of land listed above. This review will inform the proposed course of action for each of these sites, the potential use and valuation, the identification of a budget to adequately cover repairs/site clearance and how best value is secured from these sites.

5.5 There are assets owned or operated by the Council that require large investment such as harbours, ferries, airports, roads, bridges, waste disposal sites, lighting, the cremator, playing facilities etc. The risks centre on funding to maintain, operate and improve the assets as well as condition risks. In particular the risks with the marine infrastructure are increased as they are linked to CalMac and Transport Scotland’s future ferry service provision aspirations. With regard to bridges, the effect of a weight restriction on the (potentially only) road to a community can be quite devastating. It can also be particularly expensive and take many years to develop projects for the replacement of a large structure like Kilninver, Claonaig, Knock or Pennyghael bridge. There is an increasing risk of additional weight restrictions becoming necessary to protect road users if sufficient funding is not available for bridge replacement or strengthening. Structures as those mentioned above and also B842 Claonaig Bridge would have lengthy scheme development time and pose a severe restriction on traffic flows if they had to be restricted. In November, a new 3 tonnes restriction had to be introduced in west Glendaruel and a 7.5 tonnes restriction at. With regard to taking forward the Local Flood Risk Management Plan, there is clearly a financial risk until the Council confirms that it has set out sufficient capital and revenue investment.

5.6 Following the recent fire in Oban's Millpark depot, the Council has to considered how it will service vehicles in the area in the short term and what options are available for the long term such as rebuilding or finding another suitable site.

Executive Director of Development and Infrastructure Pippa Milne
Policy Lead: Cllr Ellen Morton
Policy Lead : Cllr David Kinniburgh
Policy Lead, Cllr Aileen Morton
Policy Lead, Cllr Alistair MacDougall

December 2016

For further information contact: Jim Smith, Head of Roads and Amenity, 01546 604324

Appendices

Appendix 1 - Table showing longer term investment need
Appendix 2 - Areas for Capital Investment – Development and Infrastructure
Appendix 3 - Policy Documents – Hierarchy of current policy documents within Roads and Amenity Services
Appendix 4 - Flowchart for investment

Appendix 1 - Tables showing longer term investment need

D&I Potential Investment / Renewal needs – note that the table covers officers' estimates of asset need and does not represent approved budgets

Asset Group	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Roads	£7m	£7m	£7m	£7m	£7m	£7m	£7m	£7m	£7m	£7m
Car Parks	Future investment requirements for car parks are to be determined on completion of asset collection and assessment. Improvements will be funded from any car park surplus income									
Bridges/Retaining Walls	£600k	£1000k	£600k	£1000k	£600k	£1000k	£600k	£1000k	£600k	£1000k
Lighting	£600k									
Waste Disposal Sites – funded through revenue model	£300k		£500k	£400k	£515k	£464k	£550k			Shanks contract tbc
Sports and recreational Facilities	£625K	£625k	£625k	£625k	£625k					
Equipped Play spaces	50k	50k	50k	50k	50k	25k	25k	25k	25k	25k
Public Conveniences	100k	100k	100k	100k	100k					
Cemetery extensions	90	700	130	110	100	100	100			
Crematorium										
Parks and open space including Infrastructure	250k	150k	150k	150k	100k	100k				
War memorials	270k	270k	270k	105k						
Woodlands ,trees and informal open space	50k	50k	50k	50k						
Coastal Protection	£200k	£200k	More will be identified as stock condition deteriorates with time/storms.							
Airports	£100k (vehicles)	£250k (Hangars)	£150k (taxiway)	£150k (helipads)	£150k	£150k	£150k	£150k	£150k	£2m (Connel runway replacement)
Vehicles Replacement	£2m and future years to be ascertained									
Harbours	£2.7m	£4.35m	£17.93m	£15.65m	£6.3m	£0.3m	£2.6m	£0.825m	£0.5m	£1.3m
Small User Sites	£20k	£20k	£15k	£10k	£10k	£10k	£10k	£10k	£10k	£10k

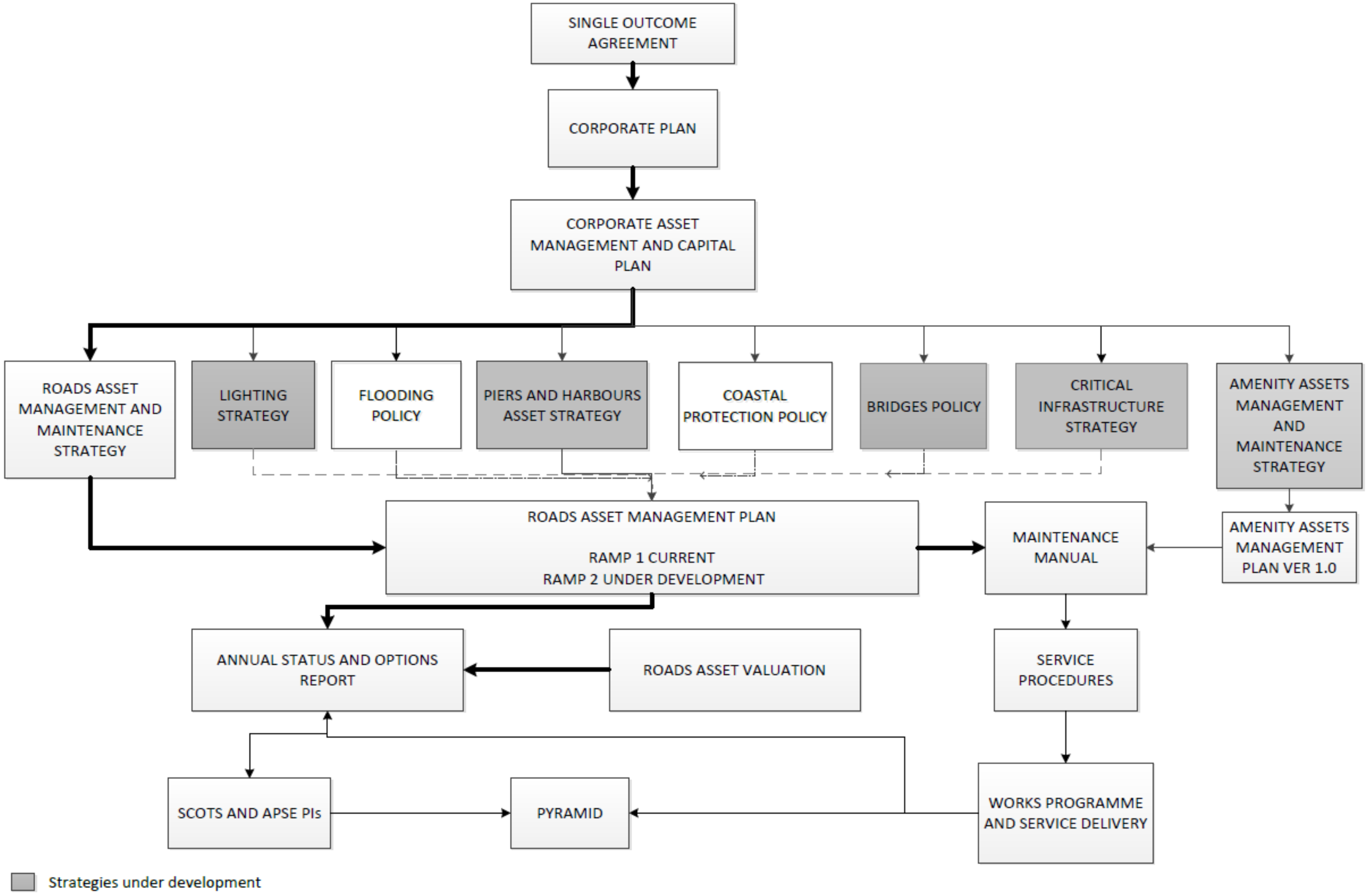
Flood Alleviation	The figures below are an estimate of the costs to implement the 6 year Local Flood Risk Management Plan					
Year	16-17	17-18	18-19	19-20	20-21	21-22	Total
Funding source	(£k)	(£k)	(£k)	(£k)	(£k)	(£k)	(£k)
Capital Cost (Total estimate)	100	150	400	2,000	6,430	250	9,330
Capital – (Council Contribution)	**20**	**30**	**80**	**400**	**1,286**	**50**	**1,866**
Revenue (Council contribution)	250	350	350	250	250	250	1,700

Appendix 2 - Areas for Capital Investment – Development and Infrastructure

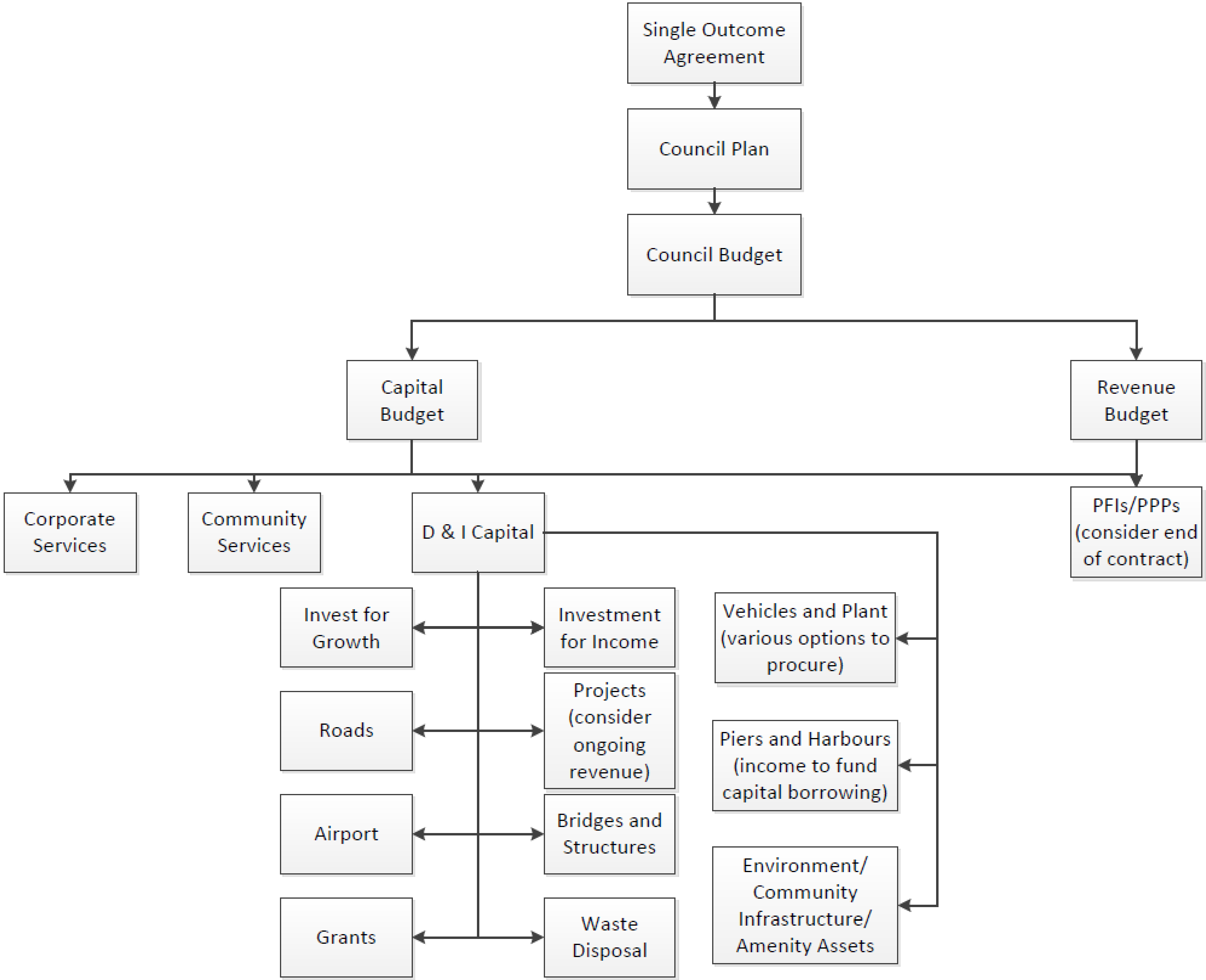
Capital Investment Area	Comments
Investment for Growth	Investment to pump prime economic growth. An element of the Council's Inward Investment Fund (£1m) could be invested in capital i.e. provision of small business units.
Investment for Income	Project completed includes wind turbine at Glengorm landfill site
Roads	Maintaining the road infrastructure in a proportionate condition. Planned investment and works will help to reduce reactive work and keep the network safe and available.
Street Lighting	Investment agreed via an energy efficiency scheme where reduced energy will fund new luminaires.
Community Infrastructure/Amenity services	Maintenance and capital investment for suitability and future sustainability of community infrastructure by Amenity Services e.g. Parks and open spaces, formal equipped recreational spaces, cemeteries, public conveniences, depots and ongoing upkeep of associated infrastructure ,ensuring sustainable development ongoing upkeep of infrastructure in a safe and condition. Ensure updated investment plan to drive works to reduce reactive work and keep the assets safe and available.
Bridges and Structures	Bridge strengthening and ongoing maintenance works to maintain the bridge stock in a fit for purpose condition.
Flooding Infrastructure	As part of the Local Flood Risk Management Plan, the Council should enjoy significant funding from the Scottish Government for flooding; however the Council will have to commit some of its own funding to realise this.
Projects	CHORD (Rothesay Pavilion, Queens Hall, Oban North Pier Maritime Quarter, Lorn Arc (Tax Incremental Funding), Helensburgh Waterfront, Inveraray and Campbeltown CARS
Airports	Ongoing upkeep of infrastructure and necessary support vehicles. Provide additional hangarage at Oban.
Grants	Key projects that have a Council capital commitment and if all other funding is secured will be delivered 2016-2020 Kilmartin Museum Campbeltown Cinema NVA St Peters Seminary Hermitage Park, Parks for People project Submarine Museum, Helensburgh
Waste Disposal	Construction works and land restoration works associated with the Council's landfill sites and waste (recycling) centres.
Vehicles and Plant	Capital investment associated with vehicles and plan required to deliver services

Piers and Harbours	Model being developed where Piers and Harbours are financially sustainable with expenditure being met from dues and income
PFI/PPP Waste Contract	Maintained waste contract ends in 2026. At the end of the contract waste assets under the contract will return to the Council. There will be liabilities for the Council in terms of compliance with environmental legislation and waste disposal.
Potential Future Economic Development Projects and associated funding requests	Funding bids submitted to Historic Environment Scotland (HES) for a second CARS project in Rothesay (£500,000) - £200,000 council match funding - and a CARS project in Dunoon (£1 million) - £500,000 council match funding. In addition a Rothesay Townscape Heritage bid (£1.5 million) to be made to Heritage Lottery Fund (HLF) in March 2017 using same - £200,000 council match funding above. Joint working with Scottish Canals as supported by Memorandum of Understanding and potential future projects , sum to be determined

Appendix 3 – Policy Documents


SINGLE OUTCOME AGREEMENT
CORPORATE PLAN
CORPORATE ASSET MANAGEMENT AND CAPITAL PLAN
ROADS ASSET MANAGEMENT AND MAINTENANCE STRATEGY
LIGHTING STRATEGY
FLOODING POLICY
PIERS AND HARBOURS ASSET STRATEGY
COASTAL PROTECTION POLICY
BRIDGES POLICY
CRITICAL INFRASTRUCTURE STRATEGY
AMENITY ASSETS MANAGEMENT AND MAINTENANCE STRATEGY
ROADS ASSET MANAGEMENT PLAN
RAMP 1 CURRENT
RAMP 2 UNDER DEVELOPMENT
MAINTENANCE MANUAL
AMENITY ASSETS MANAGEMENT PLAN VER 1.0
ANNUAL STATUS AND OPTIONS REPORT
ROADS ASSET VALUATION
SERVICE PROCEDURES
SCOTS AND APSE PIs
PYRAMID
WORKS PROGRAMME AND SERVICE DELIVERY
Strategies under development

Appendix 4 - Flowchart for investment


Single Outcome Agreement
Council Plan
Council Budget
Capital Budget
Revenue Budget
Corporate Services
Community Services
D & I Capital
PFIs/PPPs (consider end of contract)
Invest for Growth
Investment for Income
Vehicles and Plant (various options to procure)
Roads
Projects (consider ongoing revenue)
Piers and Harbours (income to fund capital borrowing)
Airport
Bridges and Structures
Environment/ Community Infrastructure/ Amenity Assets
Grants
Waste Disposal

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