

**LINCOLNSHIRE POLICE AUTHORITY
FINANCE AND PERFORMANCE COMMITTEE
8TH JUNE 2010**

SUBJECT	ASSET MANAGEMENT PLANNING – APPROACH & METHODOLOGY
REPORT BY	CHIEF CONSTABLE
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SUMMARY AND PURPOSE OF REPORT	
To provide an update on progress relating to the Asset Strategy, the approach & methodology to be adopted; how the Asset Strategy will support delivery of the Policing Plan; regional & collaborative initiatives and co-location opportunities with key partner organisations in the County.	
RECOMMENDATION	<i>That the Committee note the contents of the report and endorse the proposals contained therein.</i>

A. SUPPORTING INFORMATION

1. BACKGROUND

- 1.1 Over recent years the Police Authority have received a number of reports outlining how the Force proposes to address key issues relating to the Estate. To this end progress has been made and an integrated approach to Estate Strategy development, Energy Management and Environmental Management has been adopted. This approach has been predominantly responsive and focused on the physical requirements of the property portfolio rather than supporting the strategic objectives and operational priorities of the Force.
- 1.2 The Lincolnshire Police Force Estate is, with the exception of very few sites, in excess of 30 years old. At this stage in the life cycle of a property portfolio significant investment is required. Key components, fabric and buildings infrastructure are beginning to show signs of ageing. Mechanical & electrical installations, including critical support systems, are indicating signs of fatigue, wear & tear. Recent events, power failures, water main fractures and support system failures have highlighted the fragility and vulnerability of the infrastructure and thus the increasing concerns in respect of business resilience.
- 1.3 For some time now the Force has managed the estate effectively, within existing resources and ensured continuity of business. However, the condition of the estate and particularly the Mechanical & Electrical infrastructures are exhibiting signs of fatigue.
- 1.4 The Force now acknowledges this position and is adopting an approach that manages the risk of building failure, adopts best practice, provides an estate that supports future policing needs, acts as a catalyst for transformation, supports

delivery of the Policing Plan / Trust & Confidence and recommendations contained in the Police Authority 'Access to Policing' Scrutiny report 2008.

2. ASSET MANAGEMENT PLAN

- 2.1 The Asset Management Plan (AMP) will set out how the Force intends to manage the asset base. It will include the asset strategy together with other related matters such as the organisations structure and governance roles and responsibilities, property data, performance management and measurement arrangements. The AMP will be produced in conjunction with the Asset Strategy.
- 2.2 Managing the asset base can be divided into two categories, operational and strategic. With an ageing estate such as that occupied by Lincolnshire Police the first priority is to ensure that the assets remain in an effective operational status, fit for purpose, compliant (in terms of legislative and statutory obligations) and safely managed. This requires a risk based approach to property management whilst at the same time ensuring that both hard and soft Facilities Management (FM) services provided are procured cost effectively and delivered efficiently.
- 2.3 Strategic Asset Management Planning takes a longer term view of the asset base but is cognisant of the operational issues being risk managed by, in the case of Lincolnshire Police Force, the same Asset & Facilities Management team. This integrated approach to both operational and strategic asset management enables sound investment and disinvestment decisions to be made, reducing the likelihood of unnecessary or inappropriate expenditure. However, for the arrangement to be fully effective it is reliant upon a centralised Asset Management function, or as is it is now commonly referred to in the Public Sector, the 'Corporate Landlord' function.
- 2.4 This contemporary approach to managing the ageing stock requires a different set of skills to those previously engaged in property management and the Force has addressed this with the recent appointment of the Head of Asset & Facilities Management and the recently approved re-structure of the Asset & Facilities Management Team incorporating Vehicle Fleet Management.
- 2.5 Recruitment to the team has commenced and it is anticipated that all posts will be filled by November 2010.

3. ASSET STRATEGY

- 3.1 The asset strategy is fundamentally the product of the findings of the Asset Review and the mapping over of the Forces strategic and operational delivery plans pursuant to the delivery of the organisations strategic objectives. The Asset Strategy or part(s) thereof will be implemented via the Forces Asset Programme.
- 3.2 The asset review will build upon existing data sources (including the Estate Review undertaken in 2007/08) and new analysis to establish the base line position and through the use of modelling processes determine the 'fit' or not of the existing estate. The review will comprise a number of categories of workstream necessary to determine the shape of the future portfolio the scope of future actions, these workstreams include:-

- Suitability
- Sufficiency
- Occupancy
- Utilisation
- Condition
- Backlog maintenance
- Running costs / Energy efficiency
- Environmental issues / Hazardous materials
- Whole Life Cost Appraisal / Sustainability

3.3 With the above information collected, coupled with a clear understanding of the Forces future policing delivery strategies, including, traffic policing, neighbourhood / community policing, specialist units, custody suites, training & development, emergency response facilities, regional & national collaboration plans and other operational policing development plans, it will be possible to overlay future asset needs to identify the asset 'gaps'. At the same time the sustainability and affordability aspects of the asset base need to be factored in to the modelling exercise. Taking a 'whole life' view is critical to achieving a sustainable solution.

3.4 Affordability and sustainability aspects will be determined by two factors; the cost of re-provision (both capital and revenue) and the findings of the detailed condition surveys and thus the establishment of the backlog position in respect of each asset. This, condition data, in conjunction with running costs, will present a league table of assets based on asset performance data. This data will support the shaping of the asset re-provision and specifically the assets to be released, declared surplus and disposed of.

3.5 A robust business case will be produced to reflect the cost of the strategy implementation, in terms of both capital and revenue consequences.

3.6 In terms of the delivery of strategic objectives, as with all asset programmes, their success is reliant upon at least three further, broad, work streams:-

- ICT investment & development
- HR flexible working / new ways of working supporting policies
- New ways of working / Culture / transformational / organisation change programme.

3.7 Dependent upon the level of 'stretch' applied to the efficiency targets identified as an outcome of the asset strategy so the importance of these three work streams will be determined.

4. NEW WAYS OF WORKING / TRANSFORMATIONAL / ORGANISATIONAL CHANGE PROGRAMME

4.1 The Asset Strategy alone will not deliver the organisational change and efficiency savings necessary. As well as being heavily reliant upon the two workstreams below it is particularly important that the Force recognises the need to continue to change the way it currently operates and that it has a clear vision of the future

shape and configuration of the organisation. These changes will build on the work already completed and underway with regional partners and our colleagues in the County Council & District Councils. Where beneficial and sustainable the Force will continue to co-locate and share assets with the PCT / NHS and Fire Service.

- 4.2 As we face the challenges presented by the new government this organisation will need to become leaner, more responsive, accessible, performance managed, 'customer' focused, corporate driven 'one' organisation, working together with key partner organisations driven to deliver the outcomes and priorities set out in the 'Access to Policing' Scrutiny report 2008 and the 2010 – 2013 Policing Plan and beyond.
- 4.3 To this end it is anticipated that changes to the asset base are inevitable and therefore significantly increased remote & mobile working will be required. This will need to be facilitated through the support of innovative ICT solutions and HR policies.
- 4.4 A key piece of work is therefore required in order to model the future worker profile and workstyles within the Force. Managers will be required to review their service areas and identify the categories of worker profile, ie, static or flexible and all configurations within the range. The Force will be required to develop and adopt a mechanism by which it can determine these individual profiles. In addition, and critical to determining the future shape of the asset base including the number of workstations required, a formula will need to be developed and adopted in order to determine the ratio of workstations allocated per head of staff.

5. ICT INVESTMENT

Significant development and investment in ICT will be necessary to enable staff to work in new & innovative ways. The thrust of this work stream is to enable and support, essentially, remote working. This could be in the form of support for home working, warm desking and hotelling utilising strategically located touch down space and generally making provision for access to information electronically. This requires a step change from the way in which the Force currently manages documents. A review of document management is currently underway.

6. HR SUPPORTING POLICIES

- 6.1 In order to enable and encourage staff and managers to work flexibly, in new and innovative ways, it will be necessary to have in place appropriate HR policies and clear guidance documents. Supplementary awareness training and development programmes, that embrace and 'bring to life' the vision for Policing in the 21st Century are essential if the Force is to move forward as 'one' organisation.

7. ANTICIPATED OUTCOMES AS A RESULT OF THE SUCCESSFUL IMPLEMENTATION OF THE ASSET STRATEGY

- 7.1 The Force estate will:-

- Directly support the delivery of strategic policing objectives.
- Be fit for purpose

- Be flexible
- Be in the correct location
- Be maintained to a safe and acceptable standard
- Be sustainable
- Be regularly reviewed to ensure it meets current & future policing needs and responsive to changing business drivers
- Comprise fewer buildings / sites (a position offset by better located resources and the utilisation of none Police estate)
- Be supported where possible via external funding sources
- Be shared with Key partner organisations
- Cost less per member of staff to run and manage
- Emit less CO2 / head of staff / m2
- Provide improved working environments
- Contribute towards increased overall organisation performance
- Help address organisational resilience and business continuity
- Contribute towards reducing sickness levels
- Contribute towards improved staff motivation
- Help staff adopt a better work / life balance
- Release cash efficiency savings for reinvestment into front line policing.

7.2 The extent to which the Force will benefit from such a programme of change will be directly dependant upon the appetite of the organisation to change and speed at which it is willing or able to change.

8. CURRENT POSITION

8.1 Prior to embarking on the development and implementation of an asset strategy it is essential that all core and secondary property data is collected and verified. Unfortunately the Force does not have a single source of property data, however, various data is held on a number of systems / data bases across the Force. Work is underway to collect and verify this data.

8.2 Core data has now been verified, however, secondary data which includes utility costs, maintenance costs, servicing costs, utilisation / occupancy, condition data and backlog maintenance data, which includes revenue & capital investment needs remains incomplete and inconclusive. Some condition data is available but is out dated and requires updating and costs uplifting. In addition key sites with significant pending liabilities require detailed surveys undertaking in order to establish issues of highest risk and inform the prioritisation of replacement & renewal investment plans. To this end tenders have been sought from specialist surveying practices to undertake surveys of West Parade Lincoln, Boston, Skegness and Nettleham Head Quarters.

8.3 The outcome of these surveys will inform the Core Asset Strategy and prioritise the major investment necessary over the next 5 – 10 years.

8.4 The remainder of the asset base will be considered as part of the wider Asset Strategy. This will be shaped and directed by the Core Asset Strategy. Work on the wider strategy has not stalled and in support of this element of the strategy the Queensgate Hotel in Spalding has been acquired. This acquisition will act as the key to the wider, south of the County asset strategy. Again the utilisation of

the Queensgate facility will be influenced by the outcome of the core strategy work to identify prioritised policing needs in the south of the County.

- 8.5 Further work is required, however, to develop an understanding of operational policing needs in the south of the County and most importantly the future of custody requirements.
- 8.6 The asset review will also consider the provision of training facilities across the Force estate, the presence of Border Agency staff, Road Traffic Records Staff & Special Branch at Boston; Major Crime Unit and the location of Road Policing Units across the Force. In addition the asset review / strategy development will be cognisant of the work currently underway in respect of document management & storage. Closely aligned is the need to understand the future options in respect of criminal evidence storage.
- 8.7 The future of the Grantham old site on Stonebridge Road Grantham offers the Force options again in respect of its re-use and utilisation as a 'back office' function and / or a sub regional location in support of collaborative initiatives. There is the potential to relocate a number of the Forces functions and service areas to this site combining them with regional working options and seeking to develop out the site in support of other, complimentary and sustainable, uses. As with the Queensgate acquisition in Spalding this site offers a second 'key' to unlocking the wider Asset Strategy.

9. NEXT STEPS

9.1 Indicative Schedule of key strategic AMP activities (note subject to critical dependencies referred to in section 10 below)

Ref	Key Activities	Start	Completion
1	Commission consultants to undertake core asset strategy survey programme	July 2010	November 2010
2	Recruit to the restructured Asset & Facilities Management unit	May 2010	November 2010
3	Commence Asset Strategy consultation programme	May 2010	October 2010
	Produce Asset Management Plan & Draft Asset Strategy.	December 2010	March 2011
4	Produce Energy management / Carbon Reduction Action plan / strategy.	August 2010	December 2010
5	Implementation of Asset Strategy	April 2011	TBD
6	Produce Environmental Strategy Action Plan	September 2010	December 2010
7	Implementation of the Carbon Reduction Plan	April 2010	Phased programme
8	Implementation of Environmental Strategy Action Plan	April 2010	Phased programme

10. CRITICAL DEPENDENCIES

10.1 Critical to the successful delivery of the outcomes of an asset strategy the following are necessary:-

- Absolute 100% leadership / Police Authority / COG support.
- A clear vision of the future shape and configuration of the Force across all operational areas affected.
- A new ways of working programme with clear objectives/deliverables including delivery of supporting reviews referred to above.
- Inclusion of all parties affected in the strategy development process.
- Ownership of the change programme by all – particularly middle managers.
- Development / change management support for managers and supervisors.
- Provision of ICT investment and support including awareness and training in use.
- Enabling flexible HR Policies
- Effective Project Management and governance arrangements in place

B. FINANCIAL CONSIDERATIONS

To be determined as part of business case development.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

To be determined and developed as a workstream of the project.

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES

(including any impact or issues relating to Children and Young People under the Every Child Matters (ECM) framework.)

To be determined and developed as a workstream of the project.

E. RISK MANAGEMENT

To be determined and developed as a workstream of the project.

F. REVIEW ARRANGEMENTS

To be determined and developed as a workstream of the project.

G. LIST OF BACKGROUND PAPERS

Date	Description	File
2010	2010 – 2013 Policing Plan	
28 th November 2008	Lincolnshire Police Authority – ‘Access to Policing: A Thematic Scrutiny’. Report for the Scrutiny and Audit Committee.	
19 th December 2008	Finance & Strategy Committee – Asset Strategy Report.	