The Finance Committee are currently undertaking an inquiry into the process of asset management in the Welsh public sector. This inquiry is considering two main areas:

- processes involved in the management of the Welsh Government’s own estate; and
- guidance, support and the promotion of good practice by the Welsh Government in relation to asset management across the wider Welsh public sector.

Further detail on the terms of reference for this inquiry can be found on the committee’s webpages.

The Committee previously called for information, however due to the limited responses received, now requires further evidence in support of this inquiry. In order to properly understand the issues involved and to gain appropriate evidence for consideration, the Committee needs to develop an understanding of how asset management is approached in local government/health bodies.

To this end, we are seeking further detailed information in relation to the process and practice of asset management within your organisation and would appreciate it if you could provide the information requested below, as fully as possible, and provide examples where you feel it is appropriate.

*Coleg Morgannwg responses are provided in red italics below.*

**Strategic links and leadership**

1. How does asset management fit within the organisation’s overall strategy?

> Asset management forms part of Coleg Morgannwg finance strategic planning and estates strategy, with regular audits being carried out to record assets held to date.

2. Does the organisation have an overall asset management strategy and published plans which support the corporate objectives?

> There is no specific asset management strategy however there are financial strategic plans, and an estates strategy which are published documents and support corporate objectives.

   a. How does this strategy link into the capital investment strategy and wider financial planning?

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1. National Assembly for Wales, Finance Committee, [Asset Management Inquiry](#)
2. National Assembly for Wales, Finance Committee, [Asset Management Inquiry](#)
The estates strategy provides a long term plan for the rationalisation and development of the College estate. Financial plans for capital investment are developed from regular business planning reviews to support institutional & curriculum targets.

3. Who has responsibility for leadership on asset management:
   a. At a Cabinet/Board level? Principal & Chair of Governors
   b. At Executive level? Senior Management Team (Deputy Principal, Vice Principals)
   c. At Service level? Head of Finance and Head Of Estates, Curriculum / Campus Managers & Directors

4. How are Council/Board Members engaged with property asset management and how regularly does the Council/Board review asset performance?
   Termly meetings are held by the Finance & Estates Committee and Corporation Board members to review progress reports for finance & estates departments

5. Is there a dedicated property division or similar? If so please detail its structure and relationship with other service divisions.
   Coleg Morgannwg has an estates department managed by the Head Of Estates. There is also a finance department and Head Of Finance, with both Heads of Department attending regular meetings and producing progress reports along with other functional & curriculum department representatives.

6. Across the organisations (e.g. at Council/Board, Executive and Service level) can you demonstrate that property is utilised as a corporate resource and enabler of service provision?
   The College estate comprises 3 different campus locations, and also has strategic alliances with various other academic institutions. Coleg Morgannwg is also about to merge with Ystrad Mynach in August 2013 which will increase the overall estate. The property at each campus location is utilised on a daily basis as a corporate resource and enabler of service provision.

Systems and Processes

7. Can you demonstrate that property maintenance is supported by adequate information systems? Are these information systems used to:
   - Benchmark performance against that of other bodies; and/or
   - Link with other relevant systems (e.g. geographical information systems)

   Maintenance of the estate is carried out in accordance with statutory health & safety compliance requirements, and also follows latest best practice guidelines. Software is currently being used for recording assets for accounts records using the Real Asset Management (RAM) System. A Computer Aided Facilities Management (CAFM) system
is currently being developed by Coleg Morgannwg as a facilities management information system support tool. Benchmarking data has been provided historically to the Welsh Government using established systems (i.e. Tribal, e-Mandate) to compare all Colleges in Wales. Recently during 2012 – 2013, additional property & systems information is being provided to the National Assets Working Group (NAWG), and e-PIMS as part of developing a national database of property data.

8. How often does the organisation conduct an options appraisal to ensure that the property maintenance backlog is being managed effectively?
   a. Is there a programme of regular property reviews? If so, what do these consider and how often are they conducted?
   b. Is information on running costs and environmental impact available to the review team?

Property backlog data is reported each year to the Welsh Government using standard templates. A detailed condition survey to update records is due to be carried out with estimates currently being provided for backlog maintenance at present. Information on running costs is provided from financial records. Environmental data is reported to the Sustainability Working Group as part of the College environmental management system (accredited to Green Dragon Level 3).

9. Can you demonstrate that decisions on new capital projects and other planned works are based on a clear business case, including options appraisal and whole-life costing?

The HM Treasury “Five Case Model” is followed for new capital projects and other planned works using government templates and guidance including a clear business case, options appraisal and whole life costing.

10. How does the property division interact with service divisions, what are the arrangements for involvement/support?

The estates department representatives meet regularly each term with curriculum & other functional department managers to review property related issues.

Resources and value for money

11. What are the levels of resource available, at corporate level, to review property assets and running costs? Is this adequate?

Property assets are managed by the Head of Estates & Assistant Estates Manager as part of other duties and responsibilities. Detailed condition surveys have previously been carried out by external consultants and funded by Welsh Government, which is currently due for renewal in order to reflect more accurate property condition & backlog maintenance records. Running costs are recorded from financial records.
metering & utilities consumption records. Improvements could be made to enable a more accurate and up-to-date method of recording and maintaining property data which is currently being reviewed in conjunction with the NAWG Working Group and other parties on a national level.

12. What information on the property costs of the buildings occupied by services is available to senior management, and how is this utilised by them in considering service delivery?

Property costs form part of the overall estates budget which is reported to the Senior Management Team (SMT). This is regularly reviewed and considered along with service delivery, including space utilisation, running costs, maintenance and repairs, capital & furniture requests, etc.

13. Does property maintenance have adequate resources to meet its policy objectives and is sufficient priority given to routine maintenance within the budget process?
   a. Is funding maintenance linked to the condition of assets?

There remains a significant amount of property backlog maintenance across the older College estate which requires additional investment to achieve policy objectives and minimum standards. Routine maintenance is funded from the estates budget, and priority is given to routine & essential maintenance to comply with statutory health & safety standards.

14. Given the current climate of reducing budgets, is there any perception at corporate, or service, level that resources should be diverted directly to front-line services rather than to property management?

Staff at all levels are regularly informed of the pressure of reducing budgets. Estates staff are part of an essential team to enable service delivery by providing a safe and maintained environment to enable the business to operate.

15. Can you provide examples of how the organisation works with partners to achieve economies of scale in asset management?

The College works with a large number of partners to achieve economies of scale, particularly with procurement of goods & services associated with management of the estate. Framework agreements are used in conjunction with other public sector organisations to demonstrate value for money being achieved. Other collaborations include meeting regularly with representatives of all other Colleges in Wales. Shared experiences are used where possible to comply with procurement and financial rules.
16. Can you please detail the framework in place to continuously review and improve the performance of property management?

   a. Are there annual performance plans, agreed by Council/Board Members, setting clear targets for improvement?

   b. Does the organisation include this information in public performance reporting?

   An Estates report is produced each term which provides updated information relating to the estates strategy, capital projects, repairs & maintenance across all campus sites. Detailed property specific information concerning condition data is due for renewal at present. Environmental performance data is also made available to the public to comply with the Environmental Information Regulations.

Guidance and good practice

17. What if any, guidance is adhered to in conducting asset management in the organisation?

   Various guidance is used as part of estates property management, along with regular reviews of latest good practice including guidance from:

   - National Assets Working Group (NAWG)
   - The Good Practice Exchange from the Wales Audit Office (WAO)
   - Colegau Cymru
   - Association Of Colleges (AOC)
   - British Institute of Facilities Management (BIFM)
   - Real Asset Management (RAM) – Software tool & support

18. Do you share good practice and lessons learned on asset management with other organisations/professional bodies, and if so, via what mechanisms?

   This is mainly shared at forums with Colegau Cymru, Welsh Government, NAWG, among other professional organisations / bodies.

19. Would a central source of expertise and good practice be beneficial to the Welsh public sector, and if so where should this sit?

   a. Would training in property/asset management be beneficial?

      Yes, this would be most beneficial

20. Would the drive to improve asset management benefit from a repeat of the Wales Audit Office's 2010 report on buildings management?
Additional practical details or standard templates would be most useful concerning buildings management (not all links on the WAO website appear to be working at the time of writing)