

CORPORATE ASSET MANAGEMENT STRATEGY & PLAN

1. EXECUTIVE SUMMARY

- 1.1 Asset management is a structured and systematic approach to managing fixed assets on an ongoing basis. The Council has a large and varied collection of assets including buildings, vehicles, transport infrastructure (roads / bridges / piers), ferries, parks, cemeteries to information technology hardware and software. Assets are essential to the operation of the Council and ensuring they evolve and remain fit for their intended purpose is key to the function of the organisation and service delivery. Successful asset management 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 Council adopts a systematic approach to asset management and this paper sets out the principles, policies and summary priorities for 2023/24. The Strategy and Plan are consistent with the Prudential Code for asset management and the outcomes of the Best Value 2 review. This report in conjunction with appendices and wider Budget Pack forms our Corporate Asset Management Strategy and Plan. Asset Management is delivered by all departments and teams of the Council and overseen by the Asset Management Board. A review of the Asset Management Board and development of new Capital Investment Strategy 2023 – 2028 is underway and will be shared with Members early in 2023/24 financial year for implementation.

The underlying principles of the Council's Asset Management Strategy and Plan are:-

- The Council's has a commitment to sound asset management;
- All Council assets are required for operational, regeneration, economic and commercial development purposes;
- There are clear links between asset management, the Corporate Plan, the Argyll and Bute Outcome Improvement Plan (ABOIP), Live Argyll and the Argyll and Bute Health and Social Care Partnership (HSCP);
- Asset Management is linked to available resources and budgetary considerations;
- There are sound Governance arrangements for asset management; and
- Asset management requires to be forward looking to deliver the assets the Council requires for future service delivery.

CORPORATE ASSET MANAGEMENT STRATEGY & PLAN

2. INTRODUCTION

2.1 The Corporate Asset Management Strategy & Plan establishes the Council's overall approach to management of its asset base. In particular it sets out:

- The Council's has a commitment to sound asset management;
- All Council assets are required for operational, regeneration, economic and commercial development purposes;
- There are clear links between asset management, the Corporate Plan, the Argyll and Bute Outcome Improvement Plan (ABOIP), Live Argyll and the Argyll and Bute Health and Social Care Partnership (HSCP);
- Asset Management is linked to available resources and budgetary considerations;
- There are sound Governance arrangements for asset management; and
- Asset management requires to be forward looking to deliver the assets the Council requires for future service delivery.

3. DETAIL**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
- 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 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 line with Best Value Guidance: “Sound Management of Resources” the Council will manage its assets to deliver the Council’s corporate and ABOIP objectives, by providing the basis for corporate challenge and a focus on the future asset requirements in respect of service delivery.

Current Governance Arrangements for Asset Management

- 3.10 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.
- 3.11 Responsibility for Council assets is held by the two Departments:
- Executive Director Douglas Hendry
 - Executive Director Kirsty Flanagan
- 3.12 These Departments are headed by an executive director reporting to the Chief Executive and supported by heads of service who are responsible for day to day service provision and the effective and efficient use of assets. Assets owned by the Council but operated by the HSCP and Live Argyll continue to be the responsibility of the Council.
- 3.13 The Head of Commercial 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 – referred to as Service Asset Management Plans (SAMP) or Group Asset Management Plans (B). More information about the Strategic Asset Management Board can be found at **Appendix A**.

- 3.14 It is noteworthy that a review of the Asset Management Board and development of new Capital Investment Strategy 2023 – 2028 is underway and will be shared with Members early in 2023/24 financial year for subsequent implementation this calendar year.

Council Current Asset Base

- 3.15 The table below summarises the asset base of the Council. The Council has an asset base at 31 March 2022 with a Net Book Value of £706.465m (2021 - £647.312m) that includes:

Description	Number	Description	Number
Shared Accommodation (Offices)	27	Roads (km)	2,286
Operational Depots	20	Public Road Bridges	901
Primary Schools (in use)	65	Car Parks	118
Secondary Schools	5	Marine Structures	41
2-18 Schools	4	Public Road Coastal Protection (km estimated)	200
Joint campuses	1	Public Road Retaining Wall (estimated)	1,000
Youth Centres	1	Public Conveniences	85
Adult Learning Centres	2	Waste Disposal facilities	12
Early Learning Centres	2	Ferries	6
School Houses	19	Airports	3
Learning Centre for pupils with complex additional support needs	1	Cemeteries	131
Homes for the Elderly	6	Children's Homes	5
Hostel	3	Resource Centres	3
Leisure Centres	5	Crematoria	1
Community Centres	4	Lighting Units	14,642
Halls	5	Vehicles and Plant	634
Libraries	11	IT Systems and Devices (estimated)	16,955

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 B**. In addition Services have been encouraged to develop policy statements in respect of each asset group.

Corporate Asset Management Plan

- 3.32 Each year this Corporate Asset Management Plan is prepared on the basis of the underlying principles of the Corporate Asset Management Strategy referred to above. The aim of the Corporate Asset Management Plan is to ensure that capital and revenue expenditure is directed efficiently and effectively for the coming year to further:
- Strategic Change
 - Service Development
 - Asset Sustainability.
- 3.33 In preparing this Asset Management Plan services ensure that the opportunity cost of financial resources tied up in assets is 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 ABOIP
 - 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 SAMP, GAMP summary templates. Service asset managers prepares the SAMP, GAMP, and Asset Group Summary templates, 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 SAMP / GAMP (including Asset Management Plans prepared by the HSCP and Live Argyll).
- 3.35 In preparing SAMPs / GAMPS, 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 ensure robust 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.

Asset Management Plan & Priorities for 2023/24

- 3.36 This Corporate Asset Management Plan for 2023/24 reflects the Council's strategic objectives contained in the Argyll and Bute Outcome Improvement Plan (ABOIP) and Corporate Plan, capital investment priorities and Service Plans to support Strategic Change, Service Development and Asset Sustainability projects in 2023-24 and beyond. These projects have been developed taking account of

the future service delivery requirements of the Council, the Argyll and Bute Health and Social Care Partnership (HSCP) and Live Argyll.

- 3.37 On an ongoing basis all services assess the risk arising from the condition and suitability of the assets they have responsibility for. This enables the prioritisation of projects for inclusion within the capital plan. The continued reduction in available capital budgets and revenue maintenance budgets has had an impact on planned maintenance programmes. This in turn increases the rate of deterioration in asset condition across the Council leading to increasing demand for capital investment in the asset base to maintain service delivery.
- 3.38 The Service Asset Management Plans (SAMPS) & Group Asset Management Plans (GAMPS) that outline the proposed resource allocation, condition and prioritisation of capital expenditure are outlined at **Appendix C**.
- 3.39 It is clear from the SAMPS / GAMPS that the real terms reduction of available capital resources year to year plus recent unprecedented increases in inflation and global events is resulting on the majority of investment towards Asset Sustainability – ie ensuring our current assets remain fit for purpose. There is minimal service development, transformation or strategic change mainly due the higher value of such projects.

High Risk Assets Not Addressed within Capital Plan Proposals for 2023-24

- 3.40 The Capital Programme for 2023-24 has been structured to address the vast majority of the Council's high risk assets and priorities. However, in 2023-24 there are 2x specific assets and project areas that are currently unfunded that are deemed to be high risk.
- 3.41 The high risk assets not addressed within the SAMP / GAMPS for 2023-24 are:-

Asset Name	Description of Risk	Estimated Value (£000)	Comments
Key Business Applications 23/24	Replacement of Civica Document Management and Workflow and Revenues and Benefits System	137	There is insufficient funding to replace the Revenues and Benefits System or the Electronic Document Management & Workflow System which are both approaching end of contract. These have been categorised as a red risk.
Cemeteries	Diminishing capacity of burial lairs across asset base and network	310	Burial lairs across cemeteries are a finite resource. Due to age and physical size some cemetery sites are nearing capacity and business

			case / planning needs to be developed to consider expansion or new sites if current choice for burials is to be continued.
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4. CONCLUSION

- 4.1 The aim of this Corporate Asset Management Strategy & Plan including summarised service / group asset management plans is to ensure that asset management takes place in a systematic and well governed manner taking cognisance of corporate policies, plans, systems and processes.

5. IMPLICATIONS

- 5.1 Policy – The report sets out the Council's policy and prioritisation in respect of Asset Management.
- 5.2 Financial - This strategy and plan follows Prudential Code and the Best Value arrangements in terms of Asset Management. Financial implications significant in terms of the planned delivery of capital / revenue and systematic approach to asset management.
- 5.3 Legal - Systematic approach to asset management complies with various statutory and legal duties such as ensuring compliance with Disposal of Land (Scotland) Regulations and ensuring best value / expenditure of public funds.
- 5.4 HR - Strategy and Plan supports prioritised approach to assets that are required for workforce to undertake their duties now and in future.
- 5.5 Fairer Scotland Duty - The Strategy and Plan sets out significant investment in asset base to sustain and improve operational delivery of Council services for all.
- 5.5.1 Equalities - The Strategy and Plan sets out significant investment in asset base to sustain and improve operational delivery of Council services for all.
- 5.5.2 Socio-Economic Duty - These policy and proposal sets a prioritised and systematic plan to invest in Argyll and Bute region stimulating or sustaining economic attractiveness of our area. Many local businesses also contracted in implementation of SAMP / GAMPS.

- 5.5.3 Islands Duty - Island investment is prioritised throughout strategy and plan including several projects to improve connections and transport. Notably some of biggest potential investments is on Mull with LEIP bid and Pier Upgrades proposed.
- 5.6 Climate Change Asset Management Strategy & Plan plus all SAMPS/ GAMPS prioritise Climate Change at service level. Fleet move to more EVs, Building Design / Efficiency and waste all included as examples.
- 5.7 Risk - This strategy and plan follows Prudential Code and the Best Value arrangements in terms of Asset Management. Financial implications significant in terms of the planned delivery of capital / revenue and systematic approach to asset management.
- 5.8 Customer Service - Customers will be impacted by individual projects and investment to sustain or improve assets. Notable drop in real terms capital budget over 3-5 year period likely to lead to reduced customer satisfaction ie service cessation, remodelling or reduction such as less building, not as many roads improved.

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APPENDICES:-

Appendix A – Detail of current arrangements of Asset Management Board

Appendix B – Asset Management Policies

Appendix C – Service Asset Management Plans (SAMPS) / Group Asset Management Plans (GAMPS)

Appendix A – Details of current Asset Management Board

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.

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.

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 ABOIP objectives and the requirements of Live Argyll and the 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, Outline Business Cases and Full Business Cases.
7. To provide objective appraisal of Service Asset Management Plans (SAMPs) and Group Asset Management Plans (GAMPs).
8. To provide objective appraisal of Asset Group Summary templates in relation to the Capital Plan.
9. To work with stakeholders, both internal and external, in managing its assets including community planning partners.
10. To review delivery of the Capital Programme.
11. To review the resourcing of the delivery of the Capital Programme.
12. To ensure the capital works undertaken are of a high standard the Board should ensure that feedback of projects is sought by the users of the building / school / IT system etc. The board should review this feedback and pick up on any lessons learnt.

13. To resolve issues in respect of project risks for individual projects that have impacted (reached a level above tolerance).
14. To ensure life cycle costs in terms of building, maintain and decommissioning are considered in procurement and prior to committing to the project.
15. To oversee the standardisation and future development of asset specification and procurement.
16. 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.
17. Seek to ensure that adequate provision is made for planned programme maintenance.

It is noteworthy that a review of the Asset Management Board and development of new Capital Investment Strategy 2023 – 2028 is underway and will be shared with Members early in 2023/24 financial year for implementation.

APPENDIX B – ASSET MANAGEMENT POLICIES

1.0 INTRODUCTION

2.0 OPERATIONAL PROPERTY ASSET POLICY STATEMENT

3.0 NON-OPERATIONAL PROPERTY ASSET POLICY STATEMENT

4.0 ASSET DISPOSALS POLICY STATEMENT

5.0 ASSET ACQUISITIONS POLICY STATEMENT

6.0 FLEET ASSET POLICY STATEMENT

7.0 INFRASTRUCTURE ASSET POLICY STATEMENT

8.0 ICT ASSET 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. In terms of de-carbonisation, all assets should be used in a sustainable manner and contribute to a low carbon economy.

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 ASSET 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 as part of the 'One Council' property approach.
- 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, and where practical, provides flexibility for easy adaptation to meet emerging and future service requirements. 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, environmental credentials 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.
- Key properties are held for economic development purposes and are managed by the Estates and Property Development team within Commercial Services to support local employment, regeneration and business growth.

3.0 NON-OPERATIONAL PROPERTY ASSET POLICY STATEMENT

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

- The investment portfolio is managed effectively to maximise income.
- Rental voids are kept to a minimum.
- Regular reviews of investment portfolio are carried out to assess purpose of retention and alternative development options.
- Underperforming assets are declared surplus to requirements and sold, leased or transferred to community partners.
- The cost of managing the non-operational portfolio remains competitive through review.

4.0 ASSET 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 disposals to the Departmental Management Team or appropriate Committee of the Council seeking approval to proceed in line with Council Constitution.

Audit Scotland recommend that consideration should be given to using “legislation which allows councils to sell assets at below market value if it is for public benefit, where this is consistent with a published policy objective, and would achieve Best Value for the public sector overall”. Therefore in advance of any move to dispose of an asset, the Council will consider benefits from retaining an asset which may accrue to the public sector overall.

The Strategic Asset Management Board, as part of the ‘One Council’ property approach, 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 commercial. 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 capital receipts and 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.

In addition to the foregoing, Part 5 of the Community Empowerment (Scotland) Act 2015 has introduced a right for community bodies to make asset transfer requests to specified public bodies for the transfer of an interest in land or buildings for a specified purpose. The act requires public bodies to assess requests against a list of criteria and to agree the request unless there are reasonable grounds for refusal.

The Council has developed a set of enhanced procedures to provide a clear and transparent asset transfer request process to ensure compliance with the act. Web pages have also been developed to provide an interactive tool with advice and guidance, a list of the Council’s assets, contact details, the relevant forms and documents required to make a request, an “expression of interest form” (to facilitate

early informal discussions between organisations and officers). A single point of contact for enquiries is also provided.

5.0 ASSET 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, Major Projects Client Management 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 Commercial 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 Business Case Development Process.
 - Undertaking a rigorous options appraisal process, including consideration of procurement options available through the Council's membership of the Northern Territory hub Co and other frameworks.
 - Requiring the demonstration of comprehensive value for money approach.
- Participating and leading, where appropriate, post project reviews.

6.0 FLEET ASSET 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 ASSET 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.
- All assets maximise income generation through the charging regime, where applicable, and that all fees are collected efficiently and expeditiously

8.0 ICT ASSET 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 Maintenance 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.

Appendix C –

Service Asset Management Plans (SAMPS) / Group Asset Management Plans (GAMPS)

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

NOTE: Highlighted text require a further update which can be provided in due course

Asset Group	Education	3 rd Tier Manager	Morag Brown / Wendy Brownlie								
Description of Asset Group and Condition Assessment	Asset Group		No and/or value.	Condition				Suitability			
				A	B	C	D	A	B	C	D
	Primary Schools (in use)	65	15	50	0	0	15	50	1	0	
	2-18 schools	4	2	2	0	0	1	2	1	0	
	Joint Campus	1	1		0	0	1		0	0	
	Secondary Schools	5	4	1	0	0	4	1	0	0	
	Complex addition needs schools	1		1	0	0	1		0	0	
	Adult learning centres, and a Youth Centre	2		1	1	0		1	1	0	
	Early Learning and Childcare Centres	2			0	0			0	0	
	School Houses	19			0	0			0	0	
ABC Learning Estates Strategy – Learning Environments in all schools should have a suitability grading A or B A=good; B=satisfactory; C=poor; D=bad											
Investment (current and planned)	Funding source		Current Year		Anticipated Investment (£m)						
			2022-23 (£m)		2023-24	2024-25	2025-26				
	Block Allocation	Scottish Government	2.770		2.243	2.226		2.232			
	Block Allocation Carried Forward*	Scottish Government	1.515		2.011						
	1140 Hours	Scottish Government	1.036		0.019						
	CO2 Grant	Scottish Government	0.116								
	Gaelic Grant	Scottish Government	0.038								
	New Schools	Scottish Government	0.615		0.570						
	Revenue	Council	0.246								
			6.336		4.843	2.226		2.232			
* Previous years commitments / carry forward due to combination of COVID19, labour / contractor shortages / holiday period has contributed to carry forward to future years. May be future carried forward to future years											
2022-23 Overview											
Investment Strategy											
<ul style="list-style-type: none"> The current strategy is to focus on high and medium Asset Sustainability priority projects - no funding is allocated to 'service development' or 'strategic change projects' The aim is to maintain the current condition scores and improve suitability scores £1.036M reserved for 1140 hours ELC expansion £2.92M reserved for Asset Sustainability along with £1.515M carry forward was used to undertake major maintenance and keeping assets that we have wind, watertight & safe) ensuring schools remain in a minimum B category and avoid slippage into C Within the block allocation a contingency budget was allocated to address emerging issues. 											

- Projects identified via Condition + Suitability Assessment and Learning Estate Strategy

Risks

Asset sustainability

- Significant backlog of maintenance work includes roof repairs, rewiring, damp repairs, heating upgrades and suitability works. Failure to invest in planned capital maintenance in a timely manner will see a reduction in the scores and could result in component failure and building closure.
- Diminishing level of investment coupled with increased costs (inflation and construction costs) mean many buildings and building elements are deteriorating at a rate which may not be able to be addressed and revenue (maintenance / reactive) expenditure. This is beginning to impact on the use of buildings, capacity of the school, flexibility to deliver the curriculum, support for pupils with complex needs and our inspection ratings. This will continue unless the number of properties are reduced or the capital and revenue budget is increased

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

- At current funding levels the focus will remain focused on high and medium Asset Sustainability priority projects - no funding is allocated to 'service development' or 'strategic change projects'
- The aim is to maintain the current condition scores and improve suitability scores
- £2.243M reserved for Asset Sustainability will be used to undertake major maintenance and keeping assets that we have wind, watertight & safe) ensuring schools remain in a minimum B category and avoid slippage into C
- Within the block allocation a contingency budget was allocated to address emerging issues.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Progress LEIP Bid for new Campus on Mull	~£35m over 5 years (Council pay up front but 50% recouped over 25 years)	Calculated	Political and financial backing given at Council Sept 2022	Strategic Change
2. Deliver Learning Estate Strategy Aims – condition B or better plus outdoor enhancements	Block	Indicative	NA	Service Development
3. Asset Sustainability	Block	Indicative	NA	Asset Sustainability

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	Nil	Climate Change - See below Gaelic Medium
Service Development	Climate Change - See below	Climate Change - See below

Strategic Change	Bid for Learning Estate Investment Programme (LEIP) Funding	Climate Change - See below
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Major opportunity to access Government flagship investment programme Learning Estate Investment Programme (LEIP) for new campus on Mull.

In relation to climate change, opportunities for external funding will continue to be explored to allow delivery of projects similar to the Non-Domestic Energy Efficiency Framework (NDEEF). These opportunities could offer low carbon solutions throughout the wider Argyll and Bute area, which would not only assist the Council in its journey to Net Zero Carbon (NZC) but would also result in financial benefit through revenue savings or additional income. The delivery of these types of project which fall into a spend-to-save category will also consider Prudential Borrowing as a funding source i.e. where simple payback breaks even in relatively short timeframes.

Links to relevant strategies

Corporate Asset Management Strategy

Learning Estates Strategy

CO6: We have an infrastructure that supports sustainable growth

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Shared Accommodation	3rd Tier Manager	Craig Houston							
Description of Asset Group and Condition Assessment	The condition/suitability information for the assets in the group has been extracted from the Council's Property Management System (Concerto) and have been assessed using the Scottish Government Core Facts methodology.									
	Asset Group	No and/or value.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Shared Offices (Owned)	26	2	24	0	0	8	14	4	0
Shared Offices (Leased)	1	0	1	0	0	0	1	0	0	
Investment (current and planned)	Funding	Funding source	Current Year (£m)		Anticipated Investment (£m)					
			2022-23	2023-24	2024-25	2025-26				
	Block Allocation in Year Allocation	Scottish Government	0.561	0.431	0.428	0.429				
	Block Allocation carried forward	Scottish Government	1.688	2.061						
	Place Demonstrator Fund	Scottish Government	0.664							
TOTAL			2.913	2.492	0.428	0.429				
2022-23 Overview										
Investment Strategy										
<ul style="list-style-type: none"> The investment strategy for Shared Office Accommodation in 2022-23 was to focus on improving building elements throughout the asset group, whose condition was assessed as being either poor (C rating), bad (D rating) or is becoming life-expired, by delivering Asset Sustainability projects on a prioritised basis - no funding was allocated to 'Service Development' or 'Strategic Change' projects. The aim was primarily to maintain buildings such that their condition is assessed as being satisfactory (B rating) or good (A rating). On a secondary basis the investment strategy looks to improve the suitability of buildings to function more efficiently and effectively as offices. During 2022-23 the Our Modern Workspace programme commenced to rationalise the council's office estate and support agile working. Existing budgets were reviewed for affected buildings and circa £660k was reallocated for use by the project. Match funding of £664k was obtained from the Place Demonstrator Fund (part of the Scottish Government's Place Investment Fund) 										
Risks										
<ol style="list-style-type: none"> Significant backlog of maintenance work includes roof repairs, rewiring, heating upgrades and suitability works. Failure to invest in planned capital maintenance in a timely manner will see a reduction in the condition scores and could result in component failure and building closure. Diminishing level of investment coupled with increasing works costs (inflation, material/labour costs) mean many buildings and building elements are deteriorating at a rate which may mean that their improvement is not able to be addressed. This will continue unless the capital allocation and/or revenue budget is increased Under investment increases the risk of both reputational damage to the Council from poor appearance of buildings and third party insurance claims from building users (both staff and visitors) 										
Summary of Planned 2023-24 investment										
Investment Strategy at funding levels indicated above										
<ul style="list-style-type: none"> At proposed funding levels, the investment strategy for Shared Office Accommodation will continue to focus on improving building elements throughout the asset group whose condition is assessed as being poor, bad or is becoming life-expired by delivering Asset Sustainability projects on a prioritised basis. Funding including match funding is also allocated to Our Modern Workspace which is considered to be a 'Strategic Change' project of low cost. No funding was allocated to 'Service Development' 										

- The ongoing aim is primarily to maintain buildings such that their condition is assessed as being satisfactory (B rating) or good (A rating). On a secondary basis the strategy looks to improve the suitability of buildings to function more efficiently and effectively as offices.
- The proposed block allocation will be used to deliver asset sustainability projects on a prioritised/value for money basis to upgrade: roofs; windows; office related car parks, electrical installations (re-wires), heating plant etc. to ensure ongoing compliance with health and safety legislation.
- During 2023-24, the proposed funding will continue to be used, in conjunction with match funding, to deliver the Our Modern Workspace programme to rationalise the office estate and support the Council's move to agile working.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Conclude OMW Programme	£1.2m	indicative	£0	Strategic Change
2. Property Upgrade of Municipal Buildings, Oban	£260k	indicative	£0	Asset Sustainability
3. Re-Wire Kilmory aligned to OMW Programme	£1.4m	indicative	£0	Asset Sustainability

The Council has already made a significant reduction to its carbon footprint and is arranging to achieve net zero by 2045. This will require an appropriate carbon related audit of the Shared Accommodation properties, to allow a Strategy to be developed that results in the production of an Action Plan. Following on from that the Council will need to set aside funding to allow projects, from the Action Plan, to be delivered. The extent of the funding requirements is currently unknown.

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	Nil	No external/match funded opportunities
Service Development	No Service Development projects	No Service Development projects planned
Strategic Change	No Strategic Change projects	Climate Change - See below

In relation to climate change, opportunities for external funding will continue to be explored to allow delivery of projects similar to the Non-Domestic Energy Efficiency Framework (NDEEF). These opportunities could offer low carbon solutions throughout the wider Argyll and Bute area, which would not only assist the Council in its journey to Net Zero Carbon (NZC) but would also result in financial benefit through revenue savings or additional income. The delivery of these types of project which fall into a spend-to-save category will also consider Prudential Borrowing as a funding source i.e. where simple payback breaks even in relatively short timeframes.

Links to relevant strategies

Corporate Asset Management Strategy

Decarbonisation Plan 2021

CO6: We have an infrastructure that supports sustainable growth

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	HSCP	3 rd Tier Manager	James Gow							
Description of Asset Group and Condition Assessment	The HSCP operates services from 31 Council owned properties, many of which have significant backlog maintenance and health safety related maintenance and improvement requirements.									
	A project is on-going to purchase the Kintyre Care Home (Campbeltown) which will expand the portfolio in 2023.									
	A review of customer needs and future demographic demands is underway which will inform a routemap for new CareHomes and supported living throughout our region. This will inform future investment in our estate.									
	<u>Example 1</u>									
	Asset Group	No.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Elderly Persons Homes	6		6				5		1
	Children's Homes	5	3	2			3	2		
	Hostels	3		3				3		
	Resource Centres	3		3			1	1	1	
Offices	8	3	5			1	6	1		
Other	6		6			2	3	1		
In addition to the above, an independent report on the condition and suitability of the 6 care homes was commissioned by the HSCP which identified a large number of backlog maintenance issues. A project group has been established to prioritise remedial works within the resources available and taking into account that it is likely that some of the estate will not be operational in the longer term. Health & Safety risks have also been identified in respect of sprinkler systems and emergency power generators. Given the review and delivery of the new care home replacement project (which is at early stages) some of these health and safety or priority works may be required to maintain facilities in safe and operational condition.										
Investment (current and planned)	Funding	Funding source	Current Year		Anticipated Investment (£m)					
			2022-23 (£m)		2023-24	2024-25	2025-26			
	Block Allocation	Scottish Government	0.550		0.442	0.428	0.429			
	Block Allocation Carried Forward	Scottish Government	0.078		1.478					
		0.628		1.920	0.428	0.429				
2022-23 Overview										
Investment Strategy										
Backlog maintenance and suitability requirements are being prioritised within the budget available which is not sufficient to bring all of the properties operated by the HSCP up to a good standard. Investment is being targeted at essential maintenance, weather proofing and health and safety related priorities. The care home estate in particular requires internal redecoration. The work plan also takes into account priorities highlighted by the care inspectorate.										
It is anticipated that a strategic transformational project to consider new care models and care home replacement will be taken forward in 2022/23 and 2023/24. The first phase will be business case development and will be progressed in partnership between the HSCP and A&B Council. The HSCP has also recognised that it does not have sufficient management capacity at present and is in the process of appointing a new senior manager with Estates and Facilities management expertise.										
Risks										
1. Reputational damage as living conditions for residents is not always of a high standard or reflective of fees charged										
2. Poor quality property contributing to difficulties in staff recruitment										
3. Health and safety risks have been identified										

Mostly these relate to the care home Estate. Addressing these is being quantified at present.

There is a requirement to address issues in care homes which are unlikely to be in use in the longer term and further consideration of this balance between short term essential maintenance and longer term transformation is required.

Summary of Planned 2023-24 investment

Total investment available will contribute to:

- Addressing severe backlog maintenance issues within the Care Home Estate
- Address Fire Safety priorities arising from recent review
- Minor redecoration and improvement of Children's Home Estate

The works will include: essential roof/partial roof replacement and upgrades to manage water ingress; works to address deficiencies with building services (e.g. re-wires/boiler plant upgrades); works to assist with compliance with current care home standards and safe access/egress (e.g. lift upgrade). As a result of the investment, the condition of individual elements will improve but the impact on the overall condition of the assets is anticipated to remain static, or decline, given that the condition of other building elements is deteriorating.

An independent detailed review of the care home estate has been completed and identified a significant investment need which far exceeds available resources.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Care Home refurbishments and Health & Safety improvements (sprinklers, back up generators etc)	3.7m plus fees	Indicative per Hypostyle report	2.2m	Asset sustainability
2. Maintenance of Children's Homes	100k	Indicative	-	Asset Sustainability
3. Strategic Business Case	100k 2023/24	Indicative		Transformation

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability		Pre-Capital support funding from Scottish Government
Service Development	£50k from HSCP resources to fund Hypostyle review of Care Homes.	
Strategic Change	£40k invested in staffing to support older adult review work. £340k allocated by the HSCP to fund direct cost to progress the purchase of KCC during 2022/23	£40k approx. support from Scottish Government / Shelter applied for to support key worker accommodation project. Will be funded by the HSCP and Scottish Government and supported by A&B Council. HSCP match funding will be circa £40k over 2 years.

		Joint project to develop a business case for transforming older adult care services to be developed with A&B Council
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<p>Links to relevant strategies</p> <p>Older Adults / Care Home and Housing Strategy work underway</p> <p>HSCP Strategic Workforce Plan</p>
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STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	liveArgyll	3 rd Tier Manager	Marius Huysamer								
Description of Asset Group and Condition Assessment	<p>Building condition and suitability is measured in accordance with the Local Government Benchmarking Framework (LGBF). The condition rating of buildings is measured through an assessment of the main elements of the building (roof, walls, windows, doors, services etc.) via a weighted scoring matrix. Suitability is measured in a similar manner but instead of building elements, assesses themes including: location; accessibility; building facilities; the working environment; and ICT infrastructure etc. These assessment methodologies have recently changed and in moving forward will require more input/assessment for each property. All information is recorded within the Council's property management system, Concerto, and LGBF returns are made on an annual basis.</p>										
	Asset Group		No.	Condition		Suitability					
				A	B	C	D	A	B	C	D
	Community Centres		4	0	2	2	0	0	3	1	0
	Leisure Centres		4	1	3	0	0	0	3	1	0
	Halls		5	1	4	0	0	1	3	1	0
	Libraries		11	4	7	0	0	2	7	2	0
	Museums		1	0	0	0	0	0	1	0	0
	Archives		1	0	1	0	0	0	1	0	0
	Sandbank HQ		1	0	1	0	0	0	1	0	0
	Sport Centre		1	1	0	0	0	0	1	0	0
	Campbeltown Pavilion		1	1	0	0	0	0	1	0	0
	Overall condition/suitability category										
	More than 85%			A: Compliant (Good)							
	Between 60% and <85%			B: Requires Improvement (Satisfactory)							
Between 40% and <60%			C: Considerable Improvement Required (Poor)								
Less than 40%			D: Not Compliant (Bad)								
Investment (current and planned)			Current Year		Anticipated Investment (£m)						
	Funding	Funding source	2022-23 (£m)	2023-24	2024-25	2025-26					
	Block allocation	A&B Council	0.561	0.431	0.428	0.429					
	Block allocation	Carried forward	-0.001	*0.675							
	Totals		0.560	1.106	0.428	0.429					
*Previous years' commitments/carry forward due to a combination of COVID19, contractor/labour shortages and Brexit, has contributed to carry forward to future years.											
2022-23 Overview											
Investment Strategy											
Asset Sustainability											
Property condition and suitability assessments are reviewed annually along with input from Property Officers on burdensome maintenance issues to inform elements of buildings that need attention/investment.											
Business Development											
The asset group managed by liveArgyll is ageing and requires more capital investment to ensure it remains in an operable state. Year-on-year the Capital Investment is becoming less which in turns places greater strain on an already insufficient central repairs budgets. Underinvestment of Capital funds will lead to facilities that will further deteriorate in condition and suitability and inevitably reach a stage where they are deemed not fit for purpose.											

Failure to maintain assets and ensure they are fit for purpose will adversely impact on liveArgyll's ability to deliver agreed service specification requirements and fulfil charitable objectives.

Strategic Change

From a business strategy perspective the failure or long term unavailability of an asset, particularly a leisure centre or venue may have a significant impact the Company's ability to generate income, thus reducing the likelihood of the Company achieving a primary objective of becoming less reliant on management fee funding. There is great potential to increase recurring income streams and generate new streams however amongst other things, this requires the Asset base to be fit for purpose and of a suitable standard and quality which ensure customers choose to use and pay for services. The council is contractually bound through the licence agreement with liveArgyll Leisure Trust to invest in and maintain assets.

Risks

Risks are generic to buildings of age and character in this sector but can include:-

1. The block funding allocation is insufficient to address identified work (particularly in context of current rising prices).
2. Planning/Building Control Issues.
3. Technical Challenges as further work is done to detail the necessary improvements at each location.
4. Known presence of asbestos in certain buildings

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

Asset Sustainability

All proposed work is to sustain the current asset portfolio occupied and managed by liveArgyll Leisure Trust. Work is required to maintain the facilities in a wind and water tight condition and to ensure compliance to legislative and regulatory requirements. Significant project slippage have occurred over the past two year so projects have been carried over to future years. Work will include, roof refurbishment, boiler replacement, re-wire of aging buildings, window replacement, re-tiling of swimming pool, remedial work to stem water ingress, remedial work to DHW systems and pool plant, refurbishment of health suites, replacement of a heating system and replacing a spa pool.

Strategic change

Further investment will be required to assist with the council's Asset Rationalisation programme. Works identified will address issues under the Equalities Act 2010 and Health and Safety regulations.

Top three service/asset group priorities

Service Priority	Cost (£m)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
Implementation and planning of a range of facility development projects aimed at increasing capacity, improving services and offering, as well as adapting to changing customer behaviour.	0.35	Indicative	0.35	Service Development
In support of liveArgyll's business contingency planning, liveArgyll need to replace and refurbish	0.87	Indicative	0.87	Asset sustainability

assets that are deemed not fit for purpose.				
Launching our new Leisure Management System and customer booking app.	0.2	Indicative	0.2	Service Development/Strategic change
Match funding Opportunities/External Funding				
	Achieved 2022-23		Opportunities 2023-24	
Asset Sustainability	Although not directly linked to the council's asset management plan, LiveArgyll was successful to secure match funding from East Kintyre Windfarm Trust. These funds will be used to procure new gym equipment for the Aqualibrium.		A match fund application will be made to the Loch Fyne Windfarms via Foundation Scotland. This self-fund project is for the repurposing of the squash court at MASC	
Service Development			liveArgyll continues to explore external / match funding opportunities. Discussions are on-going in respect of specific projects.	
Strategic Change			The Council has agreed to look at any licence revisions required to secure funding on a case by case basis	
Links to relevant strategies				

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	ICT	3 rd Tier Manager	Gerry Wilson							
Description of Asset Group and Condition Assessment	Asset Group	No and/or value.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Server Infrastructure Overall	1,850k	182k	8k	1,308k	352k	182k	8k	1,308k	352k
	PC, Laptops and Tablet Devices - Corporate	£829k	207k	174k	253k	195k	207k	174k	253k	195k
	PC, Laptops and Tablet Devices - Education	2,150k	858k	442k	515k	335k	858k	442k	515k	335k
	Communications Equipment incl network devices and Broadband	2,157k	1,740k	55k	106k	256k	1,740k	55k	106k	256k
Supported Business Software Applications(Number)	80	59	11	8	2	59	12	9	0	
Investment (current and planned)	Funding	Funding source	Current Year		Anticipated Investment (£m)					
			2022-23 (£m)		2023-24	2024-25	2025-26			
	Block Allocation	Scottish Government	1.011		0.777	0.771	0.768			
	Block Allocation Carried Forward	Scottish Government	0.232		0.481					
	External Income	NHS	0.046							
Total		1.289		1.258	0.771	0.768				
*Previous years commitments/ carry forward due to combination of covid, contractor/labour shortages and Brexit, has contributed to any carry forward to future years										
2022-23 Overview										
Investment Strategy										
<p>Asset Sustainability – All of the Council’s ICT assets are replaced on a rolling cycle. PCs and Laptops are replaced on a 4 year (corporate) or 5 year (education) cycle. Major infrastructure assets such as servers, firewalls, and network routers and switches are replaced every 6 years. This is an industry standard approach to the maintenance of critical infrastructure designed to minimise the risk of service failure which would otherwise result in poor system reliability, the unavailability of major systems, and a consequential failure to deliver front line services. The expected lifespan of ICT infrastructure assets is determined by manufacturer support availability, age, or fitness for purpose.</p> <p>The ICT Service normally apports part of the ICT Block Allocation each year to cover the annual PC Replacement and network infrastructure asset costs. Every six years we also have to prioritise our spend on our two data centres (the heart of the ICT environment) which normally means we have to allocate the majority or all of the block allocation for that year to servers and network equipment. The data centres continue to host several hundred council applications as</p>										

the true cost of migrating to the cloud remains unaffordable for many systems. The data centres are due for major upgrades from 23/24 onwards.

We face enormous inflationary pressures on the ICT Capital Programme as the post pandemic global supply crisis impacts on technology equipment pricing. 2023/24 and 2024/25 are two years where the need to prioritise investment in critical server and network assets for the data centres means there would be little or no funding available for PC replacement or other service development projects without additional drawdowns from the Capital Contract Increases Earmarking fund to cover some of the inflationary and exceptional cost increases. Our strategy is therefore based on the proposed drawdowns from that fund being approved and allocated to the affected asset replacement projects before the block allocation is then distributed across the remaining sustainability projects – IT Network and Server infrastructure and PC Replacement.

Service Development and Strategic Change - The ICT Development framework establishes a consistent and transparent method for the evaluation of ICT business case based proposals being presented 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 includes a mix of small and significant ICT developments that are both affordable and deliverable. The ICT Development Plan determines the ICT Asset service development priorities and the levels of funding required to meet them. This year two business cases have been approved at the Asset Management Board for the replacement of the Civica Document Management and Workflow System, and of the Revenues and Benefits System. Both have been included in the capital work programme for 2023/24.

Risks

1. All ICT Assets - Failure of key infrastructure supporting technology components that are critical for day to day service delivery across all services of the Council. The severity and the reach of the impact will very much depend on which components fail and consequences for individual services but could also be cross Council affecting. As technology components age and move out of support, the Council risks non-compliance with PSN, Cybersecurity and PCI DSS obligations.
2. PCs and laptops are currently replaced on a 4 year Corporate and 5 year Education cycle with no warranty or maintenance on PCs after the first 3 years. This has consequences for the reliability of desktop equipment. On warranty expiry, the Council is required to effectively self-insure against failure.
3. Service Development - In addition to impacting our ability to comply with our security obligations, the risk of underinvestment for key business application systems will result in missed opportunities for greater efficiencies and service improvements across council services.

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

Server Sustainability

Replacement of Server equipment in Kilmory and GWITC so that our infrastructure is robust, supported and fit for purpose for at least 6 years. This includes replacing our critical firewalls at Kilmory and GWITC datacentres, as well as the replacement of end of life Windows Security Update Servers at every school and main offices. Further major investment on the data centre servers will be required in 2024/25 and then the servers will require minimum investment over the following 5 years. The funding requirement for servers has been met from a combination of the block allocation and drawdown from the Capital Contract Increases Earmarking fund.

PC Replacement

- Replacement of Corporate PCs due to become red risk assets (> 4 years old) in 2023/24, with 3 years of warranty.
- Replacement of Education PCs that either are already red risk assets or due to become red risk assets (> 5 years old) in 2023/24, with 3 years of warranty.

Note – the PC replacement programme is based on a continuous cycle of investment. One quarter of all corporate PCs were expected to be replaced each year alongside one fifth of Education PCs each year. The funding requirement for PCs has been met from the ICT block allocation.

IT Network

Replacement of IT Network Infrastructure technologies which are either due to become or are already end of life assets in 2022/23, resulting in fitness for purpose for potentially 6 years. This includes replacing end of life network switches at our Kilmory and GWITC datacentres, as well as replacement of network routers at our schools. The funding requirement for IT network equipment for 2023/24 has been met from a combination of the block allocation and drawdown from the Capital Contract Increases Earmarking fund.

Key Business Applications

Replacement of Civica Document Management and Workflow System, and replacement of Revenues and Benefits System. This funding requirement has been partially met from the ICT Block Allocation, but a shortfall remains of £137k

Top three service / asset group

The ICT Management team follows an industry best practice approach for the replacement of key technology assets based around the age and condition of each asset type. This is required as part of our *statutory* membership of the PSN where we are obligated by the Cabinet Office to maintain our network of servers and devices at current supported levels. The PSN in turn allows us access to their private network to collaborate and share data with other public sector partners such as the National Registrars for Scotland, HMRC, and DWP in a safe, secure, and trusted manner. Our investment priorities are therefore based on sustaining our complex network of circuits, routers, servers, pcs, and applications and this is reflected in our three priorities for 2023/24. Funding from the block allocation, coupled with contributions from the Capital Contract Increases Earmarking fund will allow us to replace red risk critical IT network and server infrastructure assets (£608k) and red risk PCs and laptops (£531k) for 2023/24. It should be noted that a further and greater pressure will apply to both areas in 2024/25.

Our block allocation will also contribute £173k towards the cost of the two big Service Development application replacements scheduled for 23/24 (Revenues and Benefits and EDMS) but a shortfall in funding remains of £137k.

This is illustrated in the following table for 2023/24:

Service Priority	Cost	Budget available	Capital Contract Increases Earmarkings	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. IT Network and server infrastructure	608k	277k	331k (95k from 22/23 and 236k from 23/24)	calculated	0	Asset Sustainability
2. PC replacement programme	531k	531k	0	calculated	0	Asset Sustainability
3. Business Application Systems (service dev)	310k	173k	0	estimated	137k	Service Development

Match funding Opportunities/External Funding

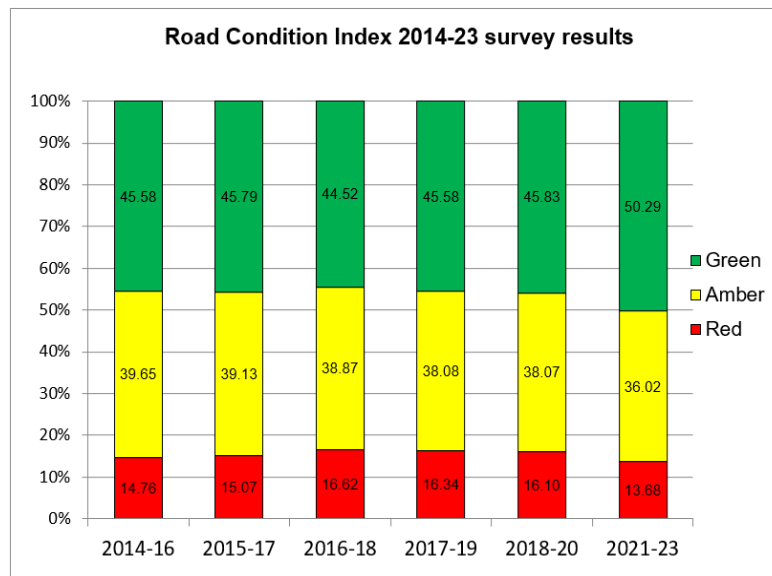
	Achieved 2022-23	Opportunities 2024-25(should this be 2023-24?)
Asset Sustainability		
Service Development	49	
Strategic Change		

Links to relevant strategies

[ICT and Digital Strategy 2021 -24](#)

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Road Infrastructure (Carriageways and Footways)	3 rd tier Manager	Hugh O’Neill (RIS Network and Standards Manager)																																																
Description of Asset Group and Condition Assessment	Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)																																																
			Green/ Purple	Yellow	Amber	Red																																													
	Roads *See below comments	£2.09Billio n	50.24%	N/A	36%	13.76%																																													
	Footways	£78.3Milli on	*	*	*	*																																													
<p>This can be further broken down to road classification as per below table:</p> <table border="1"> <thead> <tr> <th colspan="4">Overall Road Condition % by Class</th> <th>Road Condition Index (Red% + Amber%)</th> </tr> <tr> <th>Road Class</th> <th>% RED</th> <th>% AMBER</th> <th>% GREEN</th> <th></th> </tr> </thead> <tbody> <tr> <td>A</td> <td>7.46</td> <td>29.9</td> <td>62.64</td> <td>37.4</td> </tr> <tr> <td>B</td> <td>15.77</td> <td>40.7</td> <td>43.53</td> <td>56.5</td> </tr> <tr> <td>C</td> <td>13.86</td> <td>38.59</td> <td>47.55</td> <td>52.5</td> </tr> <tr> <td>U</td> <td>16.37</td> <td>34.75</td> <td>48.88</td> <td>51.1</td> </tr> <tr> <td>Urban</td> <td>3.92</td> <td>27.66</td> <td>68.42</td> <td>31.6</td> </tr> <tr> <td>Rural</td> <td>16.15</td> <td>38.03</td> <td>45.82</td> <td>54.2</td> </tr> <tr> <td>All</td> <td>13.76</td> <td>36</td> <td>50.24</td> <td>49.8</td> </tr> </tbody> </table>							Overall Road Condition % by Class				Road Condition Index (Red% + Amber%)	Road Class	% RED	% AMBER	% GREEN		A	7.46	29.9	62.64	37.4	B	15.77	40.7	43.53	56.5	C	13.86	38.59	47.55	52.5	U	16.37	34.75	48.88	51.1	Urban	3.92	27.66	68.42	31.6	Rural	16.15	38.03	45.82	54.2	All	13.76	36	50.24	49.8
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<p>*Footway Asset condition surveys are not currently undertaken due to limited resources and cost implications. Generally footways are considered safe and fit for purpose with maintenance works undertaken in response to identified defects or public complaints as investment and resources permit.</p>																																																			
<p>The below graph highlights the latest road condition survey results which show a marked improvement in condition from the last normal survey 54.4% to current 49.8%. This is directly attributed to the sustained investment from Council recognising the significance of our road network, which has allowed over 50% of our Network to be in the ‘Green’ condition for the first time over the last 8 years of reporting.</p>																																																			



Investment
(current and
planned)

Funding	Funding source	Current Year	Anticipated Investment (£m)		
		2022-23 (£m)	2023-24	2024-25	2025-26
Block Allocation	Scottish Government	4.378	3.449	3.412	4.292
Block Allocation Carried Forward	Scottish Government	0.959	0.754		
Additional Council Allocation	Scottish Government	3.023	0.130		
Chord Budget	Scottish Government	0.003	0.057		
Electric Vehicle Charges	Scottish Government	0.093			
STTS	Scottish Government	0.958			
		9.414	4.390	3.412	4.292

2022-23 Overview

Investment Strategy

Prioritisation of Asset Sustainability:

Road condition is measured by the Scottish Road Maintenance Condition Survey (SRMCS) which assesses parameters such as surface texture and cracking, smoothness and rutting. This provides an indication of the residual life of the road structure.

As previously highlighted, Footway Asset Condition Surveys are not currently undertaken due to limited resources and cost implications. Generally footways are considered safe and fit for purpose with

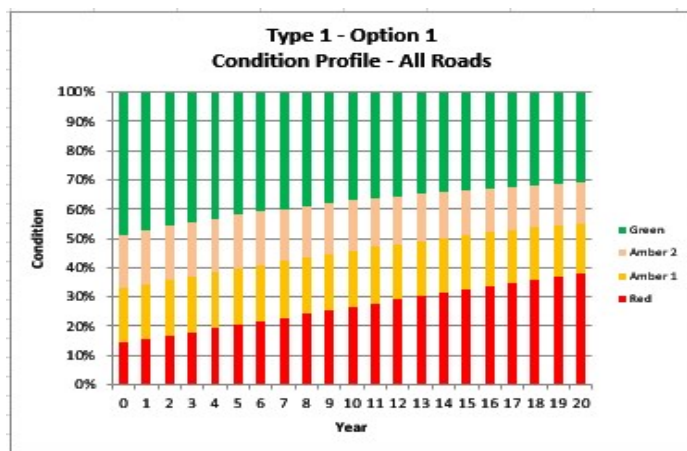
maintenance works undertaken in response to identified defects or public complaints as investment and resources permit.

CAPITAL RESURFACING INVESTMENT OPTIONS

The below lists 4 options where direct comparison can be made with investment against a 20 year profile for road condition.

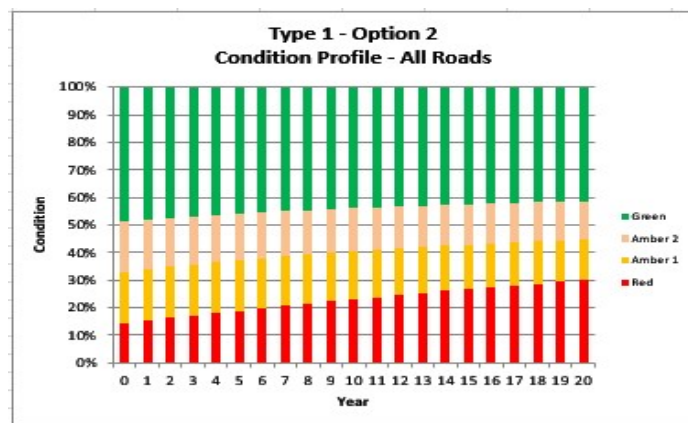
OPTION 1— £3M

An annual investment of £3m would lead to a substantial deterioration on overall RCI with 69% of our roads requiring attention after 20 years including 38% of roads considered in the red category, this would significantly increase risk to road users safety. The volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease.



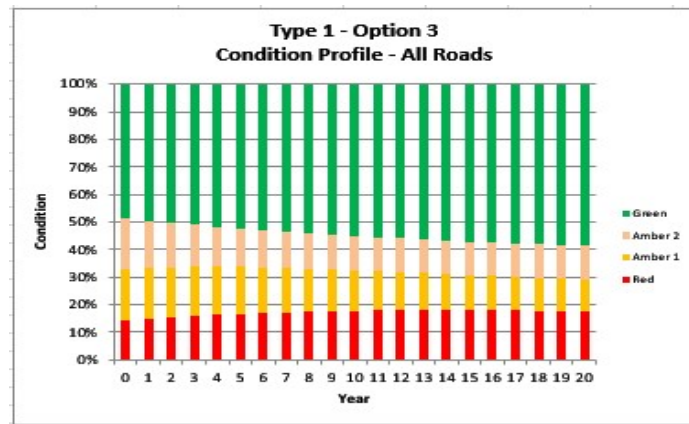
OPTION 2— £5M

An annual investment of £5m would lead to a slower deterioration on overall RCI with 59% of our roads requiring attention after 20 years including 30% of roads considered as red category. This is almost double the latest result (16.34%) for red category roads. The volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease.



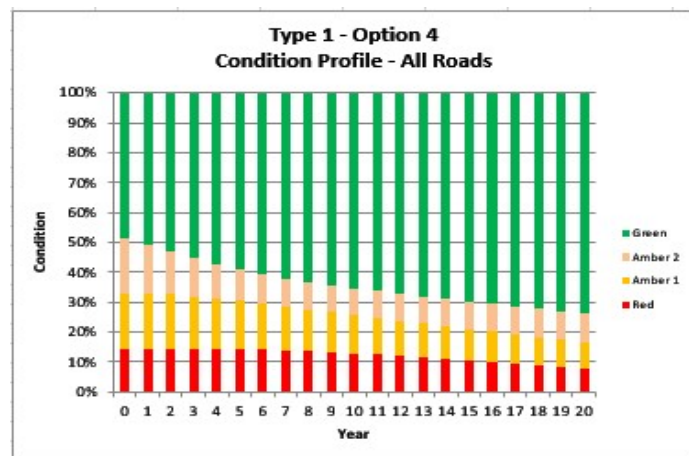
OPTION 3 — £8M

An annual investment of £8m would lead to steady state in overall RCI with 41% of our roads requiring attention after 20 years including 18% of roads considered as red category which is on par with current red condition (16.34%). The volume of reactive temporary repairs would likely remain similar to current levels over initial period and would be expected to remain similar over time as road condition remains constant. Public liability claims would also be expected to remain similar. Customer satisfaction levels would also remain in steady state.



OPTION 4 — £11M

An annual investment of £11m for the next 20 years should lead to a substantial improvement in overall RCI with only 27% of roads requiring attention including only 8% of roads in red category, half the current red condition (16.34%). This differs slightly from the projected value from the SCOTS Backlog and Steady State model, due to a different method of predicting future carriageway condition. This would potentially make Argyll and Bute council the leading Scottish authority in terms of RCI. A substantial reduction in reactive repairs and public liability claims can be expected. Demands on limited resources would be lessened and customer satisfaction levels will also be greatly improved through this investment.



Prioritisation of Service Development:

The annual Capital Reconstruction Programme aims to deliver investment on a range of surfacing projects targeted at improving network condition across Argyll. The bulk of investment (77%) is attributed to Surface Dressing (SD) and thin surfacing works to maximise network coverage. The aim being to seal and extend surface life with a SD treatment and tackle as much deteriorated surface as possible with thin surfacing works so as to help reduce demand for costly reactive treatment works

Prioritisation of Strategic Change:

The value of undertaking adequate preventative maintenance works cannot be over stated. It is the most vital and fundamental function required to extend infrastructure service life, strengthen network resilience and minimise demand for capital investment. To maintain a steady state road condition, **investment of at least £8M is required annually.**

As has been demonstrated in the below table, over the last 10 years, where we have seen average investment of at least £8 Million on Roads Reconstruction, RIS have been able to improve our road condition which in turn improves visitor numbers/local businesses as well as supporting our communities daily commute. This year for the first time since we have been recording road conditions we have been able to improve our roads to have over 50% in the good condition category. This is purely down to investment and the support provided by members allowing RIS officers to manage the network effectively.

To ensure we sustain this level of improvement over the next five years and do not regress in our road condition which is reported through Scottish Government, a minimum budget of £8 million per annum is required. To improve on this condition then further **investment in excess** of £8M is required.

Year	Capital & Revenue	Survey year	RCI
2013-14	£9,826,466	2013-15	55.6
2014-15	£8,896,996	2014-16	54.4
2015-16	£6,799,499	2015-17	55.3
2016-17	£5,821,104	2016-18	55.5
2017-18	£5,233,219	2017-19	54.4
2018-19	£11,502,343	2018-20	54.17
2019-20	£9,472,398	2019-21	N/A (covid)
2020-21	£8,426,346	2020-22	49.8
Average Spend	£8,247,296	Average	54.2

Risks

1. Increase in third party insurance claims. This would be due to an increase in pot holes and road defects as funding was not sufficient to treat roads properly.

2. Restricted traffic and the possibility of some roads having to be closed on safety grounds. Failure to maintain roads is a duty for Roads Authorities and a lack of funding will require prioritisation of routes which may well restrict vehicular sizes on certain roads to prevent further decline/damage. This would include consideration of weight, width and length limits on our roads as well as restricted speed limits and ultimately road closures if roads were to become unsafe due to damage. The practicality to deliver on road closures or restrictions also imposes a cost on the council funds to provide traffic management and Temporary Traffic Regulation Orders.

3. Detriment to business and tourism should the road network deteriorate to a point that its condition is not convenient for the travelling public.

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

Asset Sustainability:

Carry out a drastically reduced mix of surface dressing, edge strengthening, resurfacing works. The surfacing works will include proportionate drainage works. Works will be identified from condition surveys, collision data, and known development activity and reports from the public. Final programmes may be adjusted to take account of any winter deterioration.

Service Development:

£3.449M capital budget with the current level of revenue funding would not be sufficient to enable officers to keep the network from deteriorating, dependent on the severity of winter weather which could further deteriorate the network.

Strategic Change:

An annual investment of just over £3m would lead to a substantial deterioration on overall RCI with 69% of our roads requiring attention after 20 years including 38% of roads considered in the red category, this would significantly increase risk to road users safety. The volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Road Maintenance	Minimum of £8M	Calculated as per agreed methods	£4.5M to £5M	Asset Sustainability
2. Footway Maintenance	£950k	Estimation of condition calculated as three percent of gross replacement cost of the asset.	£450k	Asset Sustainability
3. Street Furniture	£3M	Estimated	£3M	Asset Sustainability No funding is allocated to this asset as such it is incorporated in the Road Maintenance Budget.

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
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Asset Sustainability	<ul style="list-style-type: none"> • STTS £1.025M • Active Travel Funding £500k for footways 	<ul style="list-style-type: none"> • STTS • Coastal Community Funding • RTIF
Service Development	<ul style="list-style-type: none"> • Coastal Community Funding of £400k for Tobermory Car Park (now being asked to be moved to Tobermory Cemetery) 	<ul style="list-style-type: none"> • Levelling Up Funding – potential rebid
Strategic Change		

Links to relevant strategies

Local priorities based on output from machine surveys, SCRIM, STATS 19, engineering judgement, service demands. Roads assessed as amber and those with the greatest impact on the economy.

Maintaining Scotland's Roads – Audit Scotland, February 2011

“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.”

The road infrastructure is also covered by the Roads Asset Management Plan (RAMP) which has been carried out as part of a national project steered by SCOTS. This means that the roads asset infrastructure's condition can be compared not only across Argyll and Bute, but across the whole of Scotland.

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

NOTE: Some sections require more information to be inputted which will be provided in due course

Asset Group	Street lighting	3 rd Tier Manager	Tom Murphy								
Description of Asset Group and Condition Assessment	Gross street lighting stock replacement cost (new replacement) from the current Asset Register is £47m We have 13,616 Lighting Columns (9920 Galvanised Steel, 2266 Un-galvanised Steel, 1278 Aluminium Columns, 42 Concrete Columns, 110 Lights on Wooden Poles) It is estimated that 35-45% of these columns have exceeded their expected service life of 25-30 years, with some in the region of 70 years.										
	Asset Group		No and/or value.	Condition				Suitability			
				A	B	C	D	A	B	C	D
	Street Lights (Luminaires)		14,642								
	Illuminated Signs		434								
	Traffic Lights/signals		27								
	We do not have an accurate conditions index for Street Lights and illuminated signs, however they were inspected in our LED replacement programme which is still ongoing. Service Standards: To ensure that our asset is maintained properly, electrical certification / testing is required every 6 years with column condition and ranking carried out every 4 years as part of scheduled planned maintenance. This has not been done properly since 2015.										
Investment (current and planned)	Funding		Funding source	Current Year		Anticipated Investment (£m)					
				2022-23 (£m)		2023-24	2024-25	2025-26			
	Block Allocation		Scottish Government	0.250		0.150	0.150				
	Block Allocation Carried Forward		Scottish Government	-0.110		0.300					
	Additional Council Allocation		Council			0.300					
	Prudential Borrowing		Council	0.791							
				0.931		0.750	0.150	0.000			
2022-23 Overview											
Investment Strategy											
£740k budget is made up of £250k annual allocation + £190k unspent from 2021/22 due to COVID and £300k from the Feb 2022 Budget Motion: Allocates £300k to deliver a programme of street lighting column replacement and improvement across Argyll and Bute, prioritised based on condition, with funding for at least 260 lighting columns.											
The current financial years funding will allow the LED upgrade replacement programme to be finalised. This will use the remaining prudential borrowing of £3.9m to replace sox and son fittings with LED energy efficient cost saving luminaires to be complete prior to April 2023.											
Risks											
1. Failure to properly invest in lighting will see an increase in third party insurance claims											
2. Health and safety consideration if columns are old and rusted with the potential to fall down in adverse weather.											

3. Detriment to business and tourism should the network deteriorate to a point that its condition is not convenient or safe for the travelling public / pedestrians and motorists.

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

With limited investment of £150k. We will only be able to react to a very minor portion of street lighting issues. We prioritise funding through a study of planned maintenance findings, analysis of fault records and reliability, Light level meter checks for inadequacies, column condition scores – All will be considered to compile and prioritise programs of work.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of LED installation programme	LED Business Case	Calculated	0	
2. Column replacement and cabling works	£700k	Calculated	0	
3. Continue asset sustainability works	tbc	Indicative – value tbc	tbc	

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability		Underground cabling to be replaced in key locations to reduce ongoing outages
Service Development	Completion of LED rollout anticipated	Roll out of column replacement
Strategic Change		

Links to relevant strategies

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

NOTE: Some sections require more information to be inputted which will be provided in due course

Asset Group	Amenity	3 rd Tier Manager	Hugh O’Neill and Tom Murphy with input from Mark Calder re toilets.							
Description of Asset Group and Condition Assessment										
	Asset Group	No and/or value.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Cemetery	131	44	8	8	5	0	0	0	66
	Parks and Open Spaces	30 Play Parks	6	4	18	2				
	Parks and Open Spaces	Sports Fields	5	6	14	0				
	Parks and Open Spaces	Stadium	3	0	1	0				
Toilet facilities						0	0	0		
<p>Argyll and Bute Council has 131 Cemeteries with 66 Closed for the sale of lairs. They are however still being opened for interments as well as the Council being responsible for the upkeep of the Cemetery. They have been listed as Suitability D in the above Table.</p> <p>65 Cemeteries are open for the sale of lairs, however they have been broken down in the condition table to whether they have 0-5 years capacity Condition D/5-10 years Condition C/10-20 years Condition B and 20+ years Condition A.</p> <p>Argyll and Bute Council have 30 Play parks which are listed as A in urgent need of repair, B in need of repair, C minor repairs needed and D in good order.</p> <ul style="list-style-type: none"> - Sports Fields - We have 26 Sport Fields which cater for a mix of football/shinty and rugby. We have listed them as A=Good condition/B=Reasonable Condition/C=Poor Condition. Most require drainage work as well as work to improve the playing surfaces of the pitches and update/replace fencing. - Stadiums – We have 3 stadiums which are listed as 2 in good condition and 1 in poor condition - Toilets – 16 high footfall public conveniences will shortly have charging infrastructure installed through a £300,000 scheme [£100,000 Council capital; £200,000 Coastal Communities]. Income received can be used to meet previously unachieved income targets. 										
Investment (current and planned)	Funding	Funding source	Current Year		Anticipated Investment (£m)					
			2022-23 (£m)		2023-24	2024-25	2025-26			
	Block Allocation	Scottish Government	0.000		0.100	0.100	0.000			
	Block Allocation Carried Forward	Scottish Government	0.816							
	Capital Grant	Scottish Government	0.000		0.312	0.235	0.391			
	Council Additional Allocation	Council	0.100							
			0.916		0.412	0.335	0.391			
2022-23 Overview										
Investment Strategy										
Cemeteries										
Officers are reviewing the capacity of cemeteries, those with less than 5 years capacity are prioritised in line with budget availability. Cemeteries are either extended or when this is not possible then nearby land is identified where possible within Council ownership and if not then land owners are approached to purchase land. To support										

cemeteries with less than 5-10 years capacity, officers have suggested a change in policy in regards to lair availability, whereby the pre-sale of lairs is stopped when capacity is less than 5-10 years. This has still to be presented to the relevant committee for a change in policy.

Play Parks

Play Parks have been reviewed by trained officers to identify defective equipment and surfaces. Previously no funding has been available and defective equipment has either been removed or fenced off. On occasion funding sources have been identified to locally refurbish equipment and play parks such as Atlantis in Oban. The details of the review have now been collated to identify an overview document highlighting the priority play parks in need of refurbishment with the Scottish Govt Funding. Play park funding will be covered by the Scottish Govt budget for another three years. There are no further plans to develop play parks further than this.

Pitches

Most pitches are in need of drainage work as well as work to improve the playing surfaces of the pitches and update/replace fencing. Several pitches have previously had drainage works carried out and now at least 6 need urgent drainage works to enable sports to be played on the pitches.

In regards to Rothesay Stadium, this requires extensive drainage works as well as building works to ensure health and safety is not compromised. Work is also required to continue to improve the mobile stand.

Public Conveniences

Various public conveniences are undergoing turnstile improvements and general upgrades. At the P&R Committee meeting on 13/10/22 additional funding was approved subject to SG confirming the anticipated level of Coastal Communities funding being received.

R&IS will work with property colleagues with a view to putting in place an asset management system for Public Conveniences which helps to identify long term programmes of works removing the more reactive approach to none statutory property maintenance for the R&IS property estate.

Risks

1. Failure to provide sufficient funding for Cemetery expansion and development will Risk the Council as a Burial Authority being in breach of Legislation in not being able to bury the dead. Further this will damage the council's reputation should mere cemeteries close and cause negative feedback from deceased relatives etc.
2. Sports pitches would become unfit for purpose which would be detrimental to the council's objective of a healthy community. This would also see clubs using all weather facilities at the council's High schools, this has recently been raised as an issue with clubs being unable to book the pitches due to over subscription. Officers have also experienced sports clubs taking their bookings to neighbouring authorities.
3. Breach of Health and Safety legislation if toilets are not maintained in a good condition

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

1. Challenges in being able to carry out the statutory duty of where people want to be buried without investment and cemetery extensions/new sites.
2. Lack of sports areas will cause issues for youths and children as well as fail to deliver on our Improvement Plan Outcomes 4 and 5. Plus now evidence of sports clubs moving outwith the area to train and play sports.
3. Reputational damage, less likely to attract new families into our area and sports clubs having to use facilities in neighbouring Councils.
4. Underinvestment may lead to the closure of our facilities which cause reputational damage.
5. Currently ongoing partnership discussions with sports clubs in Oban around attracting local investment to improve Mossfield Stadium and other sports fields in the Oban and Lorn area.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Burials/Cemetery Expansion and or Development	£310k	Indicative	£310k	Asset sustainability
2. Play Parks/Sports areas	£938k	Indicative		Asset Sustainability
3. Toilets – turnstiles	£300k	Calculated		Asset Sustainability

The highest priority for R&IS is Cemeteries at this time, the below table highlights 5 locations where there is less than 5 years available capacity for lair space as well as high level indicative costs for each location amounting to £310k. Experience of previous expansion and land purchase timescales highlights that at least 5 years are required in some cases to identify, source, purchase and prepare the land for use as a cemetery.

Cemeteries ACTIVE Expectancy - YEARS REMAINING CAPACITY - RE-EVALUATION OF PREVIOUS SITES - OCTOBER 2022							
AREA / DISTRICT	CEMETERY	LAIRS SOLD SEPTEMBER 2021 TO SEPTEMBER 2022	NUMBER OF NEW LAIRS REMAINING FOR SALE OCT22	ESTIMATED REMAINING OPERATIONAL YEARS	UPDATED COMMENTS – NOVEMBER 2022 – INCLUDING ASSESSMENT OF CONSTRUCTION POTENTIAL AND ESTIMATED COST	ESTIMATED VALUE OF DEVELOPMENT INCLUDING ANY LAND PURCHASE	DISTANCE TO NEXT NEAREST OR "MAIN" DISTRICT CEMETERY . Name Miles
Cowal	Strachur	3	6	2.00	12 New spaces FOUND 2022 in existing area On prog 2022-23 NEW SITE - Succoth Road tbc - land enquiries and Planning applications 2023.	£ 150,000.00	Sandbank 10miles
Isle of MULL	Calgary	1	2	2.00	Development of extension 2021-22 (~160 single depth lairs) Works completed in Lieu of land sale – to prepare area for use / access – Planning application for change of use – early 2023	£ 20,000.00	Beadoun (Tobermory) 15miles
Cowal	Cowal High Road	24	50	2.08	On development programme 2022 (# NEW ADJACENT SITE SANDBANK #) Major development of main cemetery for Dunoon and South Cowal - land enquiries and Planning applications 2023 for development in stages . Site clearance Feb 23	£ 100,000.00	n/a
Cowal	Kilmun	12	28	2.33	33 ADDITIONAL LAIRS IN EXTENEDED AREA 2022 however 12 already sold – 28 LAIRS remain available 2023 – NO PRESALE TO PRESERVE SPACE. On completion of all Lair Sales – provison to be incorporated in Sandbank developmeny	None - No land	Sandbank 5miles
Isle of ISLAY	Keills, Islay	3	15	5.00	Potential for extension of existing to be considered , brought into porgramme due to increased sales – CONSIDER NO PRE-SALE TO PRESERVE SPACE	£ 40,000.00	Bowmore 8miles
5 year programme Budget						£ 310,000.00	

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	£157k from Scottish Govt Play Park Fund	£235k from Scottish Govt Play Park Fund
Service Development		Currently ongoing partnership discussions with sports clubs in Oban around attracting local investment to improve Mossfield Stadium and other sports fields in the Oban and Lorn area.
Strategic Change		

Links to relevant strategies:

Play Park and Cemeteries: [December EDI](#) (Items 5 and 7).

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Depots	Manager	Tom Murphy/John Blake		
Description of Asset Group and Condition Assessment	In terms of a description of the asset group, apart from the two new single depots in Helensburgh and Oban the remainder are increasingly unsuitable. A table with comments and future uses in terms of the proposed programme should capital funding be available is provided below. There is an ongoing review of the proposed programme and how it is resourced and funded:				
Area	Site	Retain and Repurpose	Dispose	Retain	Comments
Mid Argyll	Bishopton Rd		x		Compelling operational need/risk due to condition of fleet workshop
	Moneydrain		x		
	Kilmory	x			Site clearance and enablement progressing. Two phase project – full design; construct Fleet workshop Ph1; remainder Ph2
Islay	Bowmore Roads Depot		x		Housing
	Bowmore Amenity Depot		x		Housing
	Springbank salt yard		x		Leased from Luss Estates
Dunoon	Hamilton St	x			Suitable for single depot site, limited groundworks required unlike Kilmory and JQ
	Victoria Rd		X		Punitive lease arrangement and ongoing maintenance costs are v high
	Broxwood		X		Storage area in Sandbank
	Millhouse			X	Important for winter service
Kintyre	Roading Garage	x			The two Roothing sites are nearby, with the Renewi site inbetween. The former KRL building is to the rear of the Garage. There could be possibilities for a single depot on or around parts of these sites
	Roothing amenity depot	x			As above
	MACC roads depot		x		Leased

Oban	Jackson Quarry	x			This is complete
	Mill Park		x		
	Appin		x		
	Dalmally			x	Important for winter gritting – adjacent to A819 which is the most turned out route in AB

Investment (current and planned)			Current Year	Anticipated Investment (£m)		
	Funding	Funding source	2022-23 (£m)	2023-24	2024-25	2025-26
	External Income	Revenue	0.024	0.000	0.000	0.000
			0.024	0.000	0.000	0.000

2021-22 and 2022-23 Overview

Investment Strategy

Asset sustainability in terms of general day to day maintenance is undertaken by Property colleagues through the Central Repairs Account within revenue.

There is no identified funding for investment in service development/strategic change projects, however; were funding to be identified we would look to develop a programme considering such factors as operational need, asset condition, ongoing maintenance cost avoidance and commercial opportunities for sites to be vacated. Ultimately the programme should be driven by operational need as opposed to possible savings.

A scheme in Lochgilphead would be the first priority due to the condition of the Bishopton Road fleet workshop; followed by Islay due to housing demand then Dunoon due to high lease and maintenance costs

Risks

Apart from the new depots in Oban and Helensburgh the condition of the remainder of the asset group is increasingly unsuitable. Capital investment is required both to provide fit for purpose facilities for the workforce as well as to reduce the over number of assets, releasing sites for other economic opportunities.

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

There is no identified capital funding.

Top three service priorities (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity and external funding bids and to develop a pipeline of projects)

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Lochgilphead depot rationalisation	£3million	Indicative based on cost of Jackson's Quarry depot Oban, completed 2021	£3million [note some of these costs could be offset by borrowing against income derived from vacated sites. At the last valuations this could raise c. £1million borrowed over 30yrs]	Service development
2. Islay depot rationalisation	£1million	Indicative	£1million	Strategic change [enabling new housing opportunities]
3. Dunoon	£1-2million	Indicative	£1-2million	Service development

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2024-35
Asset Sustainability		Capital receipts / revenue generated from surplus depots
Service Development	£68,000 for EV chargers at Jackson's Quarry from Switched on Fleets	Expected to be at least at 22/23 levels
Strategic Change		

Links to relevant strategies

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Parking	3 rd Tier Manager	Hugh O'Neill									
Description of Asset Group and Condition Assessment	<p>Argyll and Bute have 118 off street car parks ranging from formally laid out urban car parks to less formal more rural car parks.</p> <p>There is no fixed scoring mechanism for our car parks, although safety inspections are carried out to a standard similar to those carried out on the road network. Wardens and local roads inspectors report issues as and when necessary. We recently updated our car park inventory on our Asset Management System and facilitate regular condition inspections in all ABC car parks to ensure best value.</p>											
	Asset Group		No.		Condition				Suitability			
					A	B	C	D	A	B	C	D
	Car Parks		118		42	53	21	1	N/A	N/A	N/A	N/A
<p>Argyll and Bute Council has 29 Pay and display car parks. We have no details in regards to suitability, therefore have gauged the asset on Condition alone as per above.</p> <p>There is no capital funding for car parks – car park maintenance budget money is funded from the generated revenue money raised from fees and charges.</p> <p>Initially funding bids were created for Tobermory car park which resulted in:</p> <ul style="list-style-type: none"> • £375k from Rural Tourism Infrastructure Funding • £400k Coastal Community Funding. 												
Investment (current and planned)	Funding		Funding source		Current Year		Anticipated Investment (£m)					
					2022-23 (£m)		2023-24	2024-25	2025-26			
	Coastal Communities Fund		Scottish Government		0.400		0.000	0.000	0.000			
	COVID funding		Scottish Government		0.176		0.000	0.000	0.000			
	TOTAL				0.576		0.000	0.000	0.000			
<p>Tobermory has been experiencing traffic management issues with parking in and around the Ledaig area of Tobermory Mull. To alleviate this it was proposed that a car and coach park would be situated just outside of Tobermory next to the current cemetery which was nearing capacity. Currently parking is at a premium and local residents and businesses are being affected by inappropriate and at times dangerous parking in and around Ledaig. To facilitate economies of scale it was agreed to build an extension to the cemetery at the same time as the car park. The car park was being partly funded by a grant of £400k from the Coastal Community Fund. The funding was agreed for the 2021/22 period, however due to COVID this was delayed into financial year 2022/23. It has now also become apparent that the cost for the Cemetery Extension will be well in excess of what was envisaged. Two tender quotes of £896k and £760k were received for work to extend the Cemetery. Therefore the building of the car park has been held in abeyance and officers are looking to now vire the Coastal Community Funding Grant for the car park to fund Tobermory Cemetery. It is proposed that this will go to Members for approval in a report to P&R in February.</p>												
2022-23 Overview												

Investment Strategy

£270k Revenue Funding for Improvements to lining, car park surfaces and associated maintenance of grounds and parking machines. Improve current condition of sites with the most deterioration in line with finances available.

Risks

1. Failure to invest in proper surfaces will incur liability claims with an increase in 3rd party insurance claims
2. Loss of revenue if parking meters are not fixed timeously
3. Failure to future proof car parks with Traffic Regulation Orders to allow proper management and enforcement may make Argyll and Bute less popular as a tourist destination and reduce tourist numbers affecting the local economy/tourism and businesses.
4. Improving current site conditions will improve tourist numbers and better manage traffic around towns and villages as well as possibly allow event space.

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

A further Funding bid for Glen Loin 2 Car Park was successful for £30k towards Designing a new car park area. This is expected to allow future funding bids to re-design the car park and possibly install toilets, EV Charging bays and camper van bays. Predictions on funding will be no sooner than 2024/25 and will not be evaluated until next year (2023).

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Glen Loin 2	Unknown			Asset Sustainability
2. Tobermory Car Park	Approx £1M	Previously calculated	£1M (no funding identified at this time)	Service Development
3. Revenue Improvements	£270k	Calculated	£0	Asset Sustainability

During Covid Loch Lomond experienced large volumes of staycation visitors. A partnership group including The National Park, Forestry & Land Scotland, Transport Scotland, Police Scotland, Luss Estates and Argyll and Bute Council worked together to support local communities in and around Luss, Arrochar and Duck Bay areas. Part of this included a Traffic Management plan which sought to improve and increase the car park at Glen Loin 2. Funding was successfully bid to redesign the car park with support from Rural Tourism Scotland; the plan to re-design the car park is fully supported by the other partners. The finalised re-design has not yet been fully costed.

The Tobermory Car Park is currently held in abeyance due to the increase in costs experienced for the joint Cemetery and Car Park project. The island community of Mull are keen to improve the parking infrastructure particularly around Ledaig, Tobermory and further discussions have taken place to look at other potential nearby sites. Consideration will be given to a bid from the Island Infrastructure Fund to support building the car park.

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
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Asset Sustainability	RTIF Funding of £30k for Re-Design of Glen Loin 2 Car park	RTIF Funding for improvement to Glen Loin 2 car park
Service Development		Possible Islands Infrastructure Fund
Strategic Change		

Links to relevant strategies:

N/A at this time as Design is still being carried out for Glen loin 2 in Arrochar.

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Bridges & Retaining Walls	3 rd Tier Manager	Elsa Simoes	
Description of Asset Group and Condition Assessment		Number	Condition Indicator*	
	Bridges (over 1.5m span)**	902 (increase from March 2021 due to new structures identified not previously listed on the asset register)	BCi 89.01***	
	Recorded retaining walls (over 1m retained height) – estimated that 80% of total number are recorded**	677		
<p>* Very good >=90 & <=100; Good >=80 & <=90; Fair >=65 & <=80; Poor >=40 & <=65; Very Poor >=0 & <=40</p> <p>**Culverts under 1.5m span are managed by Operations and are excluded from the above – however, if a culvert is replaced and its span is increased above 1.5m due to flood risk mitigation, it would be reclassified as a bridge.</p> <p>**Retaining walls under 1m retained height are managed by Operations</p> <p>*** This demonstrates a continued deterioration from 89.06 in 2020/21, 89.27 in 2019/20 and 90.72 in 2012/13. It should be noted that structural assets deteriorate slowly. In future, it is expected the weight average BCi will be recorded. Currently it is 89.33 – a deterioration compared to 89.47 in 2020/21 and 89.92 in 2019/20.</p> <p>Bridge Condition is calculated through Structural Inspections carried out by in-house Bridge Inspectors through the Asset Management Software used by a number of Councils.</p> <p>Structural condition is measured through the in-house inspection of assets which considers each element of a structure. National guidance documents are utilised as well as a standardised Asset Management system.</p> <p>There is a backlog of maintenance due to a number of structures that have been identified below (currently) totalling £24.4m.</p>				
		Bridge No. & Name	Area	Restriction (MGW)
		A846-239 LAGGAN OLD (Weak Bridge)	Islay	10T
		B8025-020 ISLAND ADD (Weak Bridge)	Mid Argyll	3T
		B866-020 GLACHAVOIL (Weak Bridge)	Cowal	7.5T
		C012-050 MILINDRY SCHOOL (Weak Bridge)	Islay	13T
		C038-010 BRIDGEND (Weak Bridge)	Mid Argyll	18T
		C038-050 BARMOLLOCH (Weak Bridge)	Mid Argyll	18T
		C057-010 OLD BALLIEBEG (Weak Bridge)	Cowal	18T
		U010-090 LEACAINN (BRENACHOILLE) (Weak Bridge)	Mid Argyll	7.5T
		U010-100 BRANDON STREET (Weak Bridge)	Cowal	7.5T
		U021-020 IRON (Weak Bridge)	Islay	3T
		U022-050 GLENDARUEL (Weak Bridge)	Cowal	7.5T
		U027-010 MILLHOUSE (Weak Bridge)	Cowal	18T
		U031-010 NEWTON BURN (Weak Bridge)	Cowal	10T
		U042-100 AIRDS HOTEL (Weak Bridge)	Lorn	10T
		U046-010 KILBRIDE (Weak Bridge)	Cowal	10T

Investment (current and planned)	Funding	Funding source	Current Year	Anticipated Investment (£m)		
			2022-23 (£m)	2023-24	2024-25	2025-26
			Block Allocation	Scottish Government	0.500	0.450
Block Allocation Carried Forward	Scottish Government	-0.270	1.119			
Additional Council Allocation	Council	0.148	0.602			
Coastal Change Adaptation	Scottish Government		0.159			
Local Bridge Maintenance Fund	Scottish Government	0.475	4.972			
		0.853	7.302	0.45	0.000	

2022-23 Overview

Investment Strategy

Bridge Inspections are carried every 24 months in accordance with DMRB Standards.

Principal Inspections / Structural Reviews / Bridge Assessments are undertaken to determine priority of strengthening/improvement works.

Capital Bridge Strengthening and Replacement Programme is prioritised using an in-house risk-based methodology which considers overall condition and risk of structure, extent and severity of defects, usage of structure and engineering judgement. This methodology has been modified in recent years to take account of new SCOTS guidance.

Revenue Structural Maintenance is currently prioritised using an in-house risk-based methodology which considers overall condition of structure, extent and severity of defects, usage of structure and engineering judgement.

Bridge Parapets (including vehicular barriers associated with bridge structures) have been ranked using an in-house system of factors.

Structures:

Capital Bridge Strengthening and Replacement Programme (including LBMF)

- Strengthening & Replacement of Bridges & Retaining Walls

Bridges in need of additional funding:

- *Auchengaich Bridge, A817 Haul Road*
 - *£200k for strengthening works following work identified in Principal Inspection*
- *Clachan (Atlantic) Bridge, Lorn*
 - *£100k for strengthening works following work identified in Principal Inspection*
- *Finlas Water Bridge, A817 Haul Road*
 - *£200k for strengthening works following work identified in Principal Inspection*
- *Middle Brae Retaining Wall, Tobermory, Mull*
 - *£250k for reconstruction works following structural failure*
- *Whistlefield South Bridge, Lomond*

- £50k to install restrictions for road and rail safety on Council owned bridge over Network Rail line
- Lindowan Culvert, Kilcreggan
 - £1.2m for bridge strengthening or replacement scheme
- Eachaig Footbridge, Cothouse, Dunoon – historic iron footbridge.
 - £300k estimated budget required to allow structure to be retained as footbridge and to be renovated (rather than be demolished)
- Victoria Footbridge, Dunoon - historic iron footbridge.
 - £350k estimated budget required to allow structure to be retained as footbridge and to be renovated (rather than be demolished)

Revenue Structural Maintenance

- Bridge & Wall Inspections
- Bridge & Wall Maintenance Repairs
- Management of Abnormal Load Notifications
- Technical Approval
- Asset Management

Revenue Structural Assessment

- Assessment of Bridges and Retaining Walls

The current level of total capital & revenue funding is expected to result in an increase in the number of restricted bridges in the longer term as well as a reduction in the overall Bridge Condition indicator (BCi).

Coastal:

Capital Coastal Protection

- Coastal Protection Strengthening Repairs

Revenue Coastal Protection:

- Coastal Protection Inspections
- Coastal Protection Maintenance Repairs

Asset Management

Risks

1. Increase in risk of bridge/road weight restrictions or closures.
2. Communities being left isolated should any single access areas have closures or restrictions imposed. For example Seil, Easdale and Luing communities will be severely affected if Kilninver bridge had to have a restriction.
3. Inspections, assessments and works are prioritised to best manage the risks versus available funding and the Council's responsibilities for its assets.

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Bridge Strengthening and Replacement Programme	£5.45m	Calculated	£0	Asset sustainability

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	Scottish Government's Local Bridge Maintenance Fund - £5.45m Coastal Change Adaptation - £160k	Dynamic Coast Project funding (coastal change)
Service Development	None.	
Strategic Change	None.	

Links to relevant strategies

- Maintain safe network of structures in accordance with [Roads \(Scotland\) Act 1984](#)
- [Argyll and Bute Council - Roads Asset Management Plan \(RAMP\) - June 2017](#)
- [Argyll and Bute Council - Coast Protection Policy and Strategy - March 2015](#)
- Ensure value for money for Council (through provision of cost efficient in-house design team). Maintain stock of Qualified Engineers.

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Flood Protection Infrastructure	3 rd Tier Manager	Elsa Simoes																																				
Description of Asset Group and Condition Assessment	<p>Designed flood protection schemes in Rothesay (coastal), Dunoon (two no. fluvial alleviation schemes; Milton Burn and Kilbride Road). No formal condition rating. Concerns about Rothesay FPS are known. Investigations and studies are ongoing to determine future maintenance requirements.</p> <p>Kilcreggan SWMP identified Tigh Dearg Road and foul drainage issues – design ongoing in conjunction with Scottish Water. Helensburgh surface water drainage has also been identified and designs are ongoing.</p> <p>Other informal structures which provide flood protection to population centres would require to be documented in order to quantify the asset, owner, and condition. This is in part the purpose of the Local Flood Risk Management Plan 2022-2028, to assess risk in those areas affected by flooding.</p> <p>Watercourse assessments to be carried out and a schedule of clearance and repair works to be programmed.</p> <p>A Surface Water Management Plan has been incorporated into the Campbeltown Flood Protection Scheme and the Council aims to prioritise other areas respectively.</p> <p>Shoreline Management Plans are a requirement from the Flood Risk Management Plans. Whilst there is no allocated budget, the Council is preparing a specimen along the Bute shoreline.</p> <p>The current focus of delivery are the two Local Flood Risk Management Plans which relate to Argyll and Bute as described in this document (Highland and Argyll, Clyde and Loch Lomond).</p> <p>The maintenance backlog on designed flood protection assets is minimal currently (Rothesay and Dunoon) as these assets are relatively new. Current flood alleviation assets are maintained under a combination of flood, coastal, and roads budgets depending upon the context.</p> <p>On a wider scale there are under and un-designed flood protection assets throughout Argyll and Bute which are not formally recognised as such and may not be owned by the Council but serve this purpose e.g. the banks of the Black Lynn through Oban. There is an unknown backlog on such assets but would certainly run to tens of millions of pounds of investment to bring to an ideal condition.</p>																																						
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	Council - Campbeltown Flood	Council	-0.647	3.248	0.266	
	Scottish Government - Campbeltown Flood	Scottish Government	4.605	5.800	1.065	
			4.031	10.245	1.636	0.000

2022-23 Overview

Investment Strategy

On a strategic scale this is through the Local Flood Risk Management Plan(s) and the SEPA led National Flood Risk Assessment process to consider local history and impact of flooding as well as national flood risk based on climate change predictions – all in accordance with Flood Risk Management (Scotland) Act 2009.

The cost of implementing flood protection schemes has to be less than the damages avoided i.e. a benefit cost ratio of greater than one. Non-economic benefits are also being considered by SEPA. However, the weighting this has on its prioritisation is being considered by the Scottish Government and COSLA.

Risks

1. A key risk is loss of investment from Scottish Government. There is a defined process currently for assessing flood risk and prioritising investment across Scotland. If ABC do not participate in this process then the potential for 80% funding of flood schemes is lost.

2. Road closures and loss of assets – Several population centres in Argyll and Bute will be at significant risk of more frequent flooding in the future with climate change. Communities living along lifeline roads may be cut off temporarily. This will lead to considerable financial impact to properties and businesses. **Ultimately, significant flooding events can lead to loss of life.**

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of Campbeltown Flood Protection Scheme	15.215m	Calculated	0	Strategic Change
2. Carrying out works as identified under section 18 scheduled of clearance and repair.	TBC	TBC	TBC.	Asset Sustainability
3. Carry out emergency and urgent reactive works punctually	Unknown	N/A	Unknown	Asset Sustainability

Delivery of identified Cycle 2 schemes as per the Local Flood Risk Management Plan cycle one flood studies are considered as possible future schemes should Scottish Government Funding be identified and made available. Scottish Government funding would be expected to cover 80% of each scheme.

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	None	Not Yet Known
Service Development	None	Not Yet Known
Strategic Change	80% contribution for Campbeltown Flood Protection Scheme from Scottish Government.	Possible Scottish Government identification of funding for 80% contribution to Cycle 2 Schemes identified from Cycle 1 Studies.

Links to relevant strategies

- [Argyll and Bute Council - Flood Risk Management Policy – March 2015](#)
- Flood Risk Management Plans (Cycle 2):
 - [Highland and Argyll - Local Flood Risk Management Plan \(2022-2028\)](#)
 - [Clyde and Loch Lomond - Local Flood Risk Management Plan \(2022-2028\)](#)
- [Campbeltown Flood Protection Scheme \(argyll-bute.gov.uk\)](http://argyll-bute.gov.uk)

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Fleet Services	3 rd Tier Manager	John Blake																														
Description of Asset Group and Condition Assessment	Fleet Services		No.	Condition				Suitability																									
				A	B	C	D	A	B	C	D																						
	Fleet vehicles & plant equipment		504																														
	TOTAL		504																														
<p>Condition information relating to fleet lifecycle will be forthcoming due to time required to extract this information from systems and work currently underway.</p> <p>Vehicles and plant equipment will be maintained in line with current legislation.</p>																																	
<table border="1"> <thead> <tr> <th rowspan="2">Asset Group</th> <th rowspan="2">No and or/Value*</th> <th colspan="4">CONDITION (percentages based on total asset value)</th> </tr> <tr> <th>Green / Purple</th> <th>Yellow</th> <th>Amber</th> <th>Red</th> </tr> </thead> <tbody> <tr> <td>Changes to legislation which will come into force in 2025 requiring smaller vehicles to move away from petrol and diesel fuelled types</td> <td>Capital £9,558,369 Revenue £1,533,232 per annum</td> <td>0%</td> <td>0%</td> <td>0%</td> <td>100.00%</td> </tr> <tr> <td>Fleet replacement (remainder of the Fleet)</td> <td>Capital £1.5m</td> <td>0%</td> <td>0%</td> <td>0%</td> <td>100.00%</td> </tr> </tbody> </table>												Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)				Green / Purple	Yellow	Amber	Red	Changes to legislation which will come into force in 2025 requiring smaller vehicles to move away from petrol and diesel fuelled types	Capital £9,558,369 Revenue £1,533,232 per annum	0%	0%	0%	100.00%	Fleet replacement (remainder of the Fleet)	Capital £1.5m	0%	0%	0%	100.00%
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	A&B Council	Prudential Borrowing	1.187	1.000	0.000	0.000																											
	A&B Council	Earmarked Reserves	0.499	0.000	0.000	0.000																											
	Total		1.686	1.000	0.000	0.000																											
2022-23 Overview																																	
<p>Investment Strategy</p> <p>There are insufficient funds to have a full vehicle replacement cycle in 2025 due to Programme for Government Commitment to phase out Public Sector operating or leasing of petrol and diesel cars and vans by this year. There is currently no legislation or clarification of an exact implementation date as discussions ongoing with sector.</p> <p>The authority operates 504 Fleet vehicles. Vehicles are replaced dependant on funding and the focus replaces vehicles which cost a significant amount of revenue to maintain. The number of vehicles replaced within financial year 2022/23 is 7, orders remain outstanding due to a delay in build.</p> <p>The Scottish Government are making changes to the legislation that relates to vehicle use in the public sector – which could be enforceable at earliest on 1st January 2025. All cars and small vans under 3.5 tonnes in weight are required to be replaced to battery electric vehicles. The number of vehicles required to be replaced within A&BC Fleet is 124. Investment is required now to ensure a programme is implemented for changing the current petrol and diesel vehicles to battery electric vehicles. Capital costs for replacing all vehicles under 3.5 tonnes (small cars & vans) is £9,558,369 capital, revenue costs for leasing the replacement vehicles are £1,533,232 per annum, the lease term is 3 years and includes maintenance. Charging infrastructure is required to support the transition to comply with the Scottish Government requirements on public sector bodies to move to electric vehicles. The infrastructure requirements will be a challenge to the authority due to the power supply required and the geographical area of</p>																																	

Argyll and Bute inclusive of island settings. A&BC must invest in charging infrastructure throughout Argyll & Bute to support compliance. Currently A&BC are not on course to achieve compliance with replacing smaller vehicles or having suitable infrastructure in place due to lack of funding.

The current underspend/ slippage is due to the build time for replacement vehicles. Timeframes vary from 6 months to 24 months to procure suitable vehicles and plant equipment. Capital funds with an element of prudential borrowing has allowed for essential vehicles to be replaced through capital purchase. It is noteworthy that all replacements are essential and purchases have been made on the basis of increased maintenance costs with particular vehicle types. High maintenance costs remain prevalent, this is due to the absence of sufficient funding to replace the Fleet on a cyclical basis.

Risks

1. The inability to provide reliable, safe fleet vehicles and plant to service users to fulfil statutory requirements relating to work plans. There is a significant risk with the current ageing Fleet and having insufficient funds, the only option to mitigate against this risk is to invest in a full fleet replacement cycle. Capital funding has been made available with an element of prudential borrowing to purchase essential vehicles. This balance is difficult as all vehicles are essential.
2. Increased revenue expenditure for repairs and maintenance as well as service disruption due to vehicles being off the road, this risk can be related to current maintenance costs which are attributable due to the older vehicles that the authority continues to operate.
3. Currently the council isn't on course to achieve compliance with changes in legislation in 2025 for smaller vehicles to move away from petrol and diesel fuelled types. There is a risk of legal non-compliance once this comes into force, the scale of the risk is significant if capital or revenue funds are not made available. In addition, EV infrastructure requires investment to allow the introduction of the vehicles into the service should funding be made available.

To comply with legislative changes the capital costs for replacements would be:

Table 1. Purchase - Best value

Vehicle Class	Vehicle Class 2	Purchase Price - Best Value
02	Car Derived Van/P-up	224,900
03	Cars/Estates	998,712
04	Panel Van < = 3000Kg	574,000
06	Car 4x4	61,800
07	Electric Vehicles	524,960
08	Hybrid - PHEV - Car	512,160
09	Hybrid - PHEV - Van	346,000
10	Van4x4/Dual Purpose	157,500
20	Accessible Car	471,000
21	MPV	848,250
22	Bus 12-17 Seater	4,312,000
35	Tipper 300>3500Kg	527,087
Grand Total		9,558,369

There are no PHEV or EV 4X4 available

Table 2. Leasing – Best value per annum

Vehicle Class	Vehicle Class 2	Lease Price - Best Value
02	Car Derived Van/P-up	50,297

03	Cars/Estates	196,989
04	Panel Van < = 3000Kg	119,434
06	Car 4x4	14,790
07	Electric Vehicles	91,760
08	Hybrid - PHEV - Car	104,620
09	Hybrid - PHEV - Van Van4x4/Dual	77,380
10	Purpose	26,406
20	Accessable Car	97,920
21	MPV	162,400
22	Bus 12-17 Seater	473,536
35	Tipper 300>3500Kg	117,700
Grand Total		1,533,232

Lease costs above are per annum

There are no leases available on PHEV or EV 4X4 or Mini buses available

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

Asset sustainability - The Council has a duty to ensure vehicles are fit for purpose and comply with current legislation. Due to increasing repair and maintenance costs, a replacement programme is underway. Capital and revenue savings have been identified in the procurement of new vehicles. With smaller vehicles having to be replaced with electric vehicles by 2025, there is an anticipated increase in replacement costs associated with vehicle replacements. The cost of complying with legislative changes requires either £9,558,369 capital expenditure or revenue expenditure of £1,533,232 per annum over a 3 year period.

Vehicle replacement will be programmed ensuring that suitable, reliable fleet vehicles and plant equipment are available for service users, and with limited capital investment this will possibly be achieved through prudential borrowing.

This will also contribute to climate change with more modern vehicles purchased and reduced CO2 emissions contributing to the wider council net zero ambitions.

A&BC require additional funds to be allocated to enable the purchase of 4 essential larger vehicles to enter service within the Fleet. Funding is required for 3 x 26 tonne Refuse Carrying Vehicles (£600K) and 1 x 18 tonne Refuse Carrying Vehicle (£180K). The total cost for the 4 essential replacements is £780k. The purchase of these vehicles will reduce maintenance costs and remove older RCV's from the Fleet offering reliability and continuity of service. These funds are required as soon as possible as procuring vehicles can take between 6 and 24 months dependant on availability of parts to enable the build.

A full replacement cycle would be at a cost of £18m. Purchases have already been made with a significant level of capital funding spent on roads vehicles.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Changes to legislation which will come into force in 2025 requiring smaller vehicles to move away from petrol and diesel fuelled types	Indicative costs are being refreshed and will be available in January	(Calculated) Capital Revenue	£9,558,369 £1,533,232* per annum	Asset sustainability (like for like service will be the outcome)

			(over 3 years)	
2. Replacement (remainder of the Fleet)	£1.5m	Indicative	£1.5m	Fleet vehicles and plant
3. Essential replacements, investment is required	£780k (this figure is included within the £1.5m investment noted above in point 2)	Calculated	£780k	Essential vehicles and plant 3 x 26 tonne RCV's 1 x 18 tonne RCV's

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	None identified	None identified
Service Development	None identified	Funding sources relating to roll out of petrol / diesel phase out by 2025
Strategic Change	None identified	None identified

Links to relevant strategies

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STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Waste Services	3 rd Tier Manager	John Blake																		
Description of Asset Group and Condition Assessment	<p>SEPA condition surveys and site monitoring to ensure compliance with environmental legislation. The sites are permitted by SEPA to operate the sites. Renewi through a Waste PPP contract manage sites on behalf of the Council. The sites include civic amenity and landfill sites at the one locus, mixed waste, recycling etc. is managed on site. Renewi manage Moliegh, Dalinlongart, Lingerton, Westlands and Bogleha. The Council manage sites on Islay, Mull, Tiree and small civic amenity site on Coll and Colonsay. Officers monitor the requirements for each site. Renewi have the responsibility for infrastructure within the Waste PPP sites.</p> <p>Investment is required in Helensburgh for a Waste Transfer Station (£3.0m) and infrastructure changes to the current MBT plants in Moleigh, Dalinlongart and Lingerton would require conversion to Waste Transfer Stations, the cost would be £500k to comply with the BMW ban. The introduction of a Waste Transfer Station will create opportunities for waste disposal through Energy from Waste (EfW) in the central belt and has the potential for joint procurement with other neighbouring authorities creating economies of scale through combined tonnage to EfW. Furthermore, the risk to the authority would be reduced and the authority would not continue to be reliant upon local private sector contractors for material treatment/ disposal within the Helensburgh and Lomond area and Waste PPP area.</p>																				
	<table border="1"> <thead> <tr> <th rowspan="2">Asset Group</th> <th rowspan="2">No and or/Value*</th> <th colspan="4">CONDITION (percentages based on total asset value)</th> </tr> <tr> <th>Green/ Purple</th> <th>Yellow</th> <th>Amber</th> <th>Red</th> </tr> </thead> <tbody> <tr> <td>Waste Transfer Station build in Helensburgh and conversion of existing MBT plants at Moleigh, Dalinlongart and Lingerton.</td> <td>£3.5million</td> <td>0%</td> <td>0%</td> <td>0%</td> <td>100.00%</td> </tr> </tbody> </table>					Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)				Green/ Purple	Yellow	Amber	Red	Waste Transfer Station build in Helensburgh and conversion of existing MBT plants at Moleigh, Dalinlongart and Lingerton.	£3.5million	0%	0%	0%	100.00%
	Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)																		
			Green/ Purple	Yellow	Amber	Red															
Waste Transfer Station build in Helensburgh and conversion of existing MBT plants at Moleigh, Dalinlongart and Lingerton.	£3.5million	0%	0%	0%	100.00%																
Ref: EDI report, December 2022.																					
Investment (current and planned)	Funding	Funding source	Current Year	Anticipated Investment (£m)																	
			2022-23 (£m)	2023-24	2024-25	2025-26															
	Block Allocation Carried Forward	Council	0.082	0.000	0.000	0.000															
	Prudential Borrowing	Council	1.200	0.000	0.000	0.000															
			1.282	0.000	0.000	0.000															
2022-23 Overview																					
<p>Investment Strategy</p> <p>Assessment and review is conducted by officers. Property have the responsibility for assessing any requirements or maintenance to the sites. Asset Sustainability the primary driver for investment, however, there is a lack of investment made at sites.</p>																					
<p>Risks</p>																					

1. £3.5m required to achieve Biodegradable Municipal Waste (BMW) compatible infrastructure on 4 sites. Funding to achieve compliance has not been identified.
2. None compliance with statutory requirement and likely prosecution via SEPA if compliance is not met.

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

The SG BMW ban will require investment for WTS of approximately £3.5M [indicative funding is currently zero. Should funding become available, £3.5m will be required to invest in WTS to comply the SG BMW ban.

The authority had submitted an application to Zero Waste Scotland (ZWS) for grant funding through the Recycling Infrastructure Fund (RIF) which was released by the Scottish Government and administered by ZWS for infrastructure improvements/ changes to the council operated waste sites to improve recycling figures. The RIF application was unsuccessful, however, Officers are engaging with ZWS to refresh the application with a view to resubmission in April 2023. The RIF funding totalled £610k for site improvements.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Waste Transfer Stations	£3.5m	Indicative	£3.5m	Asset sustainability, service development, strategic change
2.				
3.				

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	Prudential Borrowing (Glengorm Capping) £1.200m Block Allocation (Glengorm Capping)£0.082m	
Service Development	Compliance with SEPA requirements and site management	Recycling Infrastructure Fund (RIF) Bid – Island + Helenburgh – approx. £500k
Strategic Change	N/A	

Links to relevant strategies

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Piers & Harbours	3 rd Tier Manager	Scott Reid					
Description of Asset Group and Condition Assessment	Asset Group		No and or/Value*		CONDITION (percentages based on total asset value)			
					Green/ Purple	Yellow	Amber	Red
Marine Asset Management Plan: 39 piers and harbours 10 year rolling Capital investment. Support of infrastructure upgrades generally for CFL ferry service upgrades. Also includes Argyll & Bute Council ferry infrastructure upgrades and required modifications.		£6,176,000		50%	0%	50%	0%**	
Investment (current and planned)	Funding	Funding source	Current Year		Anticipated Investment (£m)			
			2022-23 (£m)		2023-24	2024-25	2025-26	
	Prudential Borrowing	Council	5.626		22.235	27.025	29.700	
There may be some opportunities for support from CMAL on joint projects. Will be assessed on each aspect of the works involving CMAL upgrades for CFL services								
2022-23 Overview								
<p>Investment Strategy</p> <p>Detailed technical condition surveys and user demand determine the priorities. Regular reports are made to the Council's Harbour Board.</p> <p>Priority is given for lifeline ferry services and required modifications or upgrades to support new vessels deployments.</p> <p>Inspections and repair / defect reports from Argyll & Bute Council staff and customers.</p> <p>Risks</p> <ol style="list-style-type: none"> 1. Impact to Island Community Connectivity. 2. Potential increase in claims for vessel damage and reputational risk to the Council. 3. Potential increase in funds required to repair infrastructures following underinvestment. 								
Summary of Planned 2023-24 investment								
<p>Investment Strategy at funding levels indicated above</p> <p>Progress on the 10 year Capital rolling asset management plan</p>								
Top three service priorities								

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Capital Investment Projects. (Estimates for next 5 years)	22-23 £15,550K 23-24 £23,025K 24-25 £28,200K 25-26 £17,811K 26-27 £182K	Indicative	Nil Fees and charges repay Prudential Borrowing	Asset sustainability and development of service upgrades
2. Electrical charging power and Cat 5 supply for Hybrid / all-electric vessels	Included in above	Indicative	Nil	Asset sustainability and development of service upgrades
3. Infrastructure for Argyll & Bute Council ferry services	Included in above	Indicative	Nil	Asset sustainability and development of service upgrades

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	N/A	Shared costs to be negotiated with CMAL on joint upgrade projects. TBC.
Service Development		
Strategic Change		

Links to relevant strategies

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Ferries	3 rd Tier Manager	Scott Reid			
Description of Asset Group and Condition Assessment	Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)			
			Green/Purple	Yellow	Amber	Red
	Completion of transaction for Lismore ferry replacement	£0.015	50%	0%	50%	0%
Investment (current and planned)	Funding	Funding source	Current Year 2022-23 (£m)	Anticipated Investment (£m)		
				2023-24	2024-25	2025-26
	Block Allocation	Scottish Government	0.000	0.015	0.020	0.000
	Lismore Ferry Replacement	Transport Scotland	0.013	0.00	0.000	0.000
	Total		0.013	0.015	0.020	0.000
2022-23 Overview						
<p>Investment Strategy</p> <p>Completion of transaction for Lismore ferry replacement.</p> <p>MV Eilean Dhiura: 22 years old</p> <p>Capacity issues results in c.30% ~ 40% extra sailings required to meet demand.</p> <p>Due to the capacity and age combination and that it may also potentially replace the Cuan Ferry for some years to come, this vessel has been prioritised for replacement first.</p> <p>Cuan Service</p> <p>MV Belnahua: 50 years old</p> <p>Carries cars and passengers, operating from Cuan to Luing. Continued regulatory restrictions on the vessel. Highlighted for replacement for 20+ years. Restricted load carrying capability impacts refuse collection on Luing.</p> <p>Long term plan to replace MV Belnahua with larger carrying capacity roro vessel. Option to move MV Eilean Dhiura to Cuan once Jura ferry replacement is in place. Infrastructure changes (slips) would be required to accommodate roro type vessel. Proposed replacement slip plans are available or consider other fixed link alternative.</p> <p>Overnight berthing facility for MV Belnahua to remove the risk of crew transit (especially during hours of darkness) on work boat ML Torsa to swinging mooring located approx. 1km from Cuan slip.</p> <p>Due to uncertainty of time frame for replacement vessel for MV Belnahua consideration must be given to life extension by replacing engines. Current engines are now 14 years old and have recently been overhauled however issues are now appearing requiring replacement parts (for example fuel pumps) which are no longer available 'off the shelf' and, if unavailable, parts have long lead times – certain critical parts now being quoted up to 12 months. This is a potential exposure to reliability of the service and similar to that experienced on MV Eilean Dhiura prior to new engine replacement.</p> <p>ML Fladda: 20+ years old</p> <p>ML Torsa: 20+ years old</p> <p>Torsa: Passenger only service (winter) and daily crew transfer to and from vessel (Belnahua) swinging mooring.</p> <p>Easdale Service</p> <p>Easdale: 20+ years old</p>						

Operates from Ellenabeich to Easdale Island. Passenger only work boat operating out with Equalities Act access for passengers.

Priority for renewal

The largest of our vessels is the Eilean Dhiura which was built in 1998 and operates a daily service of 15 return sailings per day Monday to Saturday and 7 return sailings per day on Sundays between Islay and Jura. The vessel has an 'LSA capacity' for a total 50 passengers (this represents the amount of Life Saving Apparatus required to be on board and therefore a maximum number of persons – both crew and passengers) and approximately 6 cars (depending on size and type). Due to significant increased demand, the crew facilitate extra sailings between the timetabled departures in order to clear any queues and currently this equates to c.30% ~ 40% more runs per working day.

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

Completion of transaction for Lismore ferry replacement. Vessel age and discontinuation of grandfather rights.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of transaction for Lismore ferry replacement	0.020m	Calculated	Nil – This represents Transport Scotland funding for original shortfall	Service development
2. New Jura Ferry	£8,871,600	Estimate of total cost.	£8,871,660	Service development funded through LUF rejected. Funding to be explored.
3.				

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2023-24
Asset Sustainability	N/A	Recovery of shortfall in Transport Scotland funding for Lismore replacement. LUF rejected for Jura replacement so opportunities to be explored
Service Development		Possible rebid to LUF
Strategic Change		

Links to relevant strategies

STRATEGIC ASSET MANAGEMENT PLAN – ASSET GROUP SUMMARY

Asset Group	Airports	3 rd Tier Manager	Moya Ingram			
Description of Asset Group and Condition Assessment	<p>Oban, Coll and Colonsay airports – Oban runway length 1200m, Coll and Colonsay runway lengths 500m. Both Coll and Colonsay have a small terminal facility comprising of office/waiting area/integral garage. Oban airport has a larger terminal building comprising of office/crew commander room/meeting room/waiting area/drying area/integral double garage. Oban airport also has a tower from which a Flight Information Service is offered. The current overall condition of the asset group is good, however note that the facilities and runways are now circa 15 years old.</p>					
	Asset Group		No and or/Value*	CONDITION (percentages based on total asset value)		
				Green/Purple	Yellow	Amber
	Airports	3	75%	10%	10%	5%
Investment (current and planned)	Funding	Funding source	Current Year 2022-23 (£m)	Anticipated Investment (£m)		
				2023-24	2024-25	2025-26
2022-23 Overview						
<p>Investment Strategy</p> <p>Runway Inspections are held daily with any defects noted. Annually the Civil Aviation Authority will undertake aerodrome audits at all three airports.</p> <p>Risks</p> <ol style="list-style-type: none"> 1. Risk for unknown maintenance failure due to inclement weather eg fence damage/sign damage/flooding 2. CAA audit inspections findings are unknown and will require to be addressed Argyll and Bute Council operate three licensed aerodromes at Oban, Coll and Colonsay. These aerodromes are licensed by the Civil Aviation Authority as required by law to allow scheduled passenger flight services (for use by paying members of the public) to land and take off. The licence stipulates the required safety standards and fire cover required for each aircraft movement. Operations at the licensed aerodromes are audited on a regular basis by the CAA and require the appropriate level of resource. 						

Summary of Planned 2023-24 investment

Investment Strategy at funding levels indicated above

Top three service priorities (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity and external funding bids and to develop a pipeline of projects)

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Application of fuel resistant coating on Aprons and Helipad 1 and 2	£20k	Indicative	£20k	
2. Acquisition of Paint Sprayer for Island Airfield markings	£20k	Indicative	£20k	
3. Acquisition of Shipping Containers for Island airports to house equipment.	£30k	Indicative	£30k	

Match funding Opportunities/External Funding

	Achieved 2022-23	Opportunities 2024-25
Asset Sustainability		
Service Development		
Strategic Change		UK Levelling Up Fund

Links to relevant strategies

Islands Connectivity Plan