
Report To:	Environment and Regeneration Committee	Date:	16 May 2024
Report By:	Director, Environment and Regeneration	Report No:	ENV040/24/EM
Contact Officer:	Eddie Montgomery	Contact No:	01475 714800
Subject:	Corporate Asset Management Strategy 2024 – 2028		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 The purpose of this report is to update the Committee on the progress in respect of the refresh of the Council's Corporate Asset Management Strategy.

1.3 The Council implemented Asset Management Planning and published its first Corporate Asset Management Strategy in March 2009 which set out the Council's Strategy for managing and modernising its Assets. The fourth Corporate Asset Management Strategy (appended) is intended for the period 2024 to 2028.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Committee:

- approve the 2024-2028 Corporate Asset Management Strategy;
- note the proposal to review and refresh the individual asset sub-groups to develop longer term costed asset plans;
- approve the progression of the refresh of the 5 year external condition surveys of all property assets and agree that it be remitted to the Policy and Resources Committee seeking approval of £0.200m from the 2023/26 Capital Programme contingency.

Eddie Montgomery
Head of Physical Assets

3.0 BACKGROUND

- 3.1 The Council implemented Asset Management Planning and published its first Corporate Asset Management Strategy in March 2009 which focused mainly on land and buildings and set out the Council's Strategy for managing and modernising its Property Assets. The second Corporate Asset Management Strategy, as approved by the September 2016 Environment & Regeneration Committee, covered the period 2016 to 2018 and provided an updated position on all asset strands including the Asset Management planning framework addressing the various asset sub-groups beyond land and buildings. The strategy was further refreshed and reported to the October 2020 Environment & Regeneration Committee to cover the period 2019 – 2022.
- 3.2 The current Environment and Regeneration Committee Delivery Improvement Plan 2023/26 includes an Action to refresh the 2019/22 Corporate Asset Management Strategy to reflect the current position and the progression of the supporting Asset Management plans across the various asset sub-groups.

Proposed Corporate Asset Management Strategy 2024 - 2028

- 3.3 Since the original 2009 Corporate Asset Management Strategy there has been significant change and improvement in terms of Council structure, service delivery and the advancement / completion of strategic asset management plans. The previous editions of the Corporate Asset Strategy reflected the following key developments:
- The phased Modernisation/Transformation programme and changes to the Corporate Structure.
 - The framework of Corporate Planning strategic documents.
 - The formulation of Asset Management Plans for key corporate asset sub-groups and the financial strategies that underpinned them.
 - The establishment of Improvement Plans and utilisation for self-evaluation through the Strategic Planning and Performance Management Framework.
- 3.4 The fourth edition of the Corporate Asset Management Strategy reviews and updates all of the elements above and links with the best value elements of performance management and demonstrating continuous improvement in the delivery of services. The format of the document remains broadly as in the previous editions which reinforced/demonstrated the approach to achievement of corporate objectives through a strategic approach to Asset Management and the links with the Council's strategic outcomes.

Action Plan and Asset Plan Review

- 3.5 The significant programmes of work and change taken forward across the majority of asset categories over the last 15 years were supported by costed Asset Plans and involved the allocation of accompanying resources. The improvements across the asset base were achieved by significant increases in resource allocation, asset rationalisation, investing in new assets, delivering new facilities or comprehensively refurbishing existing facilities. The current available resources as outlined in the approved 2024/28 Capital Programme mean that the focus of the 2024-2028 Corporate Asset Management Strategy will predominantly be on rationalising and reducing the number of operational assets that the council holds. The individual asset plans covering the same period will also require to identify the priorities for investment of the available limited capital resources to ensure as far as possible that the overall asset performance indicators are maintained at or near the current levels.

- 3.6 In the medium term all asset plans will require to be refreshed and as far as possible include fully costed 5-10 year plans to support the asset infrastructure elected members wish to maintain. This will require investment in both external and internal resources and thereafter the strong likelihood a significant increase in capital investment levels with the resultant prioritisation within the overall Council Budget.
- 3.7 As a starting point for this activity there is a need to refresh the 5 yearly externally procured Property Asset condition surveys which were last completed in 4th Quarter 2019. The assessment of asset condition is fundamental to assessing risks / liabilities to the Council and establishing investment needs and priorities. Externally procured elemental condition surveys for property (based on Scottish Government Guidance) are undertaken on a 5-year rolling programme with an annual review carried out by Property Services. The surveys also provide an indication of the backlog maintenance and priorities for investment over a ten-year projection.

4.0 PROPOSALS

- 4.1 Subject to Committee approval of the strategy Officers will progress the associated Action Plan.
- 4.2 The Committee is requested to note that a review and refresh of all asset sub-groups is required in the medium term to reflect as far as possible a 5-10 year costed plan for asset / infrastructure investment and that an assessment of the resources required for this will be required with a report to be brought back to a future meeting of the Committee.
- 4.3 The Committee is requested to approve the progression of the refresh of the 5 yearly property asset condition surveys to support and inform this activity with funding sought from the Capital Programme Contingency held by the Policy and Resources Committee.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendations are agreed:

SUBJECT	YES	NO
Financial	x	
Legal/Risk	x	
Human Resources	x	
Strategic (Partnership Plan/Council Plan)	x	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		x
Environmental & Sustainability	x	
Data Protection		x

5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Capital Programme	Contingency	2024/25	200		External Condition Surveys - Capital contingency, requires P&R Committee approval.

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
n/a	-	-	-	-	-

5.3 Legal/Risk

Current investment levels across many of the asset sub-groups do not fully address the risk of asset failure that could lead to a loss of service.

5.4 Human Resources

The asset sub-group review and refresh will require investment in external and internal resources as there is limited internal officer capacity at present linked to previous downsizing and the reducing capital programme.

5.5 Strategic

The activity within the various asset plans contributes to and aligns with the Council Plan and strategic objectives.

5.6 Equalities and Fairer Scotland Duty

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

Report will be prepared after the detailed design is completed.

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

5.7 **Environmental/Sustainability**

Summarise any environmental / climate change impacts which relate to this report.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

5.8 **Data Protection**

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

6.0 CONSULTATION

- 6.1 The Corporate Management Team has been consulted.
- 6.2 All relevant officers connected with delivery of the asset management plan sub-groups within the Strategy have also been consulted.

7.0 BACKGROUND PAPERS

- 7.1 None.

Corporate Asset Management Strategy 2024–2028

Contents

1	Foreword	1
2	Executive Summary	2
3	Corporate Planning	3
3.1	Committee Delivery and Improvement Plans	3
3.2	Asset Management Planning	4
3.3	Capital Strategy	4
4	Introduction to Asset Management Planning	5
4.1	Governance and Leadership	5
4.2	Operational Asset Management	6
4.3	Asset Data	7
5	Approach to Asset Management	9
5.1	Property	9
5.1.1	Learning Estate	9
5.1.2	Offices	11
5.1.3	Depots	12
5.1.4	Leisure Estate	12
5.1.5	Health and Social Care Partnership	13
5.1.6	Commercial and Industrial Portfolio	14
5.1.7	Farms	14
5.1.8	Coastal Assets	15
5.2	Open Space	15
5.3	Roads	16
5.4	Fleet	17
5.5	Information and Communications Technology	18
6	Strategic Drivers	20
6.1	Council Policy	20
6.2	National Policy	21
6.3	Funding	22

Rev	Status	Originator	Approved	Date
2.0	Draft	E. Montgomery	S. Jamieson / CMT	25 April 2024

1 Foreword

Clearly defined strategies are vital to effective Asset Management and the performance of Inverclyde Council.

The vision is that the Corporate Asset Management Strategy will provide a modern, efficient and sustainable asset portfolio that fully meets the needs of existing and future service users and employees.

The Corporate Asset Management Strategy:

- Delivers a corporate and coordinated approach to asset management;
- Provides clear arrangements for the management of assets;
- Regularly measures the performance of assets;
- Comments on the deliverability of Asset Management Plans within the context of projected capital and revenue resources; and
- Ensures a fully documented process for the prioritisation of capital investment.

The 2024/28 Corporate Asset Management Strategy reflects the capital investment levels over the same period approved by the Council on 29 February 2024. The Strategy outlines the Council's approach to Asset Management and how this supports and contributes to the delivery of the strategic priorities in the Inverclyde Alliance Partnership Plan 2023/33 and the Inverclyde Council Plan 2023/28, as well as the delivery of the shared wellbeing outcomes to ensure that all our residents are Safe, Healthy, Achieving, Nurtured, Active, Respected and Responsible and Included.

Over the last fifteen years the Council has undertaken a significant amount of work on Asset Management Planning. The first Asset Management Plan related to the School Estate (SEMP) which resulted in an ambitious and comprehensive new build and upgrade programme for the full School Estate. Thereafter asset plans were created in respect of the main leisure facilities, the roads assets, office and depot assets, ICT assets, and open space assets. Most of the increased levels of investment has now come to an end and officers recognise the need to refresh many of the Asset Management Plans over the next year or two which will require one-off funding. All Asset Management Plans are linked to The Council's Vision and Priorities via the Committee Delivery and Improvement Plans (CDIPs) with delivery reported throughout the year both as part of the CDIPs but also via cyclical Capital Programme updates.

One of the most significant challenges for the Council over the life of the plan will be the continued delivery of high quality services with a reduced budget. The Council is also committed to working collaboratively with other Councils, public bodies, and partners to achieve more effective use of combined assets.

The Corporate Asset Management Strategy is a live document, subject to continuous challenge and review, which provides a framework for the efficient management of the Councils core assets.

2 Executive Summary

The effective use of Council assets is a key priority for Inverclyde and the Council aims to deliver on the following actions in its implementation of the Corporate Asset Management Strategy:

- Corporate Asset Management Strategy reviewed through the Corporate Management Team;
- the continuing development of a corporate approach to the use, management and procurement of assets;
- ensuring a strong organisational framework for future asset management plans with clear links to the Council's Committee Delivery and Improvement Plan process;
- use of relevant data to monitor and report in performance in support of continuous improvement and to challenge the existing use of, need for, and performance of assets;
- identification of efficiency gains through the strategic management of assets;
- ensuring that relevant information is communicated effectively to all stakeholders;
- promoting new ways of working and incentives for the more efficient use of assets and energy including aligning with local and National Net Zero targets.

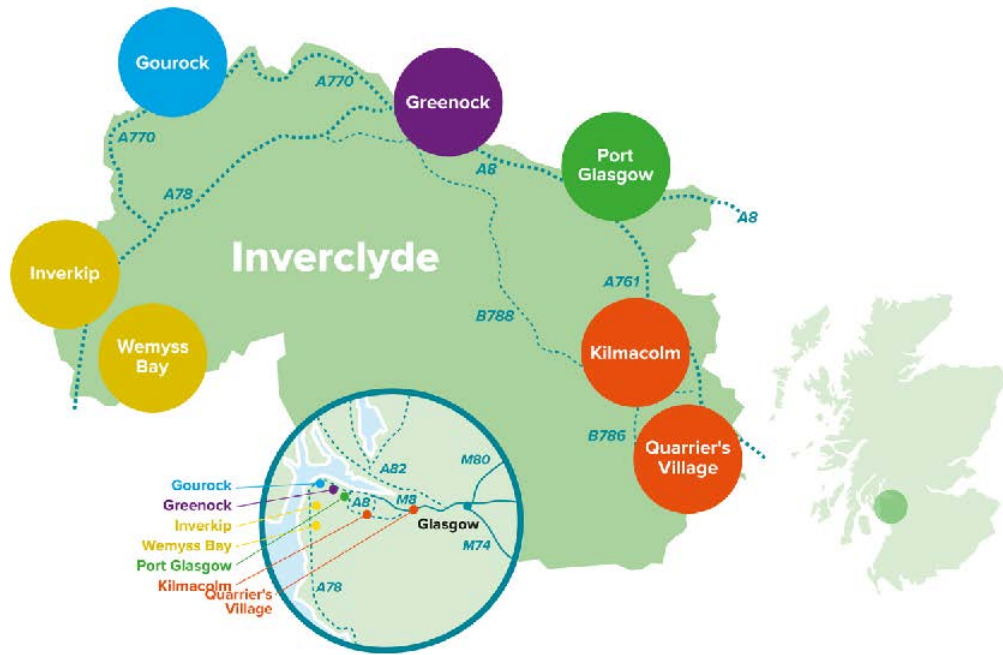
During the recent Budget process, the Corporate Management Team frequently highlighted that the reduced availability of resources, combined with the current inflationary price pressures, will present significant challenges in maintaining and developing all assets. Asset planning across the majority of the asset categories will require to be refreshed during the lifespan of this strategy and this is expected to require a step change in the level of investment in the medium/longer term whilst also encompassing a fundamental review of many of the assets held by the Council. The current financial constraints limit what can be achieved in terms of improving or sustaining the existing asset base with the associated increasing risk of asset failures that could lead to loss of service. The CMT recognise this is not a desirable or sustainable approach.

The significant programmes of work and change taken forward across the majority of asset categories over the last 15 years were supported by costed Asset Plans and involved the allocation of accompanying resources. The improvements across the asset base were achieved by significant increases in resource allocation, asset rationalisation, investing in new assets, delivering new facilities or comprehensively refurbishing existing facilities. The current available resources as outlined in the approved 2024/28 Capital Programme mean that the focus of the 2024-2028 Corporate Asset Management Strategy will predominantly be on rationalising and reducing the number of operational assets that the council holds. The individual asset plans covering the same period will also require to identify the priorities for investment of the available limited capital resources to ensure as far as possible that the overall asset performance indicators are maintained at or near the current levels.

In the medium term all asset plans will require to be refreshed and include fully costed plans to support the asset infrastructure elected members wish to maintain. This will require upfront investment in both external and internal resources and thereafter the strong likelihood a significant increase in capital investment levels with the resultant prioritisation within the overall Council Budget.

3 Corporate Planning

Corporate planning in Inverclyde is conducted under the overarching framework of the Inverclyde Alliance Partnership Plan 2023/33¹ and the Inverclyde Council Plan 2023/28², which set out the vision, themes and high-level outcomes of the Council and its partners for the area.



3.1 Committee Delivery and Improvement Plans

The Council has adopted a model with three Delivery and Improvement Plans aligned to Committees along with Service Delivery and Improvement Plans. The current Committee Delivery and Improvement Plans³ cover the period 2023/26 and capture:

- Actions derived from the Council Plan strategic priorities, cascaded to individual Directorates / services;
- Corporate self-evaluation improvement actions;
- Priorities relating to areas of strategic service delivery;
- Improvement actions from External Audit Reports;
- Improvement actions arising from Service Review; and
- Key Performance Indicators linked to the delivery of the actions.

¹ Inverclyde Alliance Partnership Plan ([link](#))

² Inverclyde Council Plan ([link](#))

³ Education and Communities Committee Delivery and Improvement Plan ([link](#)); Environment and Regeneration Committee Delivery and Improvement Plan ([link](#)); Policy and Resources Committee Delivery and Improvement Plan ([link](#))

Although on a 3-year rolling plan, the delivery and improvement actions are refreshed on an annual basis with performance reports to the Corporate Management Team prior to every second Committee meeting.

3.2 Asset Management Planning

The Council has implemented Asset Management Planning and published its first Corporate Asset Management Strategy in March 2009 which set out the Council's Strategy for managing and modernising its Assets. This is the fourth revision of the Strategy and is intended for the period 2024 to 2028.

Over the last 15 years the Council has undertaken a significant amount of work on Asset Management Planning (AMP) and has used a combination of internal expertise and external peer review in the development of several AMPs. Once created, the AMPs are embedded within the Council's Committee Delivery and Improvement Plans (CDIPs) and ensure the Capital Programme formulation process has a strong alignment between the Council Plan priorities and capital investment decisions.

3.3 Capital Strategy

The production of a Capital Strategy⁴ which is reviewed annually is a requirement of the CIPFA Prudential Code. The document requires to be considered along with the Treasury Strategy and thereafter approved by the Inverclyde Council. It is viewed as being one of the key strategic financial documents along with the Council's Financial Strategy⁵ which help govern the strategic direction for the Council's financial planning.

The Council traditionally approves a rolling three-year Capital Programme each budget cycle. The February 2024 budget saw the approval of a 4-year Capital Programme covering 2024/28 which takes the programme to the end of the current Council. Annual capital budget allocations are provided for investment in the core assets identified via the Asset Management Plans with these allocations intended to maintain the existing assets to acceptable standards.

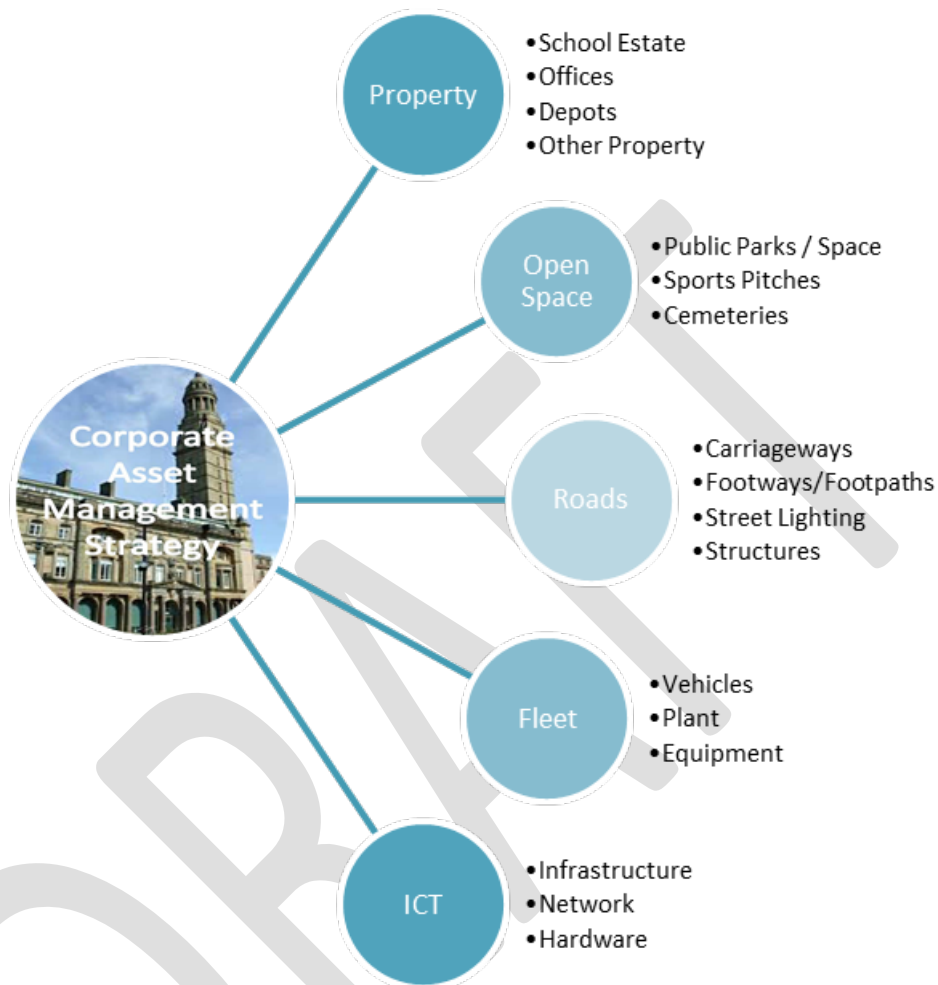
The Capital Strategy emphasises the need for the Council to take a long-term view when taking decisions around Capital investment and specifically to ensure that investment plans are appropriate and financially sustainable in the longer term.

⁴ Capital Strategy 2024-2034 and Treasury Management Strategy Statement & Annual Investment Strategy 2024/25-2027/28 ([link](#))

⁵ Financial Strategy 2023-2033 ([link](#))

4 Introduction to Asset Management Planning

In accordance with the CIPFA “Guide to Asset Management and Capital Planning in Local Authorities” the Council has prepared asset plans under five main sub-groups:



4.1 Governance and Leadership

The Director Environment and Regeneration has overall responsibility for the on-going development and implementation of the Corporate Asset Management Strategy. Support is provided by the Lead Officers from the Services responsible for the implementation of the individual asset plans for each asset category.

The need to manage assets as a corporate resource is key to ensure that decisions to rationalise, invest in, and/or acquire assets to achieve high-level outcomes are considered corporately. This will also ensure that resources are targeted to support effective and efficient service delivery.

4.2 Operational Asset Management

Compliance: Statutory compliance and regulatory codes of practice are an area of priority for the Council in terms of management of its core assets. This area is supported by a number of Council Policies designed to address the safety and wellbeing of Council staff, service users and visitors / customers:

Compliance	
Asset Category	Activity
Property	Management of Asbestos ⁶ ; Water Safety & Hygiene ⁷ ; Fire Risk and Procedures ⁸ ; Electrical & Portable Appliance Testing (PAT); Gas Safety; Accessibility (Equality Act/DDA compliance).
Open Space	Assets maintained as 'fit for purpose' and comply with health & safety / environmental regulations.
Roads	Roads and recorded assets will be inspected and maintained to ensure compliance with the Roads (Scotland) Act 1984 and to provide a safe public road network.
Fleet	Fleet assets maintained to Driver Vehicle Standards Agency (DVSA) standard. Comply with terms of Council's Operator License.
ICT	ICT assets maintained to comply with Public Sector Network (PSN) regulations, the Scottish Government Public Sector Action Plan on Cyber Resilience, and the requirements of the Scottish Wide Area Network. Although each has a unique accreditation process there are areas where the audit requirement is mirrored across each organisation. The Council has also completed the Audit process for 2023/24.

⁶ Fire Risk Assessment and Fire Safety Policy ([link](#))

⁷ Water Quality Management Policy ([link](#))

⁸ Control of Asbestos Policy ([link](#))

4.3 Asset Data

Performance Data: The management of data and its accuracy/availability is crucial to effective Asset Management allowing informed decisions to be made based on asset performance. The main indicators used in Asset Management are outlined below:

Performance	
Asset Category	Activity
Property	<p>Condition: fundamental to assessing risks / liabilities to the Council and establishing investment needs and priorities. Externally procured elemental condition surveys for property (based on Scottish Government Guidance⁹) are undertaken on a 5-year rolling programme with an annual review carried out by Property Services. The surveys also provide an indication of the backlog maintenance and priorities for investment over a ten-year projection.</p> <p>Suitability: refers to how well the asset supports Service delivery and is suited to its current use. Surveys completed for all properties (taking into account the views of service users) and are reviewed annually. Format varies, detailed guidance¹⁰ is available for the School Estate.</p> <p>Sufficiency: utilisation or capacity, concerns the demand for / sustainability of an asset and its use now and in the future in terms of supporting Service delivery. Critical in identifying under-utilised assets for alternative proposals / potential disposal. Also highlights where there may be a risk of over-utilising assets and assists in forward planning.</p> <p>Running Costs: cost of operating a given asset and relates to rates, energy/utility, and maintenance costs. Can also be extended to include soft facilities management costs such as cleaning, caretaking/janitorial etc.</p> <p>Value: recorded for statutory accounting requirements and insurance purposes (i.e. market value of assets / replacement costs).</p>
Open Space	<p>Condition: open space assets will be maintained to a satisfactory or better condition to fulfil the needs of local communities.</p> <p>LGBF: Percentage of adults satisfied with parks and open spaces.</p>
Roads	<p>Road Condition Indicator (RCI): relates to the maintenance categorisation of roads and the percentages of roads that should be considered for maintenance treatment.</p>

⁹ The Condition Core Fact ([link](#))

¹⁰ The Suitability Core Fact ([link](#))

Fleet	<p>Operator Compliance Risk Score (OCRS): system based on data collected by the Driver and Vehicle Standards Agency (DVSA) over a 3-year rolling period including: MOTs; roadside inspections; desk-based ('remote') assessments; site visits from DVSA. Inverclyde is currently rated in Band Green (low risk).</p>
ICT	<p>Refresh Programme: ICT assets are of a good standard and work efficiently and effectively. All desktop assets and server assets are supported and maintained to a high standard.</p> <p>Service Desk: Service level attainment target reporting. Society For Innovation Technology and Modernisation (SOCITM) benchmarking.</p>

Performance Management: Performance management and reporting is integral to the delivery of Best Value and forms the cornerstone of all proposed service activity. The Council's Performance Management Framework¹¹ (PMF) core purpose is to drive continuous improvement and deliver improved outcomes. The Committee Delivery and Improvement Plans include a core set of performance indicators (PIs) that are focused on Directorate improvement actions. Statutory and Key Performance indicators already exist for the majority of service areas such as those submitted for the Council's properties reflecting core condition and suitability and as part of the School Estate Core Facts collection. In addition, the council produces an annual report on the progress it is making on the delivery of its Council Plan organisational priorities.

The Council also utilises the Local Government Benchmarking Framework (LGBF)¹² indicators which have been adopted by all 32 of Scotland's local authorities to assist in focusing on efficiency, effectiveness and outcomes allowing authorities to benchmark performance across a range of indicators. A dashboard refresh was carried out in February 2024, and benchmarking data for Inverclyde Council is now available for a total of 82 of the 102 measures within the framework.

¹¹ Inverclyde Council Performance Management Framework ([link](#))

¹² LGBF Inverclyde Performance Data and links ([link](#))

5 Approach to Asset Management

The overarching Corporate Asset Management Strategy incorporates a variety of asset categories, each of which are supported by individual asset management plans. All Asset Management Plans are linked to the Committee Delivery and Improvement Plans (CDIPs) with delivery regularly reported throughout the year as part of cyclical Capital Programme updates.

Asset Management Plans take into account the number, type and condition of the assets to which the plan relates and thereafter looks ahead to future investment needs with associated financial implications to be factored into future years Capital Programmes. Delivery of an Asset Management Plan may require decisions from elected Members regarding a whole estate investment approach which will potentially identify assets which the Council should no longer retain. This will lead to investment in fewer assets but to a higher quality. This has certainly been the case in respect of schools, offices, and depots where the Council's property footprint has reduced considerably over the last 15 years, with the sums saved from assets no longer in existence reinvested in the remaining assets resulting in a significantly improved estate.

5.1 Property

Inverclyde Council owns a diverse property portfolio which supports a wide range of services containing approximately 492 assets covering both land and buildings. The portfolio is divided into:

- **Operational property** – properties which are used directly to support delivery of services;
- **Non-Operational property** – properties which are retained to support economic development and to aid in generating revenue income.

The total fair value of the Council's freehold/heritable interests as at 31st March 2023 is £485.5m. Once Public Private Partnership (PPP) Assets and managed Properties are included, the value increases to £580.5m. This figure assumes (in many cases) that the Council will continue to use the individual property for its own purposes; it does not necessarily represent the overall market value of the Council's asset base. As at 31st March 2024 the Council owned 148 operational property assets which are represented in the table attached as Appendix 1.

5.1.1 Learning Estate

The Council has invested in excess of £270m on its school estate over the life of the School Estate Management Plan. The rationalisation of the estate was completed by the end of 2013. Over the period of the programme there has been a net reduction of 12 primary schools (from 32 to 20) and a net reduction of 2 secondary schools (from 8 to 6) with 2 of the remaining 6 secondary schools co-located within a shared community campus.

Significant progress has been made since 2004 in addressing the number of Condition category C (Poor) and D (Bad) rated schools from 7 Secondary Schools and 21 Primary Schools at the start of the programme to all schools across all sectors rated A (Good) or B (Satisfactory) by 2016. In terms of Suitability there has also been significant progress made in ratings through the programme of comprehensive refurbishment and new build.

The plan prior to the COVID-19 lockdown would have seen all major projects completed in 2020 reflecting the approval of the acceleration of the School Estate Management Plan agreed as part of the budget setting process in March 2016. The St Mary's Primary School project was completed in October 2020 with completion of the final project at Gourrock Primary School in December 2022 delayed due to the impact of a combination of the insolvency of the main contractor and COVID-19. The demolition of the last remaining decant facility, the former Sacred Heart Primary School, was completed in June 2022.

Additional expenditure was approved in March 2016 to address works required to improve asset condition and suitability across the stand-alone facilities within the Early Years estate. The Council funded elements of the Early Years estate plan were completed with the final project to refurbish Hillend Children's Centre operational as of October 2021.

The increase in entitlement to early learning and childcare from 600 hours to 1140 hours required substantial levels of investment in workforce and infrastructure to support the expansion. All core 1140 hours expansion projects were completed and operational as of November 2021.

The Scottish Government has previously confirmed capital funding allocations to support the phased expansion of free school meals to primary school children to be used to support initial investment in school infrastructure, including school catering and dining. The Education & Communities Committee approved the early adoption of Universal Free School Meals in Primary Schools across Inverclyde from August 2023. A programme of works across fourteen primary schools was delivered during June 2023 and over the summer holiday period to support the implementation.

The Education Capital programme includes a lifecycle fund designed to address maintaining the condition and suitability of the revitalised estate. The fund allocation is currently £3m per annum. The lifecycle works address the on-going requirement for investment in the estate to maintain the overall condition of the assets at a good/satisfactory level. The allocation of this funding is based on annual review of the externally procured condition surveys and physical inspection of the various properties by the Council's Property Service. The most recent external condition surveys were undertaken via Aecom during 4th Quarter 2019 and are due for renewal in 2024. These surveys and Property Services assessment inform the allocation of future lifecycle funding across the estate and this is becoming increasingly important, particularly for the properties that were included early in the original programme.

The Council also has a Public Private Partnership contract covering four schools (2 secondary and 2 primary) which is operated through a Special Purpose Vehicle (SPV) and Facilities Management Provider. The regular maintenance and lifecycle requirement of those assets are addressed through the contract which extends to 2040 when the assets will be handed back to the Council.

A wider Learning Estate Review and strategy is now required to address the next 10+ years and future of the Learning Estate. Work has commenced on this in respect of roll projection analysis and assessment of the possible impacts of the new Local Development Plan and potential new housing provision. The strategy will require to consider the Condition of the estate from external surveys and Property Services reviews. A full review of all suitability surveys was completed in conjunction with Education Services and Heads of each establishment and this information was reflected in the 2021 Core Facts return. The strategy will also consider the 2021/28 Education Services Digital Learning Strategy. Energy efficiency and the implications of the Inverclyde Net Zero Strategy and associated 2022/27 Action Plan including the continued focus on adoption of a Net Zero Public Sector Buildings Standard and imminent legislation such as the Heat in Buildings Bill, will all have to be considered as far as practicable in future asset strategies.

The Council has undertaken a comprehensive assessment of its estate to identify the presence of Reinforced Aerated Autoclaved Concrete (RAAC). It has been confirmed that one school (St Michael's Primary School in Port Glasgow) has RAAC present and in line with industry guidance, a management strategy has been implemented. Options for permanent remediation are currently being investigated and will represent a funding pressure in the context of the available limited capital funding resources available for estate lifecycle investment.

5.1.2 Offices

The Council's Office rationalisation proposals included the development of a Customer Service Centre within Greenock Municipal Buildings designed to transform the way the Council communicates with its customers. The programme was part of a wider programme to modernise the Council's operations and working practices which included initiatives such as mobile and flexible working, electronic document management (EDRMS) and greater use of technology. The Offices Asset Management Plan (AMP) was taken forward on the premise that fewer desks than employees would be provided with the final projects within the Offices AMP completed in Autumn/Winter 2017. The Office Rationalisation programme resulted in a reduction of circa 40% of occupied floor space and circa 28% in terms of desk numbers with an increased potential desk space ratio through more efficient use of space across the same number of retained properties.

With the completion of the Office rationalisation programme, the majority of the Council's Operational Office space is now contained within the Greenock Municipal Buildings Campus. This is comprised of the main Municipal Buildings (including the refurbished/renovated former District Court offices), the Wallace Place Building, the James Watt Building and Hector McNeil House. Property Services had undertaken studies across the Campus at the end of 2019, both internally and through external specialist space planning consultants, with a view to identifying where possibilities exist for more efficient use of space and to address improvements where existing space is less suitable for current use and/or in poorer condition. The challenges posed by COVID-19 necessitated a shift to different agile working delivery models including increased flexible, mobile and homeworking arrangements. As part of the COVID-19 Organisational Recovery Plan the Council reviewed its agile working and other key policies resulting in the development of a Hybrid Working Strategy which has now been embedded within a new Flexible Working Policy following the completion of a 12 month pilot. As part of the Council's Delivering Differently Programme, a New Ways of Working project has also been established to examine the changes to the ways offices are being used within and out with the Campus including changes in the use of technology and the potential for increased use of Electronic Document Management processes. The previously completed space studies are being revisited as part of this work stream to assess the potential property / ICT investment implications connected with new ways of working. This workstream has involved the mothballing of the James Watt building from early 2023/24 facilitated through minor works undertaken across various assets to enable the relocation of staff. The potential reduction in employees from savings exercises plus the announcement of the successful Levelling-up Funding bid which will result in the demolition of the Hector McNeil House building are also key considerations in the New Ways of Working Project.

The future maintenance and lifecycle requirements of this element of the Council's estate strategy are contained / addressed within the Operational Properties portfolio and the allowances for statutory and planned maintenance / lifecycle works funded from the annual £2.4m General Property Service capital allocation monitored through the Environment & Regeneration Committee.

5.1.3 Depots

The Council's Depot rationalisation has involved the centralisation of Grounds, Waste and Transport at Pottery Street in Greenock with a Gourrock Civic Amenity site and the Building Service Unit (BSU) workshop at Devol in Port Glasgow. The original Depot Asset Management Plan budget of £13m was reduced by £2.8m through a review of phasing and scope with the development of the masterplan and a refinement of the strategy / proposals. The majority of projects were completed by mid-2019 incorporating the phased works at Pottery Street including the salt barn, civic amenity site, vehicle maintenance facility / offices, fuel and vehicle wash facilities, and the refurbishment of the corner depot building / offices. The fleet maintenance facility opened in 2017 incorporates a Class IV, V and VII MOT test facility allowing more maintenance and testing to be carried out in-house. The site also incorporates a fully automated under chassis vehicle wash which became operational in 2019 ensuring the fleet assets are maintained to a high standard whilst complying with the latest Health and Safety requirements. A new bunkered fuel facility with integrated fuel management system has also been incorporated into the Fleet Maintenance Facility providing real time fuel usage information and increasing the Councils contingency in times of fuel shortages with generator back-up project completed in 2022 to support civil contingency planning and service resilience.

The final element of the Depot AMP involving the Gourrock Civic Amenity facility has been partially completed with the existing Kirn Drive Civic Amenity facility closed at the end of January 2022 and temporarily relocated to Craigmuschat Quarry. The demolition of the existing Kirn Drive Depot building and removal of fuel tanks was completed in June 2022. The future provision in Gourrock has been considered as part of recent budget setting processes and has not taken forward as a saving, with a requirement to now review the temporary provision at Craigmuschat.

5.1.4 Leisure Estate

The Council undertook a review of its key Leisure Sites prior to 2009 which included reports covering a review of strategic sites and a pitches strategy, with a view to modernisation and reconfiguration of leisure provision within Inverclyde. Consultation was also undertaken with sportscotland who allocated £1m in facilities grants, part funding specific projects at Parklea and Ravenscraig. A planned investment profile was presented to Committee in September 2009 with an initial implementation timescale of August 2012. Following the implementation of the original Leisure Strategy above, a number of further projects were taken forward (Ravenscraig Activity Centre / Inverclyde Indoor Bowling / Lady Octavia Sports Centre / Boglestone Community Centre) through joint Council / Inverclyde Leisure funded projects.

In 2018 the Council agreed to allocate £0.12m annually to supplement the funding in the Leisure Repairs and Renewals Fund to meet the life cycle costs associated with the large 3G Pitch estate. The on-going requirements for major maintenance and lifecycle replacement of sports pitches across the Leisure Estate are addressed through the Leisure Pitches Strategy Asset Management Plan¹³ and capital allocations monitored through the Education & Communities Committee. Condition surveys were undertaken via external specialists in late 2019 across the Leisure and School Estate pitches to inform a review of the Asset Management Plans and lifecycle replacement allowances. This information together with data on individual pitches hours of use from Inverclyde Leisure formed the basis of a revised asset plan which was approved by the September 2020 Education & Communities Committee. A programme of rejuvenation and carpet replacement works commenced in 4th Quarter 2020 with 5 full size leisure pitch and 5 school estate pitch/MUGA carpet replacements completed to date including minor rejuvenation works at Inverkip Community Hub and carpet replacement of 5-a-side carpets at Lady Octavia Sports Centre.

¹³ Artificial Sports Pitches Lifecycle Plan ([link](#))

The major maintenance and lifecycle replacement requirements of the buildings for the Leisure Estate remains with the Council and this element of the Council's estate strategy is addressed within the Operational Properties portfolio and the allowances for statutory and planned maintenance / lifecycle works funded from the annual £2.4m General Property Service capital allocation monitored through the Environment & Regeneration Committee. Minor day to day maintenance and 'consumables' are the responsibility of Inverclyde Leisure in accordance with the Service Level Agreement which regulates access, standards of maintenance and division of responsibilities. The allocations through this fund will be vital in the coming years to address significant elemental renewal of ageing assets.

As part of the Council's Delivering Differently Programme, the Council and Inverclyde Leisure completed a strategic review¹⁴ of all indoor, outdoor and community leisure facilities in Inverclyde. This activity was aligned with the 2023/25 Budget recognising the Inverclyde Leisure business model pressures such as shortfalls in income, increases in utilities, and other inflationary pressures such as pay. A report was submitted to the November 2022 Education and Communities Committee outlining proposals to reduce the funding pressure addressing a potential major reduction in the Inverclyde Leisure managed estate. The proposals were subject to public consultation and were considered as part of the previous budget setting process, however, no decisions in respect of a reduction in Leisure estate assets have been taken at this time.

5.1.5 Health & Social Care Partnership

In addition to the regular review of HSCP properties to identify opportunities for reconfiguration of services that support co-location, work has been undertaken across the NHS Greater Glasgow & Clyde area to develop a Primary Care Property Strategy which seeks to better understand the current utilisation of property and its suitability for existing and future service provision. This strategy will assist with future business cases and inform board infrastructure investment decisions.

A number of shared service offices were addressed as part of the Offices Asset Management plan and consolidation within the Hector McNeil House building completed in 2014. Two further major HSCP projects were delivered with Scottish Government funding support, the Adult and Older People Complex Care Beds facility (Orchard View) opened in summer 2017, and the Greenock Health and Care Centre became operational in March 2021.

Further asset areas were addressed via the phased re-provisioning of Inverclyde's Children's Residential Services with one unit (Kylemore) completed in March 2013, a further unit (Cardross 'the View') completed in January 2018, and the final unit (Crosshill) completed in October 2022 following delays experienced through a combination of the insolvency of the original main contractor and COVID-19.

¹⁴ Inverclyde Leisure Strategic Asset Review ([link](#))

The Strategic Review of Services for Adults with Learning Disabilities in Inverclyde was signed off by the Integration Joint Board in December 2016. As part of the Service redesign, a number of properties historically used by the service were decommissioned and flats at Lynedoch Street and Hope Street vacated and released back to the relevant Registered Social Landlords. Golf Road was vacated in June 2018 and the McPherson Centre decommissioned in September 2018 with full integration into the Fitzgerald Centre following work within the Fitzgerald Centre to upgrade personal care facilities, storage and sensory areas undertaken over summer 2018. The longer-term plan remains for a new Inverclyde Community Hub with business case approved in February 2020. The progression of the project has been delayed through COVID and has also involved the approval of additional funding and a fundamental review of the design proposals to address the overall affordability of the project including the adoption of a low carbon design approach with the support of external grant funding through the Low Carbon Fund / Vacant and Derelict Land Investment Programme (VDLIP). The final re-tender exercise is due to be completed at the end of 1st Quarter 2024.

The homelessness service has implemented a change programme to drive forward a full-service redesign in response to recommendations made by The Homelessness and Rough Sleeping Action Group which includes the development of a Rapid Rehousing Transition Plan (RRTP). The rebranding of the service as a Housing Options and Homelessness Advice Service was a major milestone with the cross-sector partnership and early intervention involved in this approach fundamental to reducing the need for temporary accommodation by preventing homelessness. A review of the estate and accommodation requirements are an integral part of the ongoing change programme / service redesign.

Other specific property issues remain for Health & Social Care around the future of the Centre for Independent Living store, the continued lease of the Unpaid Work Unit at Kingston Industrial Estate and there is a need to review provision at the Wellpark Centre and the Hillend Centre.

Day to day investment in the HSCP buildings is funded from the general Property AMP but the funding for transformational change in service delivery requires to be funded elsewhere. For the Children's Units, funding came from a combination of prudential borrowing funded by service savings, reserves and core capital grant. The new Inverclyde Community Hub will also be funded largely by prudential borrowing.

5.1.6 Commercial & Industrial Portfolio

The Councils own commercial and industrial property portfolio is an acknowledged Corporate Asset generating significant rental income and is managed by the Regeneration, Planning and Public Protection Service. The portfolio contains one hundred and twenty-two properties with a small number of industrial units within an estate located in Southwest Greenock, and the remainder comprising small retail units across the Authority area.

The Councils Environment & Regeneration Committee approved a number of business support initiatives within Inverclyde Town & Village centres including funding of up to £2,000 for business start-ups moving into commercial premises. The grant will contribute towards the set-up costs for a business and will compliment other property related grant funding in tandem with the existing property grant scheme.

The Council will continue, within current budgetary constraints, to develop a proactive maintenance regime for all of its empty commercial properties based on identified repair and maintenance liabilities to ensure that the portfolio provides accessible, attractive, and fit for purpose commercial and industrial premises.

5.1.7 Farms

Inverclyde has previously undertaken a review of its farming assets and considered several reports on these holdings. The Council decided to retain these assets and continues to manage the holdings in relation to its detailed rights and obligations in terms of the Agricultural Holdings legislation and relevant leases.

5.1.8 Coastal Assets

Provision was made in the 2020/21 budget to address the progression of surveys and mapping of Council coastal assets i.e. sea walls and other coastal defence installations/structures to establish condition and any current/future capital project works required. A number of surveys have been undertaken through external specialist consultants with priority marine side remedial works at the Greenock Waterfront area programmed for summer 2024. Surveys of the Newark to Kelburn walkway were undertaken in first quarter 2023 with a condition report completed which identified a need for periodic reinspection, and that significant remedial works are likely to be required in the medium term to ensure the existing coastal walkway protection measures remain effective. A survey of the sea wall and defences at Gourcock Outdoor Pool was completed in October 2023 with condition report received and recommendations to follow. The work in this area will continue as part of the wider Corporate Asset Management strategy and activity and will be aligned with - Coastal Change Adaptation workstream. Coastal assets condition and effectiveness represent a funding pressure in the context of the available limited capital funding resources available for asset lifecycle investment.

5.2 Open Space

The Open Space Asset Management Plan (OSAMP) logs all assets owned or occupied by Inverclyde Council in the areas of remit concerned which includes Parks and Cemeteries. A large proportion of the assets that require to be maintained on a regular and cyclic basis e.g. grass plots, flower / rose / shrub beds, sports pitches, golf course, etc. are recorded and the day-to-day cost of maintaining these items is addressed from existing revenue budgets.

The OSAMP primary purpose is to identify assets which require investment in terms of significant repair, refurbishment, renewal, or replacement either immediately or over the medium to longer term. Investment required within open space includes for new and/or expansion to existing burial grounds. Provision is also required for continued investment in the upgrade of existing public parks and play areas to ensure facilities are of acceptable condition and suitability. The wide range and nature of the assets, including legacy works required in some areas, makes the preparation of a systematic and cyclical detailed AMP challenging. Focus has predominantly been on the maintenance of existing infrastructure.

Based on the information to date an annual capital sum of £0.2m is allocated for general lifecycle maintenance. In addition, the Council has invested over £3m to expand burial grounds provision and replacement of the Council's cremators with those projects completed over 2023/24. Development work will be required in 2 to 3 years for further cemetery expansion with associated capital investment consideration.

In 2023/24 funding from the Nature Restoration Fund (NRF) has allowed the development of future "shovel ready" projects. Additional funding streams through the NRF will assist in developing larger schemes. A focus on naturalisation, tree growing, and biodiversity rich projects will support the Council's Net Zero ambitions. Additional ongoing maintenance however will become a consideration in later years with revenue pressures on facilities as they age.

5.3 Roads

The Council approved a comprehensive Roads Asset Management Strategy (RAMS) which was then utilised to develop the Roads Asset Management Plan (RAMP) and funding model in August 2012. The Roads Asset Management Plan sets out the Council's strategy for maintaining the road network and its associated assets. A total of £29m was identified for the period April 2013 to March 2018 to improve the roads infrastructure – carriageways, footways, lighting columns and structures, this included road and pavement resurfacing works, an extensive road patching and pothole repairs programme, street lighting replacement works and improvements to bridges and roads structures. Further to this investment, a second phase of RAMP¹⁵ funding was allocated to the value of £15m for the period April 2018 to March 2023. The most recent RAMS is currently being finalised with an annual budget allocation of £2.75m currently available to continue the prioritised capital programme across the network. The programme is also supplemented through specific Scottish Government grant aided funding in connection with initiatives such as the Cycling, Walking & Safer Streets programme.

The RAMP has resulted in a reduction in the number of Inverclyde's roads, footways, streetlights, and road structures which require costly ongoing defect repair treatments while providing increased future lifespan. Over 97% of the Council's streetlights have now been upgraded to low energy LED types which has halved electrical power consumption, reduced energy and maintenance costs to the Council and has reduced the carbon footprint.

In addition to the above the Council has also taken forward a significant programme for the investigation, design and construction of various flood prevention schemes within Inverclyde both as part of the Central Greenock Flood Prevention Project, and through a number of schemes out with the Central Greenock area.

From the implementation of the RAMP in 2013 to present, the Road Condition Indicator (RCI – see table below) has significantly reduced, demonstrating that the planned investment is resulting in a significant improvement to the condition of Inverclyde's road network. During this time Inverclyde Council has also received awards from The Association for Public Service Excellence (APSE) for the most improved performer in 2016 for Roads, Highways and Winter Maintenance and for Street Lighting in 2017 and again in 2019.

Scottish Road Maintenance Condition Survey (SRMCS) Results				
Year	Red	Amber	Green	RCI
2011/13	13.55	35.42	51.0	49.0
2012/14	12.69	36.55	50.8	49.2
2013/15	10.80	35.47	53.7	46.3
2014/16	10.11	33.18	56.7	43.1
2015/17	8.57	31.96	59.5	40.5
2016/18	7.09	30.80	62.1	37.9
2017/19	7.44	30.02	62.5	37.5
2018/20	7.41	29.88	62.7	37.3
2019/21	5.73	29.57	64.7	35.3
2020/22	4.51	28.19	67.3	32.7
2021/23	3.39	27.77	68.8	31.2
2022/24	4.41	28.77	66.8	33.2

¹⁵ Roads Asset Management Strategy 2018-23 ([link](#))

5.4 Fleet

The Council approved a comprehensive Vehicle, Plant & Equipment Strategy in 2009 to provide the Council with an efficient, flexible method of procuring and operating fleet items that reflects good fleet management practice plus a cyclical replacement of fleet assets. The purpose of the Vehicle AMP is to provide the Council with an efficient, flexible method of procuring and operating fleet items that reflects good fleet management practice plus a cyclical replacement of fleet assets over a 7-year cycle taking advantage of public sector collaborative procurement frameworks. A review of the replacement policy was undertaken in summer 2023 to reflect the budgetary position taking cognisance of the increased costs of vehicles, and requirement to move towards Ultra Low Emission Vehicles (ULEVs).

In addition, the Vehicle AMP has led to the introduction of a dedicated Fleet Management System and Fleet Tracking System. Without a fleet asset management plan the Council would experience a return to inefficient practices including increased fleet downtime, an increase in expensive 'spot' hire vehicles, a requirement to increase workshop staff levels and an increase in both material and sub-contractor costs. Looking to the future the Vehicle AMP will continue taking advantage of the latest technological advances both in terms of vehicle and management/telematics systems driving forward efficiencies within the fleet asset management plan.

The Scottish Government Programme for 2019-20 states that 'public sector fleets should remove petrol and diesel cars by 2025, procure zero emission light commercial vehicles from 2025 onwards and procure zero emission vehicles for all vehicle types (including HGVs) from 2030 onwards'. Scottish Government have categorised light commercial vehicles as commercial vehicles up to 3500kg gross vehicle mass (GVM)

The Council have previously taken advantage of bridge funding from Transport Scotland and technological advances allowing greater battery range has allowed a significant increase in the number of ULEVs on the Council fleet. In 2017/18 there were 4 pure electric ULEVs accounting for 8% of fleet vehicles within the car/people carrier and light van categories, increasing to 38 (76%) by 2020/21. Funding from the Councils Net Zero Capital allocation has contributed to the replacement of four ULEVs. The Council now have 34% of its fleet under 3500kg GVM as ULEV with plans to have 100% ULEV within this category by 2030, where operationally viable. The Council will require to identify funding for replacement ULEVs to continue to comply with the Scottish Government target of ending the sale of new petrol or diesel vehicles.

Currently the Council is on target to meet the first of the Scottish Government's targets 'remove petrol and diesel cars by 2025' with the exception of one car. This vehicle covers a relatively low mileage and has high ULEV replacements costs, it is therefore not financially prudent to replace it at this time. The second target of 'procure zero emission light commercial vehicles from 2025 onwards' is being progressed with all fleet within this category being replaced with ULEV equivalents where an available ULEV meets operational requirements. Funding from the Councils Net Zero Capital allocation is contributing to this transition.

As technology develops consideration will be given to the introduction of ULEVs into the commercial vehicle fleet above 3500kg GVM. Continued funding of the Vehicle, Plant & Equipment Strategy in tandem with the Net Zero Strategy will allow the Council to take advantage of these new technologies. In conjunction with this, consideration will require to be given to significant infrastructure requirements given the power requirements to charge large commercial vehicles, particularly when being charged at the same time in one central hub such as the Pottery Street depot. Alternatively, a different type of fuel such as Hydrogen may require to be bunkered.

5.5 Information and Communication Technology

The Council has invested significantly in its ICT & Network Infrastructure and has a well-established rolling refresh programme for Desktops and Laptops. The Council is refreshing its Digital Strategy to drive the direction of the ICT Asset Management Strategy and reflects the changing landscape of the way technology is delivered and consumed.

As the market around Cloud based Services continues to develop, it is recognised that there will be a change in the way that ICT Assets are managed and replaced. There is likely to be a continued shift from physical infrastructure to more hosted and virtual services. A challenge for the Council will be the transitions from capital spending on physical hardware, to the revenue-based models of Software and Systems as services. The Council is completing a programme of decommissioning unused areas of its existing Data Centre to reflect the changes in technology and reduction in physical infrastructure.

The importance of network reliability, capacity and security will require careful management to ensure the core network equipment and services remain supported and the asset management strategy reflects that requirement.

The introduction of Microsoft 365 is changing the way that staff use technologies. A far wider range of services are now available on mobile devices. The Council undertook to replace the majority of desktop devices with laptops following lessons learned during the COVID 19 Pandemic. A flexible and mobile workforce, requiring access to home and remote working necessitated a shift from the traditional desktop model. All equipment is refreshed on 4/5 year lifecycle and although this is challenging in terms of support and maintenance, the Refresh Programme is grounded in the availability of financial resources.

In schools it is recognised that the way children and young people learn is changing significantly and it is imperative that way ICT is delivered changes to reflect that new approach. Education Services implemented a Digital Strategy¹⁶ for Schools and has altered the balance between classroom desktop PCs and laptops and tablets. In Primary schools there is a shift away from tradition ICT Suites and the use of laptops sets and charging trolleys are now the preferred approach, allowing equipment to be brought to the student rather than the pupils leaving their classrooms.

Network infrastructure has been reviewed and revised to support an expansion of the BYOD Network and wireless technologies are now a key focus of the school estate.

ICT provides extensive support to the schools network and equipment within. However it is clear that to carry forward the curricular objectives of Educational Services while maintaining a compliant and supportable ICT infrastructure, a specialised approach has to be undertaken and innovative solutions may need to be devised.

Active Panels and screens remain a key tool for learning and teaching and a 7-year refresh strategy has been established to replace equipment across the Learning Estate. Infrastructure changes to allow the boards to be attached directly to the internet is being trialled and will be rolled out as appropriate across the estate.

¹⁶ Education Services Digital Learning Strategy 2021-2028 ([link](#))

The Council also recognises its responsibility to its citizens to provide safe, secure access to online services and is implementing a number of projects to enable and enhance public access across the area. Improved access in libraries and museums, Wi-Fi and internet access in community centres are projects that require investment to implement, expand and maintain.

The Council is also working with partners to examine the viability of Internet of Things (IoT) technologies to enhance the services we provide, automate monitoring of buildings and systems.

The ICT Asset Management Programme intends to provide a modern ICT infrastructure providing the most appropriate level of equipment, at best value to the Council across all of Inverclyde Council's Offices and Schools. It aims to allow staff to undertake their roles and responsibilities in as efficient and flexible a manner as possible and provide teachers and pupils with modern and sustainable learning technologies. The ICT AMP has an annual budget of £0.534m, a reduction from £0.594k due to budget savings.

In line with the best practices for ICT Asset Management, the physical lifecycle of an ICT Asset has two distinct phases:

- Planning & Procurement
- Lifecycle & Disposal

The Council has adopted a policy of deploying laptops as the default device for officers and students unless there is a technological or configuration requirement that would require a desktop. ICT had implemented a four-year desktop and laptop refresh strategy and in 2023/24 completed the School device refresh programme, following the corporate refresh completed in 2020/21 completed across the corporate estate to allow for the introduction of Hybrid working.

In 2023/24 phase 2 of the refresh programme refreshed the remaining ICT/Business Studies suites in each high school. Phase 3 replaced devices in administration, libraries and other classroom environments. Phase 4 replaced primary school classroom and computer suite desktop PCs with laptops and trollies, a further 450 devices are scheduled to be purchased and deployed.

Corporate devices are scheduled for a refresh in late 2024. The projected budget savings will reduce the number of devices to be replaced by approximately 115 devices and extend the refresh programme beyond the current 4/5-year cycle. The total number of devices in the programme is included in the asset summary contained in Appendix 1.

The programme also includes provision for replacement of core ICT equipment such as network storage, servers and infrastructure and the procurement and implementation of other services to support Hybrid working such as videoconferencing equipment.

6 Strategic Drivers

A range of strategic factors are considered in preparing, reviewing and updating the council's Corporate Asset Management Strategy. Examples include changes in council and national policies in respect of service delivery, changing demographics and new areas of legislation.

A key area for consideration at present is the current financial challenges that face the council, its partners and local stakeholders. This has raised issues relating to the priorities for service delivery and has also provided a focus on driving increased efficiencies in all areas of asset management. Asset management has also been seen as a key area where savings can be identified to protect frontline services and meet council objectives.

The Corporate Asset Management Strategy assists in the management of these changes by encouraging Resources to consider service requirements in the short, medium and long term and the likely implications for the council's assets.

6.1 Council Policy

Delivering Differently: The Delivery Differently Programme was approved in 2017 and represents the Council's key change projects. The 3 Directorate Change Boards meet monthly to monitor progress in the delivery of savings and projects which involve approved or potential changes in service delivery. Every 2 months the CMT reviews progress using a RAG status approach. The areas where there is the greatest potential change in service delivery are collated into a Delivering Differently programme which is reported annually to the Policy & Resources Committee. The projects within this programme form part of the continuous challenge and review of the Corporate Asset Management Strategy.

Procurement Strategy: Inverclyde Council's Procurement Strategy¹⁷ has allowed the Council to modernise its approach to procurement and achieve substantial benefits in the cost and quality of the goods and services purchased. It has also embedded the policy of maximising the achievement of a range of Community Benefits through its Social Value Policy. The Procurement strategy is aligned with the achievement of Council strategic priorities and supports the investment activity through the various strands of the Corporate Asset Management Strategy.

Local Development Plan: Inverclyde Council is currently preparing a new Local Development Plan (LDP) to replace the existing 2019 version. That new plan will guide future development within Inverclyde for a ten-year period starting from when it is adopted, notionally in March 2026. The regular review of the Council's Corporate Asset Management Strategy will take cognisance of the key issues that emerge from the new LDP.

Risk Management: Inverclyde Council has developed an updated Risk Management Strategy¹⁸ with the aim to deliver a consistent, effective framework and approach for managing risks across the organisation at all levels and support the delivery of the Council Plan. Risk registers have been developed at committee, directorate, service and project level. To enable a complete assessment of the overall risks across the Council, these risks have been reviewed by the Corporate Risk Management Group and a Corporate Risk Register¹⁹ developed. The Corporate Risk Register highlights the most significant corporate risks facing the Council, and the key actions being taken by the Council in response to them.

¹⁷ Procurement Strategy 2022-25 ([link](#))

¹⁸ Risk Management Strategy ([link](#))

¹⁹ Corporate Risk Register 2024-1 ([link](#))

6.2 National Policy

National Care Service: National Care Service (NCS) Bill was published in June 2022 and sought the establishment of NCS, under the responsibility of Scottish Ministers. The Bill provided for the transfer of listed social care and social work local authority function, staff and assets to Scottish Ministers or local care board. In June 2023, Cosla Leaders and Scottish Ministers reached an agreement that local authorities retain social care and social work functions, as well as retaining staff and assets. With the position now clarified there is a need to review the asset base in this area of activity to establish a longer term strategy.

Net Zero: In alignment with National targets, the Council approved the Net Zero Strategy 2021-2045²⁰ in 2021 which sets out Inverclyde Council's route map to achieving net zero greenhouse gas emissions by 2045. The Net Zero Action Plan 2022-2027²¹ was approved in 2022 and this sought to capture and collate current activities that are funded from existing budgets and to also identify new actions which will require additional funding and/or resources. An allocation of £3.3m for 2023/26 was approved as part of the 2023/24 budget setting process to allow a focus on the following areas of activity:

- Reducing energy use in buildings through improved data collection, controls and targeted energy audits;
- Reducing energy demand in buildings through increased building based renewable generation;
- Introduction of low/zero carbon heating within smaller scale assets e.g. Early Years Establishments;
- Offsetting (insetting) via local peatland restoration projects;
- Fleet decarbonisation through car and light commercial vehicle transition to ULEV including expansion of charge point provision.

The Council has been successful in securing external funding support for a number of Net Zero related projects including £0.873m for two peatland restoration projects, work at Dowries farm has recently been completed with phase 1 of the 3-year Hardridge Farm project nearing completion. Funding support has also been secured from Museums Galleries Scotland and the Scottish Football Association for LED lighting projects at the Watt Institute and for floodlighting upgrades across pitches in Inverclyde.

In terms of the impact on existing assets, it is recognised that the 2045 targets for Net Zero will involve circa 80% of the buildings currently in use. Retrofitting the existing building stock is a colossal challenge in transitioning the built environment to net zero. The sheer scale of the task has been expressed in UK wide studies which indicate that it would require one building being retrofitted every 35 seconds between 2020 and 2050 in the UK.

²⁰ Net Zero Strategy 2021-2045 ([link](#))

²¹ Net Zero Strategy Action Plan 2022-2027 ([link](#))

The current Net Zero Action Plan noted that actions towards the end of the initial five-year period include low / zero carbon heating for larger facilities such as primary schools with the current market and available technology limiting the options for heat decarbonisation. It also noted that any heat decarbonisation projects require to be considered in tandem with the action plan item dealing with feasibility studies on deep retrofit which will address the core building fabric performance and associated heat demand beyond the basic decarbonisation of the heating systems. Costs associated with retrofit and fabric upgrades are currently not included in the action plan and will be subject to further detailed feasibility studies and reports. To date there have been retrofit studies undertaken on two primary school buildings, two office buildings and one leisure estate asset with work in this area also being undertaken through a Net Zero Collaboration Group in partnership with hub West Scotland and Built Environment Smarter Transformation (BE-ST) to maximise knowledge sharing and pooling of resources in areas such as the retrofit challenge.

The Council has recently published its draft Local Heat and Energy Efficiency Strategy²² and associated Delivery Plan²³ with public consultation in March 2024. The evolving legislation in the area of Net Zero including the Scottish Government proposed Heat in Buildings Bill will affect the approach to achieving minimum energy efficiency standards and way we heat our homes, workplaces and other buildings.

There are significant technical, financial and operational considerations / barriers involved in the transition to net zero emissions for each and every retained building / asset. The significant investment the Council has made across the vast majority of the estate over the last 15 years means that the performance gap is likely to be less when assessing what would be required in terms of retrofit, particularly for recently constructed / comprehensively refurbished assets. However, it is also recognised that the 'in use' performance of assets compared to the designed performance has been an industry wide issue with a current renewed focus on construction quality initiatives and development of Net Zero Public Building Standard guidance including a move towards passivhaus construction. Heat networks are also likely to play a significant part in the overall approach to Net Zero however it remains to be seen how these can be progressed at the scale and pace required to align with National targets.

6.3 Funding

One objective of the Capital Strategy is to demonstrate the sustainability and affordability of its capital expenditure and investment plans. Annual capital budget allocations are provided for investment in the core assets identified via the Asset Management Plans with these allocations intended to maintain the existing assets to acceptable standards. The allowances do not generally allow for expansion or replacement of existing assets which would normally be addressed through specific investment proposals.

Capital Grant: The Scottish Government spending review in 2021 confirmed the General Capital Grant will remain at the current level until at least 2025/26 and the latest projections from the Scottish Fiscal Commission indicate that in the medium-term capital resources are expected to become even tighter. The current Capital Strategy assumes a continuation of the current level of Capital Grant £5.75m to 2027/28. The General Capital Grant in 2024/25 is approximately £3.8m short of the current allocations which in turn have been frozen at 2023/24 levels resulting in real terms funding reductions. The current Financial Strategy assumes that the Council will prudentially fund £1.5m of capital investment annually to 2030/31 which will partially address the pressure for the next 6 years. The remaining shortfall of approximately £2.3m per year will require to be funded from either capital receipts, revenue reserves and prudential borrowing or reductions in the asset base.

²² Local Heat and Energy Efficiency Strategy ([link](#))

²³ Local Heat and Energy Efficiency Delivery Plan ([link](#))

Loan Fund Debt: Inverclyde Council is coming to the end of a period of ambitious investment in the School Estate, Leisure Estate, Roads Assets plus the rationalisation of the Office and Depot Estate. This has seen a significant increase in the Council's Loan Fund Debt over the last 15 years and projections indicate that the Loan debt will peak in 2026/27. Given the current shortfall between Government Grant and annual capital requirements, it is likely that Prudential Borrowing and hence debt will need to substantially increase in future years with the resultant increase in pressure on the Council's Revenue Budget.

Longer Term Investment Constraints: The Council's Capital Strategy highlights the following pressures in respect of the ability to maintain and move forward with Corporate Asset Management planning:

- It is unlikely that Government Grant and estimated Capital receipts will be sufficient to meet the required investment levels for the Council to maintain its current asset base;
- Any prudential borrowing will need to be funded from savings delivered by the investment or revenue savings. This will require the Council to make decisions to disinvest in certain assets, reduce the number of assets it holds or cut day to day services;
- The current annual allocations make no allowance for the transition to Net Zero. Retrofitting of the public sector estate as outlined in 6.2 will be technically and operationally challenging and will involve significant additional capital investment in the period to 2045, funding will require to be identified to address this.
- Current levels of investment take no account of inflation or any one-off Capital investment requirements not included in the core life cycle maintenance allocations. Any such investment requirements will require to be identified through the relevant Asset Management Plans and following consideration as part of the normal governance processes would be factored into future Capital Strategy reports;
- The unprecedented pressures on the Council's capital investment resources are being contained at present via the use of one-off reserves and maintenance requirements being suppressed by the high levels of capital investment over the last 15 years. As assets created/refurbished at that time get older and investment requirements increase then the current asset base/ funding approach is simply unsustainable.

Asset Management Workstream Saving: The Council has approved the creation of an Asset Management savings workstream to be progressed during 2024/25. Whilst this has a net revenue savings target, a secondary and potentially larger saving will be in future capital investment requirements. To achieve recurring savings will require clear prioritisation and a longer-term view from Elected Members informed by the Asset Management Plans developed to support this Strategy.

PROPERTY ASSET SUMMARY (Table 1)

Appendix 1.1

Service	Total Assets	Number of Operational Buildings	Vacant /Undergoing Refurbishment	Gross Internal Floor Area (m2)
Corporate Services				
<ul style="list-style-type: none"> ▪ Offices 	8	7	1	15,855
Education & Culture				
<ul style="list-style-type: none"> ▪ Schools ▪ Early Learning ▪ Libraries ▪ Museums 	47	45	2	157,080
Health & Social Care				
<ul style="list-style-type: none"> ▪ Residential Homes ▪ Resource Centres ▪ Shared Facilities 	18	17	1	12,521
Leisure & Communities				
<ul style="list-style-type: none"> ▪ Gyms; Pools; Cinema ▪ Community Halls ▪ Bowling Clubs ▪ Golf Club 	34	40	0	35,712
Depots & Industrial				
<ul style="list-style-type: none"> ▪ Depots ▪ Industrial Units 	7	16	0	14,984
Environment				
<ul style="list-style-type: none"> ▪ Cemetery Buildings ▪ Parks Buildings ▪ Public Conveniences 	36	38	0	4,829
Totals	150	163	4	240,981

PROPERTY ASSET SUMMARY (Table 2)

Appendix 1.2

Interest	Number	Comments
Farms	3	Leased Out (2 farms merged under one tenancy) plus grazing lets & shootings
Council Dwellings (former school & park keepers houses)	8	Leased out (6 under SST agreements)
Land Holdings	46	Held for various reasons
Commercial Property	118	103 leased out, 8 being marketed, 8 vacant requiring investment prior to marketing (fig includes common good shops)
Car Parks	35	Maintained by Council
Surplus Assets	13	6 currently being marketed

OPEN SPACE ASSET SUMMARY

Interest	Number	Comments
Open Space	1,629,161sqm	Maintained by Council
Play Areas & MUGAs	57	Maintained by Council

ROADS ASSET SUMMARY

Appendix 1.3

Asset Type	Number	Comments
Carriageways	233.3 miles (375.4 km)	Roads comprising of a mixture of busy classified roads, link roads and residential streets
Footways	295 miles (475 km)	Pavements comprising of a mixture of high amenity, cycleways, footpaths, and other footways
Structures	202	Council structures asset is comprised of 64 road bridges, 6 footbridges, 87 culverts, 16 slipways and 25 Sea Walls and 4 subways / underpasses
Street Lighting	Various	Council street lighting asset is comprised of approximately 11,060 lighting columns, 12,870 lanterns (luminaires) and 274 km of buried cable
Other Assets	Not quantified	Other assets include drainage, traffic signals, verge, road markings, trees, safety barriers, pedestrian guard rail, traffic signs, kerbing

DRAFT

FLEET ASSET SUMMARY

Appendix 1.4

APSE Vehicle Group	Description	Number of Assets
1	Cars and car derived vans up to 1700kg GVM	53
2	Vans between 1701 and 3500kg GVM	14
3	Trucks and Tippers up to 3500kg GVM	27
4	Vans, Trucks and Tippers between 3501 and 7500kg GVM	12
5	Vans, Trucks and Tippers between 7501 and 18000kg GVM	4
6	Standard Manufacture Minibuses up to 17 seats including Driver	12
7	Medium Coaches incl. Welfare/Accessible Buses	9
11	Refuse Collection Vehicles - 3 axle and above with bin-lifter	12
14	Large Coaches incl. Welfare/Accessible Buses	2
16	Sweepers up to 12000kg GVM	4
17	Jetters and Cesspool Emptiers	1
18	Skip Loaders	1
23	Bulk Loaders	1
24	Tractors, Shovels and Light Loaders	10
25	Miscellaneous including Light Plant, Heavy Plant, Ride-Ons, Motorcycles, Trailers and De-mountable Gritters	101
Total Number of Assets		263

ICT ASSET SUMMARY

Appendix 1.5

Service Area	Desktop PC's	Notebook PC's	Tablet PC's	Total PC's	Active Panels
Schools	1,972	2,458	45	4,475	659
Corporate	256	1,442	46	1,744	12
Totals	2,228	3,900	91	6,219	671

DRAFT

ACTION PLAN

Appendix 2

Asset Category	Sub-category	Action	By Whom	Date	Status
Property	All Operational Property	Refresh of 5 yearly external condition surveys for all property assets (subject to identification of budget)	HPA	3 rd Quarter 2024	Planned
	Management	Improve ratio of planned v reactive maintenance and expand number and type of term contracts	HPA	2024/26	On-going
	Learning Estate	Develop Asset Management Plan (including review of Port Glasgow denominational primary provision and retrofit approach for Net Zero)	HPA / ECOD	2024/26	On-going
	Offices	Review provision and scope for rationalisation (including revisiting space study of GMB Campus)	HPA / DER	2024/26	On-going
	Depots	Review civic amenity operation at Craigmuschat.	HPA / DER	2 nd Quarter 2024	On-going
		Review provision at Ingelston Park.	HPA / DER	3 rd Quarter 2024	Planned
	Leisure	Refresh of 3G/artificial pitches asset plan	HPA / ECOD	2 nd Quarter 2024	Planned
	Coastal Assets	Continue asset mapping and condition surveys of sea walls / defences / slipways.	HPA / DER	2024/26	On-going
Open Space	Cemeteries	Review of expansion options and identification of capital funding requirements.	HPA / DER	2026/27	Planned
Roads	Strategy	Complete RAMS refresh and report to E&R Committee.	HPA / DER	2 nd Quarter 2024	On-going
ICT	Strategy	Refresh Council Digital Strategy 2021-2024	HLDDCS	2024/25	On-going

ECOD - Corporate Director Education, Communities and Organisational Development

HLDDCS – Head of Legal, Democratic, Digital & Customer Services

DER – Director Environment and Regeneration

HPA – Head of Physical Assets