FIN(4) AM 11

Inquiry into Asset Management Survey

Response from Older Peoples Commissioner

Strategic links and leadership

1. How does asset management fit within the organisation’s overall strategy?
   The Commissioner does not have an asset management strategy as we have only the one premise; the lease on the main office building in Cardiff.
   We have always sought advice from Welsh Government Estates in locating suitable premises, considering value for money and negotiating lease agreements.

2. Does the organisation have an overall asset management strategy and published plans which support the corporate objectives? No

3. How does this strategy link into the capital investment strategy and wider financial planning? The Commissioner does not have a capital investment strategy.

4. Who has responsibility for leadership on asset management: As a Corporation Sole the Commissioner has responsibility for asset management.

5. At a Cabinet/Board level?
6. At Executive level?
7. At Service level?

8. How are Council/Board Members engaged with property asset management and how regularly does the Council/Board review asset performance? As a Corporation Sole the Commissioner has responsibility for asset management. There are no Council or Board members.

9. Is there a dedicated property division or similar? No
   If so please detail its structure and relationship with other service divisions.
10. 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? As a Corporation Sole the Commissioner has responsibility for asset management.

**Systems and Processes**

11. Can you demonstrate that property maintenance is supported by adequate information systems? As the Commissioner holds only one asset, required information is not considered complex.

   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)

12. How often does the organisation conduct an options appraisal to ensure that the property maintenance backlog is being managed effectively? This is not applicable as the Commissioner does not have a property maintenance backlog.

   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?

13. 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? This is not applicable as the Commissioner does not have a capital programme.

14. How does the property division interact with service divisions, what are the arrangements for involvement/support? This is not applicable to the Commissioner.

**Resources and value for money**

15. What are the levels of resource available, at corporate level, to review property assets and running costs? Is this adequate? The Director of Finance and Performance is responsible for reviewing property and running costs.

16. 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? A monthly budget report is considered by the Commissioner which includes expenditure on property running costs.
17. Does property maintenance have adequate resources to meet its policy objectives and is sufficient priority given to routine maintenance within the budget process? Yes and a provision for dilapidations has been included in the annual accounts and is reviewed annually.

   a. Is funding maintenance linked to the condition of assets? Yes

18. 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? As the Commissioner holds only one asset, this is not considered applicable.

19. Can you provide examples of how the organisation works with partners to achieve economies of scale in asset management? We have sought advice from Welsh Government Estates on the identification of suitable premises and in renegotiating the lease. This has saved on incurring surveyors fees and resulted in a reduction in rental costs.

20. Can you please detail the framework in place to continuously review and improve the performance of property management? The Commissioner reviews running costs annually and seeks advice from Welsh Government Estates when the lease is due for renewal.

   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?

Guidance and good practice

21. What if any, guidance is adhered to in conducting asset management in the organisation? The Commissioner seeks advice from Welsh Government Estates.

22. Do you share good practice and lessons learned on asset management with other organisations/professional bodies, and if so, via what mechanisms? The Director of Finance and Performance attends meetings of the Welsh Government Sponsored Bodies Heads of Finance and uses this as forum to share good practice.

23. Would a central source of expertise and good practice be beneficial to the Welsh public sector, and if so where should this sit? The Commissioner already works with Welsh Government Estates.

   a. Would training in property/asset management be beneficial? Yes
24. Would the drive to improve asset management benefit from a repeat of the Wales Audit Office's 2010 report on buildings management? The Commissioner did not take part in this review.

If you require any additional information please contact me on the telephone number listed above.

Yours sincerely

Alison Phillips
Director of Finance and Performance

Older People’s Commissioner for Wales