

Sweating your Assets

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Where are we?

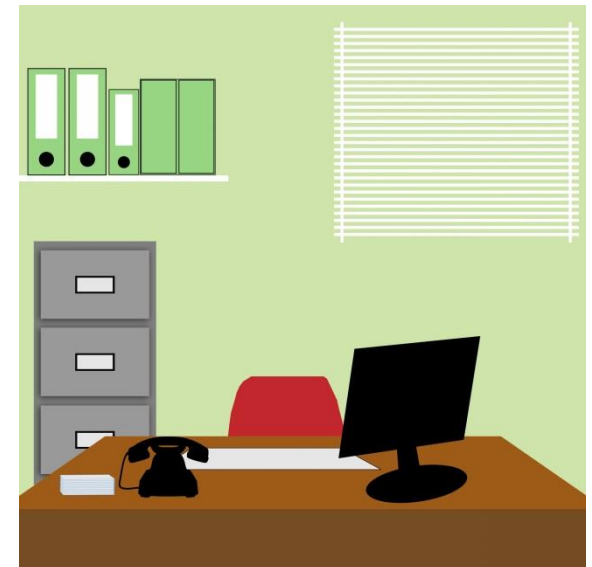
- Buildings are the second highest expenditure item after staff
- Seen as a clear target for efficiencies by this government and majority of Local Authorities
- Property is 'illiquid'
- Therefore it requires longer term planning
- Is it all about cuts?
- Maintenance/Investment/Environment?

So.....

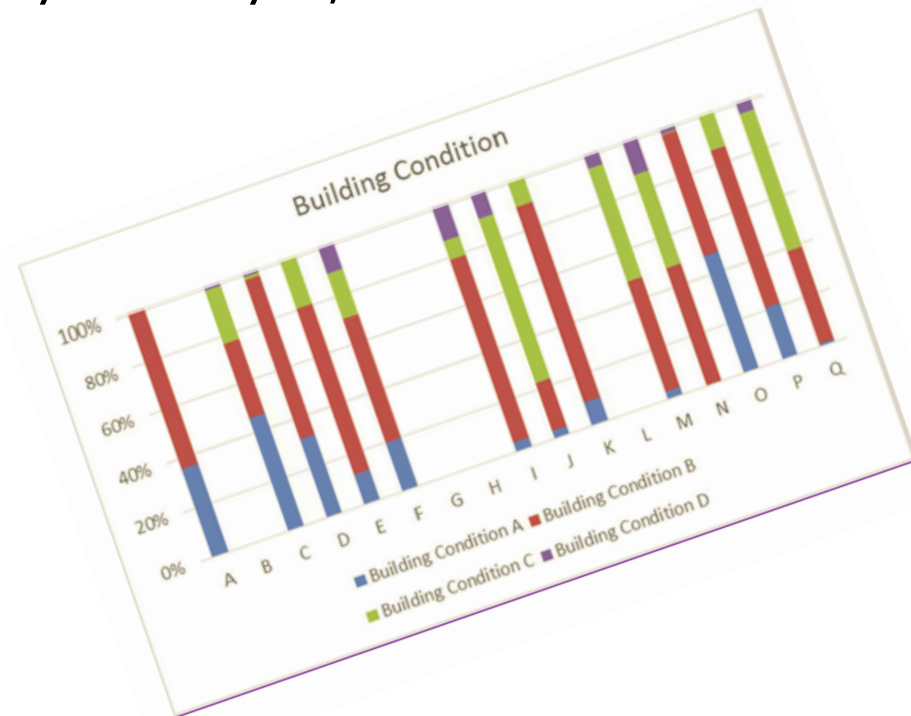
1. Office Rationalisation and 'modern ways of working'
2. Information is power
3. Corporate Landlord
4. Asset Challenge
5. Maintenance
6. Investing in Property
7. One Public Estate
8. Impact of Buildings to Service and Wellbeing
9. The Battle Plan
10. ?

Office Rationalisation and 'modern ways of working'

- Space targets
- FTE to desk rations
- Anyone, any desk
- Clean Desk
- Reduction in gross floor area $\approx 20-39\%$
- Reduction in running costs $\approx 20-30\%$
- Gross floor area per person $\approx 8/6/4\text{m}^2$
- Reduced storage footprint $\approx 50\%$
- Reduced maintenance backlog liability
- Reduction in desktop PC's and terminals
- FM Solutions



- Condition Categories A, B, C, D
- Maintenance Need per m² and by Priority 1, 2 and 3
- Maintenance spend per m²
- Planned/Responsive %
- Energy/Water/CO₂ emissions
- Property Cost per m²
- Office Indicators
- Hours Usage
- Service Delivery/Suitability
- But – Base, Cost, Systems and Misinterpretation
- VFM Benchmarking

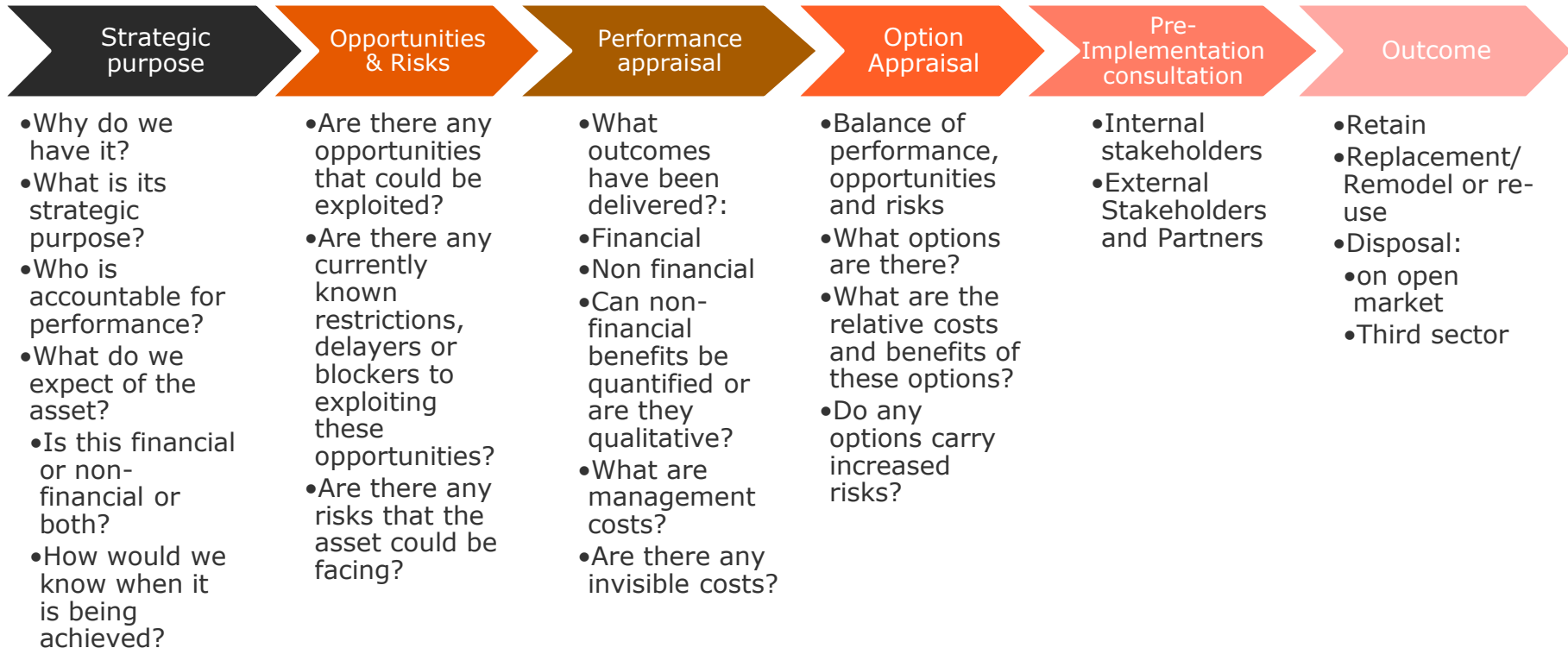


Corporate Landlord?

- To support wider organisational objectives and priorities
- To better plan resources across the organisation
- To set clear and consistent policies and procedures in a strategic setting
- To ensure skills and resources are best used
- To enable a comprehensive understanding of the performance of the portfolio and its use to inform strategic decision making
- To ensure that the property portfolio is safe & fit for purpose
- To ensure a sustainable asset base
- What should it look like, and what do most look like?



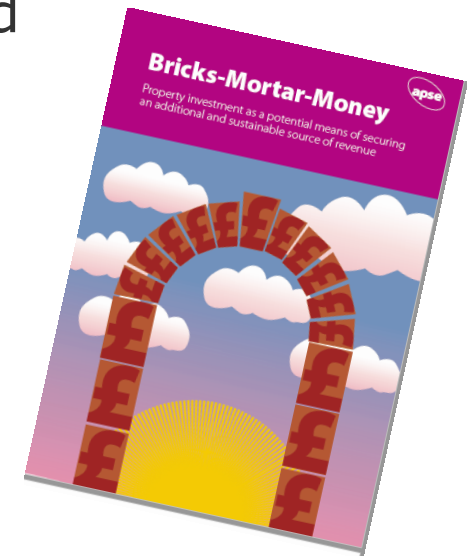
- If it stops still sell it – Focus on savings above all else
- The wrong incentives



- Time for a moan
- How do you set your maintenance budgets?
- Condition Surveys
- Planned to reactive
- Bad prioritisation
- Accident waiting to happen?
- Year on year comparison?
- On a beach in the Bahamas?



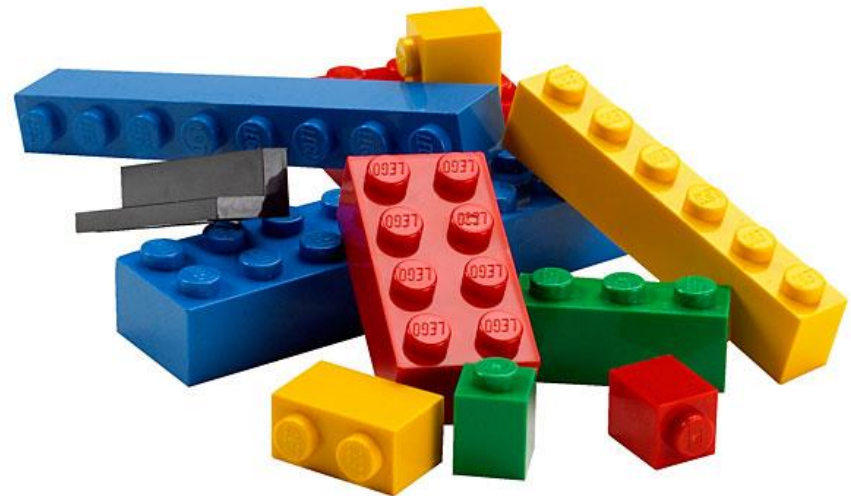
1. Establish What you've got
2. Measure Costs and Performance
3. Strategy
4. Geography/Boundaries
5. Funding - security, liquidity and then yield
6. Skills and Capacity
7. Delivery Models
8. Acquire Carefully (Risk Management)
9. Acquisition and Management
10. Monitor, Review and Adapt



<http://www.apse.org.uk/apse/index.cfm/research/current-research-programme/bricks-mortar-money/>

Area Based Asset Management (The One Public Estate)

- Public Bodies coming together with a view to sharing assets.
- Statement of intent
- Joint Mapping
- Joint Strategies
- Joint Place based reviews
- The impact of one building?
- Joint Property Vehicle



Impact of Buildings to Service and Wellbeing

- What gives you the first impression of a business?
 - How do buildings make you feel that you work or meet in?
 - What is a building in the public sector?
 - Now think about your own organisations?
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- Buildings are not just bricks and mortar, they are part of what we do and how we do it.



The Battle Plan

Estate Vision/Policy

Simple high level document that describes the principles adopted in applying asset management to achieve the organisation's educational and wider strategic objectives



Estate Strategy

Intermediate document setting out how property asset management will support the achievement of the estate vision



Property Asset Management Action Plan

Spreadsheet?

Provides clear and measurable actions that will be implemented over the short term, as part of delivering the Estates Vision and Strategy.



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