PURPOSE OF PAPER

1. The purpose of this paper is to:

   - Provide members with a summary of achievements made by the National Assets Working Group (NAWG) to date;
   - Note the proposed way forward for NAWG activity in 2014; and
   - Agree a collective approach for developing the Transport Savings project.

FOR DISCUSSION / DECISION

2. Members are asked to:

   - Consider and agree the proposals for the work to be undertaken during the next year; and
   - Agree a suitable approach for progressing the savings potential arising from the transport sector.

BACKGROUND

3. With a public sector estate estimated at around £12bn (WAO) with annual running costs of circa £500 million, the aim of the National Asset Working Group is to enable and influence organisations to adopt a collaborative approach in asset management by putting in place the tools to help do this and by sharing best practice guidance and case studies. The Group seeks to support and encourage the realisation of the efficiencies and benefits that can be derived from proactive, strategic estate management and its role in providing high quality support for the delivery of public services.

ACHIEVEMENTS

4. Our programme of work has, to date brought together and built upon examples of proactive asset management across the wider public sector. The Group’s objective is to encourage collaboration in asset management, drive improved service delivery and promote best practice.

5. We have achieved a number of successes, some of which are outlined below - :

   - **e-PIMS** – (All Wales Public Sector Land and Property Database) for the first time ever, we have a centrally held database of public sector property in Wales which has proven to be a workable and useful strategic asset management tool. Over 97% of the Welsh Public Sector Estate is now recorded which equates to over 19,500 individual holdings. Alongside this the
Vacant Space register (291 entries) & the Find Me Some Government Space (FMSGS) (124 entries) tools have also been established to publicise surplus property, save money on transaction costs and optimise use of public organisation meeting facilities. The development and adoption of a public access portal for vacant land and property is also being promoted to publicise surplus property to the private sector, reduce transaction costs and speed up the disposal process. This portal is scheduled to go live in January 2014.

• **Land Transfer Protocol (LTP)** – development of best practice guide for disposal & transfer of land and property assets between public bodies in Wales which has reduced the cost and time associated with the transfers, use and disposal of the public estate. It is now the case that the majority of inter public body transfers/disposals are being conducted via the LTP. The LTP is currently being refreshed.

• **‘Assets Cymru’** - established as a go to point for anyone with an interest in managing public assets, to share case studies, a portal to share best practice and a central information hub for the work NAWG is involved in.

• **Social Media** – Assets Cymru also has a twitter feed to link in with the website. This has helped us promote not only our services/work but also the work of others (e.g. Wales Audit Office and Good Practice Wales).

• **Supporting Invest-to-Save (I2S) funded projects** – four initial pilot projects have received I2S funding. These projects are Blaenau Gwent Asset Review, Cardiff LSB Asset Review, Powys County Council – Brecon Town Regeneration & Cardiff and Vale University Hospital Board Estate Review. This seed funding has often provided necessary resource to drive the projects forward sooner than they might otherwise have done. A number of other projects are currently being supported which include the County Farms Project, Flintshire Connects, Bridgend County Borough Council - Improving Your Space, South Wales Police/Bridgend County Council – Joint Fleet Maintenance and One Newport’s Information Station. Case studies from these projects have been shared through our ‘Asset Cymru’ website

**CURRENT AND FUTURE ACTIVITY**

6. There are a number of important work streams already being supported by the Group and the profile of this work has been further raised following the National Assembly’s Inquiry into Asset Management. Due to the current economic climate and budgetary constraints, it is essential the pace of work is accelerated through support and proactive sharing of best practice.

• **Development of a standardised property management IT application for use across the wider public sector** – a potential system has now been chosen by the ICT Group and funding has been approved by the Mid Wales ICT Board. Rollout to certain sectors is expected to begin in 2014. In terms of potential savings, a conservative estimate of 10 - 20% efficiency across the wider public
sector would equate to between £400k - £800k pa savings dependent on the final solution and optimal take up across the sector.

- **Fleet & Passenger Transport Management** – work has been undertaken to build a national picture of the effectiveness of current Fleet and Passenger Transport management, to identify examples of best practice and to explore potential opportunities to drive operational efficiencies and savings. Engagement has proved challenging in this area with only 9 Local Authorities responding to a request for current baseline information. NAWG remain committed to pursuing potential opportunities around Fleet & Passenger Transport Management based on systematic adoption of models of good practice across the whole sector. The annex 1 to this paper sets out the background to the work undertaken so far and seeks to discuss a suitable way forward for this aspect of work.

- **e-PIMS & Land Transfer Protocol** – the work on the e-PIMS system is continuous, with all sectors being encouraged to upload their information onto the system, especially around the Vacant Space & Find Me Some Government Space functions. The purpose is to provide a tool to inform a strategic approach to asset management. The Land Transfer Protocol is currently being refreshed to reflect feedback from users and the recommendations of the NAW Finance Committee on Asset Management particularly in respect of sharing information and simplification around the processes associated with transferring public assets. A wider estates co-ordination protocol, which will incorporate the refreshed Land Transfer Protocol, is also being developed to provide best practice guidance relating to other aspects of asset issues such as community asset transfers and co-occupation. This wider protocol will be a best practice guide to support the Welsh public sector to make best use of our asset resources and assist in reducing cost and time associated with the transfer and disposal of the public estate between public bodies in Wales.

The Group will continue to promote and encourage the population and use of the Vacant Space register & FMSG&S tool across the public & third sectors sector. Wider adoption of the public access portal as an additional marketing tool for vacant/surplus property will also be encouraged to deliver potential savings in agency costs and speed up transactions.

- **I2S** – the next bidding round for Invest-to-Save (I2S) has been launched and the Group are working with the I2S Team to identify potential asset projects which may benefit from funding. Successful projects will be through the I2S bidding process and during the delivery phase ensuring that lessons and best practice are shared across the sector. The Group will specifically be seeking to support local asset reviews, workplace transformation projects and the establishment public service hubs where measurable outcomes will be the annual
savings and value of surplus properties identified for delivery by relevant body.

We will be seeking expressions of interest from potential pathfinder projects by 4 December 2013 with a view to them being submitted to the I2S panel early in the New Year.

- **Influence and engagement** - a key recommendation from the Inquiry was the need for continued support and greater engagement in all aspects of NAWG’s work and at all levels within the sector. There is a significant role for senior leaders in achieving this. The NAWG will in future communicate and work through a more focussed approach and through a selection of projects and working with groupings of organisations that are already pro active in our areas of work as outlined in Figure 1 below. The Group will also continue to support, encourage and facilitate the sharing of best practice models and case studies.

![Figure 1](image)

**SUMMARY**

7. In line with the recommendations from the National Assembly’s Inquiry into Asset Management and building on the good work already done by NAWG to enable and influence organisations to be more proactive in the way in which they manage their assets the Group will -:

- continue to develop further e-PIMs, the Land Transfer Protocol and other such tools and guidance to ensure they meet users needs and to help them manage their assets proactively;
continue to share examples of best practice and case studies through *Assets Cymru* and through shared learning events by working with Good Practice Wales, WAO, WLGA and other such organisations;

- support potential invest to save projects which focus on local asset reviews, workplace transformation projects and the establishment public service hubs which seek to deliver capital receipts through surplus property, reduced running costs and improvement to public services; and

- seek to communicate and share lessons through a more focussed network of local property boards and regional representatives rather than the more ad-hoc approach adopted to date.
**NAWG - Fleet Management and Passenger Transport**

1. Over recent months extensive work has been undertaken to progress the work required to achieve the significant savings potential arising from the transport sector. The background to the project has stemmed from good practice adopted within Neath Port Talbot Council and it is estimated that this sector could generate in the region of £81m over a 3 year period by rationalising Fleet and Passenger transport activity if adopted across Wales. The pan Wales estimate is based on work undertaken by Edge Consulting Ltd.

2. The approach has been raised at political, executive and operational levels including the Reform Delivery Group and the Partnership Council for Wales. Responses received to the requests for information have been poor and the NAWG has been unable to gain the necessary information to consider further.

3. The NAWG remain committed to pursuing the potential opportunities associated with this area of work and the engagement of PSLG members is being sought to collectively agree how best to take this work forward. To aid further discussion, the NAWG has outlined a number of suggested options below for the Group’s consideration.

**Options for taking forward the transport work**

**Option 1 – Broaden engagement with the Sector**

Attempts to engage with the sector have been via writing to the various leads as indicated in paragraph 2. To broaden engagement, should direct engagement be stepped up, for example, by undertaking a programme of visits to individual Local Authorities, be considered as a mechanism for producing a more targeted response?

- If so, what would the alternative approaches look like?
- At what level should further engagement be undertaken?
- Better use of a limited and skilled resource

At the Partnership Council for Wales meeting on 4th November the WLGA agreed to consider this matter with Regional Leaders and the outcome of these discussions could assist to support the development of this approach.

**Option 2 – Wider Public Sector to Adopt the Neath Port Talbot (NPT) model (or other models)**

NPT have already undertaken work to deliver savings from Transport within their own organisation. There is an option to consider further, the work undertaken by NTP to identify how their best practice could be replicated and
roll out to other organisations. This work would start initially with the local authorities.

Alternatively, are PSLG members able to offer examples of best practice models that have taken forward in their organisations which could be shared more widely?

Option 3 – Use Invest -to-Save as a catalyst

The NAWG have agreed to act as a catalyst for generating Expressions of Interest for strategic asset projects under the next round of Invest to Save. The transport project represents an opportunity to consider how Invest-to-Save funding could be used as catalyst to pump prime activities to deliver the benefits. The deadline for expression of interest is 10 January 2014 and, as NAWG did in the 2012/13 round, there is an opportunity to put together a bid to scope how a programme might be rolled out on a regional / pan Wales basis.

Option 4 – Utilise the National Procurement Service

The transport sector covers both Fleet and Passenger transport. There is an option to consider dividing the project to distinguish between the different operating practices of these areas. As a first step the project could focus on Fleet only. In scoping the potential, there is opportunity to consider how the services of the new National Procurement Service (NPS) could be commissioned to assist with the realisation of the Fleet savings potential.

The Head of Category for Fleet will be in post in the New Year and the NPS has already started to collect data on the current spend practices as part of its scoping work. While further work is still to be undertaken to define the scope of “Fleet activity” to be incorporated into the NPS, the service does offer a dedicated resource which has the potential to support the development of the project in its first stages.

Way forward

4. The above options set out the current thinking of NAWG for progressing this work. The Minister for Local Government and Government Business has also expressed a view that it would be sensible to consider the work undertaken by NPT as a potential model of best practice. The Group are asked to provide views on the above or offer alternative approaches to enable a decision to be made on progressing this important work quickly.