

Hampshire Fire and Rescue Authority

Finance and General Purposes Committee

Item: 7

10 May 2016

Developing a Strategic Asset Management Plan

Report of the Chief Officer

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1 Summary

- 1.1 This paper describes the progress made on the development of a Strategic Asset Management Plan which focusses on our property and land assets.
- 1.2 We take a strategic approach to the management of our property estate. Property assets are seen as a corporate resource and managed centrally. To assist with this, there are a number of principles that we would like the committee to sign up too.
- 1.3 The Strategic Asset Management Plan will enable the Service to work with partners and to do more with less. It is firmly aligned with Sir Ken Knight's report "Facing the Future"; developing a sector leading co-located estate and increasing collaboration with other emergency services.

2 Recommendations

That the Finance and General Purposes Committee agree to;

- 2.1 Note the significant progress made with the development of the Strategic Asset Management Plan.
- 2.2 The principles for asset management as set out in section 4.2.1 to 4.2.6.
- 2.3 Receive a copy of the final draft of the Strategic Asset Management Plan at a future meeting of the Finance and General Purposes Committee.

3 Background

- 3.1 We have a proud history of delivering a very high standard of service to our community. In the past we have built partnerships based on opportunities, which have served us well, but now we need to better plan for the future. In order to improve this performance we need a strong asset management strategy to ensure that our property estate provides the necessary support to meet the objectives and priorities in our Service Plan.

- 3.2 The Strategic Asset Management Plan will set the principles and approach for the management of property assets which supports the aims of our Service Plan. In particular, this Plan will be supporting the Service Plan aim of improving the return on our physical assets and using medium-term financial planning to ensure we effectively prioritise our resources. Achieving this aim will involve efficient use of our land and buildings, reducing costs, maximising income generation potential and effective property management practice.
- 3.3 This Plan updates some existing strategies while embracing new initiatives which have emerged recently. The whole ethos of the Plan is that all decisions and actions relating to property assets should not be taken in isolation, but that they fit into a bigger picture which aims to ensure that all assets are used to their optimum capacity, either by the Service alone or with partners and other users, to generate wider benefit in terms of financial return and/or benefits to building users and communities.

4 Asset management principles

- 4.1 We take a strategic approach to the management of our property estate. Property assets are seen as a corporate resource and managed centrally. We will apply the following operating principles to the estate:
- 4.2.1
- All our properties are recognised as HFRS corporate assets. This approach allows decisions to be made centrally with strategic overview. The prime 'customers' of our properties are our operational and support teams which deliver our services. As far as possible, decisions are made recognising these primary users of our buildings.
- 4.2.2
- We have a strategy to retain the current service provision across Hampshire. This may result in retaining and/or re-providing fire stations to meet the changing needs of the organisation and of the communities we serve. We will seek to wholly own our estate.
- 4.2.3
- We will ensure that our estate remains fit for the organisation's purposes, through continued investment in maintenance, improvements and replacement where this is deemed necessary. In doing so, we will engage with staff throughout to ensure that our properties meet both the requirements of our staff and the service. An estate which is 'fit-for-purpose' is one which: meets our operational needs; is cost effective; complies with organisational risk assessment criteria and contributes to the achievement of organisational objectives.
- 4.2.4
- The estate needs to work harder for the Service and be cost effective to maintain and operate. Where possible, we should maximise the potential use of land and buildings, generating income and implementing cost recovery.
- 4.2.5
- We will look to acquire property where there is either an operational benefit for doing so or it is expected to enhance the value of current land and buildings.

- 4.2.6 • Our environmental and energy strategies will set out our approach to reduce risks, increase resilience and take advantage of opportunities presented by a changing climate in Hampshire.

4.3 This approach will enable us to deliver ever greater efficiencies for the organisation. It also means that savings from property assets can be directly applied to the Service's highest priorities, whether these lie in overall corporate savings or reinvestment into the service.

5 Communication and Engagement

5.1 Sessions with key internal stakeholders have been held to help formulate the content of the strategy, which will continue to be fed into later drafts. These have been facilitated by the shared property services team.

5.2 Engagement sessions with all staff groups are planned for April and May 2016, with the focus on identifying what the key areas are for ensuring that our staff feel equipped.

5.3 Sessions will be held with our key partners to ensure that they are aware and engaged in the development of our strategy. The final plan will also be shared with the One Public Estate land and assets board for Hampshire.

6 Financial Summary

6.1 The cost for the production of the strategy is covered from existing budgets.

6.2 The plan will have a number of activities contained within an action plan. The costs associated with these are being calculated and a request, if required, for funding the implementation of the plan will come with the final version of the plan to a future meeting of the Finance and General Purposes Committee.

7 Conclusion

7.1 The Strategic Asset Management Plan will enable the Service to work with partners and to do more with less. It is firmly aligned with Sir Ken Knight's report "Facing the Future"; developing a sector leading co-located estate and increasing collaboration with other emergency services.

8 Supporting our corporate priorities, aims and objectives

8.1 In particular, this Plan will be supporting the Service Plan aim of improving the return on our physical assets and using medium-term financial planning to ensure we effectively prioritise our resources

8.2 The financial pressures on the Service require a reduction of costs in many areas. The opportunity to work collaboratively and share our estate in a number of areas, and realise financial savings, will contribute directly to reducing our budget in line with Government requirements.

8.3 This project supports our aims to utilise our assets in a cost effective manner and to

build excellent relationships with partner organisations.

9 Risk analysis

- 9.1 Failure to produce a comprehensive strategy would mean that the Service is not using its physical assets in the most efficient and effective way.

10 People impact assessment

- 10.1 The proposals in this report are considered compatible with the provisions of the equality and human rights legislation.

- 10.2 A people impact assessment is being carried out as part of the plan.

11 Background information [Section 100D – Local Government Act 1972]

The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of the report.

None

Note: The list excludes: (1) published works; and (2) documents that disclose exempt or confidential information defined in the Act.