Asset Management Plan 2024

Land and Buildings
December 2024

south AYRSHIRE COUNCIL
Comhairle Siorrachd Àir a Deas
Making a Difference Every Day

south-ayrshire.gov.uk

Contents

1. Background and Context

1.1 The scale of previous Scottish Government grant reductions and those forecast for future years mean that it will become increasingly difficult for the Council to remain financially sustainable with the current service delivery model. It is anticipated that future service demands and cost pressures will significantly outstrip the resources available.

1.2 After staff costs the revenue resources deployed in the management of the Council's property assets represent the next highest area of expenditure. It is therefore essential that these significant resources are deployed effectively and efficiently to sustain and where possible improve the performance of our property assets

1.3 South Ayrshire Council is committed to managing its land and building assets efficiently and effectively. The Council's land and building assets can be broken down into the following asset categories:

- **Operational Assets** which are required to directly support Council services;

- **Non-Operational Assets** which are commercial premises which assist in economic development and generate a revenue income stream for the Council – for example, shops and, industrial units; and

- **Common Good Assets** which are generally historic properties/land owned and managed by the Council for the benefit of the inhabitants of the former Burgh to which they are related.

1.4 The appropriate use of land and building assets in the right location can make the difference between good or bad service delivery. Land and building assets are visible and therefore positively influence our community's perception, as well as that of visitors to the area, of the Council and the services we deliver; it is recognised that:

- Managing land and building assets effectively is a key element of supporting service delivery;

- Resources employed in the management of our land and building assets are significant and therefore the efficiency of their deployment is critical;

- Land and building assets can be a key driver of service transformation and modernisation;

- Reducing emissions from the public sector built estate to zero between now and 2045 will be critical to achieving national targets;

- Schools are a key asset, often the most used public facility and the main hub of the community;

- The value of land and building assets owned by the Council is significant; and

- Properties are key to public perception of our local authority and the area.

1.5   Given that there has been a reduction in Local Authority budgets that will continue for the foreseeable future it is now more vital than ever that the Council ensures the efficient and effective use of our land and building assets to meet the delivery of key service objectives.

1.6   The Council has approved a ten-year general services capital programme for 2024-25 to 2035-36 that has been formulated based on our corporate priorities, managing risks, ensuring asset management best practice and adherence to the prudential code. By having the asset management strategy, capital and revenue resources agreed for the next ten years the Council has established a sound basis for aligning our resource deployment with the achievement of corporate priorities and the modernisation of services to meet the aspirations of our communities

1.7   Responsibility for asset management of land and buildings in the Council falls within the remit of the Asset Management & Community Asset Transfer (AMCAT) service under Housing, Operations and Development, which has the direct responsibility for the co-ordination and management of the asset management planning process.

1.8   AMCAT as the lead service in land and building assets management, must ensure that this is delivered in an efficient and effective manner that supports and links into the Council's financial strategy.

2.   Executive Summary

2.1   This Asset Management Plan (AMP) sets out the Council's approach to the management of its land and building assets to ensure full support of the delivery of our services and the Council's Strategic Objectives.

2.2   The management of the Council's land and building assets involves a number of significant elements including the day-to-day management of their use and maintenance, to significant renovation and new construction projects.

2.3   Managing these assets in a challenging financial climate will be a fundamental element of the Asset Management & Community Asset Transfer (AMCAT) service delivery strategy, with a commitment to the sustainable development of finite land resources to create an attractive, functional, built environment that makes best use of new and traditional building assets.

2.4   Our Mission is to provide an asset management service which:

1.   Is managed in the corporate interest to support the Council's three priorities

- We will have a holistic corporate approach to decision making on the way we manage our land and buildings aligned to long term outcomes to positively shape the future of South Ayrshire

- We will challenge and make decisions on property matters at a corporate level in line with our strategic priorities.

- We will take account of service demand and priorities and balance these against our overall corporate objectives.

- We will manage budgets creating the flexibility to prioritise key investment needs across the estate.

- We will ensure that property information is accurate, current, comprehensive, and widely used so that we can make informed choices.

2. **Ensures excellent value for money with priorities driven by the issues most important to our communities.**

- We will seek to deliver excellent value for money by ensuring that property is suitably managed and maintained within budget constraints.

- We will challenge the cost of property activities through effective contract management to ensure excellent value for money.

- We will challenge our use of assets where appropriate including options for disposal, acquisition, and optimising space for third party demand and maximise income generation.

- We will seek efficiencies in occupancy and utilisation and support new ways of working and alternative service delivery models where appropriate.

- We will prioritise our capital expenditure on an annual-cyclical basis through the Capital Asset Management Group who will assess capital bids against robust criteria related to our corporate priorities recommended to Members for future investment on that basis.

3. **Supports local economic growth and ensures South Ayrshire is 'Open for Business'**

- We will manage our commercial portfolio to maximise income,

- We will, in partnership with other services, support the delivery of visitor and event strategies.

- We will seek further opportunities to support income generation for the Council and economic opportunity within our communities.

- We will seek opportunities for green growth, green energy generation, green income, net zero, and energy sustainability.

4. **Is fit for purpose and represents our organisation**

- We will prioritise CRA and other relevant expenditure to make our buildings suitable and sufficient for service delivery.

- We will work to provide property that is flexible and resilient to respond to future need and changes in the economy and social demand.

- We will ensure our property is accessible, equitable, secure and safe to use fulfilling statutory requirements and supports the health and wellbeing of our employees

- We will work with our service areas to understand their current and longer-term requirements continually challenging ourselves on alternative service delivery models specifically where modern technology can play a part.

5. **Protects and enhances the environment**

- We will ensure property design, construction, operation and maintenance optimise sustainability and minimise CO_2 emissions.

- We will monitor, manage and reduce energy use, water consumption and CO_2 emissions using technologically advanced solutions.

- We will ensure new build property meets the highest environmental standards, optimise our legacy portfolio, and move towards decarbonising the heating in our buildings.

- We will increase our use of renewable energy and undertake energy efficient invest-to-save opportunities where appropriate.

6. **Supports partnership working and collaboration between Council services and with our partners**

- We will work with other agencies and public sector partners to promote collaboration, co-location, and joint service delivery.

- We will work with communities to identify, support and drive forward community asset transfers.

2.5   These key actions and outcomes will be delivered in conjunction with the Council's other services to support service delivery outcomes and the Council's Strategic Objectives, using corporate processes and procedures for consistency and quality control.

3.   Asset Management Plan

3.1   The Role of Asset Management and Community Asset Transfer

3.1.1   The role of AMCAT as lead service in delivering land and buildings asset management consists of the following main activities:

1. Leading on the scope and direction of this AMP;
2. Responsibility for ensuring that services use land and building assets effectively and efficiently;
3. Prioritising and managing the deployment of revenue resources for statutory compliance, cyclical and reactive maintenance;
4. Prioritising and managing the deployment of capital resources to support and undertake planned improvements and statutory compliance works
5. Managing the capital receipts programme and maximising Best Value in relation to property disposals;
6. Providing professional services to the Council and partners relating to the management of land and building assets;
7. Undertaking office accommodation reviews in relation to the Council's administrative buildings;
8. Managing the Council's non-operational property portfolio;
9. Working on a range of energy projects and driving forward net zero property actions;
10. Delivering the Council's Local Heat and Energy Efficiency Strategy (LHEES);
11. Delivering the Council's Community Asset Transfer service.

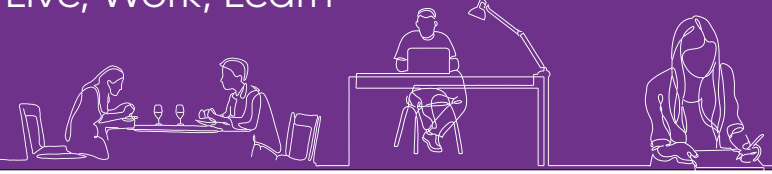## 3.2 Asset Management and the Council's Strategic Objectives

3.2.1 Significant resources are deployed in the management, maintenance and construction of our land and building assets and therefore it is essential that these are deployed to deliver the best possible outcomes for South Ayrshire. Land and building assets are essential to the services delivered by the Council. Managing these assets is a structured process that seeks to ensure best value; continuous improvement in performance; achievement of our Strategic Objectives; and service modernisation. The Asset Management Plan sits within a matrix of documentation and specifies the delivery strategy and realisation mechanism for a range of Council priorities as they relate to property assets. These include;

- Transforming the Estate which outlines a series of actions to ensure the Council property estate meets future operational objectives;

- South Ayrshire Council Scheme of Delegation;

- South Ayrshire Council Policy for the Acquisition and Disposal of Land and Buildings;

- South Ayrshire Council's Local Heat and Energy Efficiency Strategy; and

- South Ayrshire Council's Sustainable Development and Climate Change Strategy.

3.2.2 The application of an asset management approach can enable efficient resource deployment, service rationalisation, and longer-term financial planning and improved risk management. It is therefore essential that the Council embraces this approach and strives to invest to ensure our land and building assets are fit for purpose. The value of an asset management approach is that it enables the Council to develop a better understanding of the land and building assets which it operates, identify and respond flexibly to changing contributing factors, manage and mitigate risk and ensure financial resources are directed towards achieving the Council's strategic objectives.

3.2.3 The Council's priorities and outcomes place an emphasis on the connection between our places and the wellbeing of our communities and environment. The place-based approach recognises that every area has a different blend of physical, social, and economic characteristics that influence each other and aims to address complex problems that no service alone can solve. The priorities provide a common framework, aimed at promoting a shared understanding that encourages services and partners to work collaboratively to achieve improved outcomes and wellbeing for our communities. The priorities, and the connection with asset management are as follows:

Council Priority	Asset Management's Contribution
Everyone can access streets, places and spaces that make a positive contribution to wellbeing, are well connected, well designed, and maintained. Everyone can access a range of high quality, safe, well maintained, accessible places with opportunities for play, sport and recreation. **Priority One** Spaces and Places	Our land and building assets provide a range of services to the whole community from accommodation to sport, leisure, learning and recreation. Further, our assets house essential 'back office' functions for front line services. Effective asset management ensures these properties are safe, accessible and fit for purpose. By investing in our land and building assets and ensuring they are managed in a sustainable manner we ensure that there is an attractive and vibrant environment in South Ayrshire and meet targets for carbon reduction and a low carbon future.
Everyone benefits from high quality education and lifelong learning and is supported to learn and fulfil their potential. Everyone benefits from a local economy that provides opportunities for people and helps our businesses to flourish. Everyone can find a good quality home that they can afford, that meets their needs and is in an area where they feel safe and connected. **Priority Two** Live, Work, Learn	The investment in land and building assets is significant and supports employment directly in the Council through the Asset Management and Community Asset Transfer, PDS, and Property Maintenance, and indirectly through the engagement of local contractors to undertake works. The estates section of Asset Management and Community Asset Transfer support the local economy through the provision of commercial and industrial units. Schools represent a significant proportion of the Council's operational property portfolio. Ensuring these are compliant, in good condition and fit for purpose is crucial to creating a positive environment for learning.
Everyone (residents, visitors, and tourists) can enjoy attractive destinations and people are proud to live in our towns and villages and celebrate our culture and heritage. Everyone has the opportunity to influence and contribute to what happens in their local area. **Priority Three** Civic and Community Pride	Land and building assets are visible and therefore positively influence our community's perception, as well as that of visitors to the area, of the Council and the services we deliver. Asset management supports communities to take control of land and buildings via community asset transfer through Part 5 of the 2015 Community Empowerment (Scotland) Act (as well as through leases and disposals outside of the Act) by ensuring that community bodies have access to accurate property knowledge. This knowledge supports communities to empower themselves through ownership of land and buildings. The Asset Management and Community Asset Transfer service have dedicated support for community bodies interested in taking on land and buildings.

4. Delivering the Asset Mangement Plan: 6 Workstreams

Asset Management comprises 6 workstreams. The following sections outlines the core functions of these workstreams. Each has dedicated officer support. The 6 workstreams are:

1. Central Repairs Account (CRA)
2. Property Data and management
3. Estates
4. Community Asset Transfer
5. Energy Management
6. Office Accommodation

4.1 Central Repairs Account

4.1.1 The Central Repairs Account (CRA) is a resource held by AMCAT. The purpose of the CRA is to ensure that properties are maintained to an acceptable standard and condition (see also Property Data),are compliant with regards legislation, and safe and accessible for employees and the public.

4.1.2 The CRA is used to fund repairs to the structure and fabric of properties as they require maintenance due to wear and tear, usage, aging, weathering and periodic faults and defects. The CRA does not fund service delivery equipment, machinery, fixtures and fittings, discretionary cosmetic upgrades, or property design specification omissions. The CRA is also used to fund statutory compliance and inspections (e.g. fire/intruder alarms, legionella testing etc.) and this is managed by the AMCAT service.

4.1.3 In 2023/2024 the CRA budget was £2,610,681. The CRA has come under significant pressure in recent years with a £300,000 reduction applied in 2022/2023. During the period of inflationary pressure 2022-2023 (which especially impacted construction materials) the real terms buying power of the CRA was further negatively affected. Further, the increasing complexity of building systems has resulted in increasing compliance costs.

4.1.4 As a result of this the CRA prioritises reactive repairs which require immediate rectification. AMCAT's aspiration is that, should budgets allow, planned and preventive maintenance will be reinstated as an operating principle.

4.1.5 Where property repairs are required these should be addressed to AMCAT. The request will be assessed by AMCAT to ensure it meets the criteria described in 4.1.2 and is deemed a priority in relation to other demands. Thereafter AMCAT will request Property Maintenance undertake the task or instruct a specialist contractor through a measured term contract.

4.2 Property data and management

4.2.1 The decision-making process relating to asset management should be based upon a sound knowledge of the portfolio and an appreciation of how properties are meeting current and future service needs and supporting the corporate approach set out above. This understanding is gained by the collection and interpretation of several elements of data gathered for each property. This data consists of fully costed condition surveys (see Appendix F) following the Scottish Government elemental approach, (see Appendix B), a suitability assessment (based on guidance issued by the Scottish Government), energy usage and annual running cost figures. The data is then moderated, collated and stored electronically. This allows a very accurate assessment to be made of current asset performance. The following sections give more detail on the current arrangements and performance of current land and building assets.

4.2.2   This AMP sets out that we will manage our assets efficiently and effectively to support the delivery of the Council's Strategic Objectives. To demonstrate this six performance areas have been identified. The following table demonstrates how these relate to property and sets out appropriate high-level performance indicators that we will use to measure our performance over the year and also to benchmark with other Local Authorities.

Performance Area	Primary Performance Indicators	Activity Aims
Compliance	Percentage of buildings that are fully compliant in terms of having a current fire safety risk assessment, up to date asbestos register, Legionella testing and management processes in place.	Demonstrating that our land and building assets comply with statutory and regulatory requirements. Ensuring properties are safe and available for use to deliver services by having them regularly inspected and retaining compliance logs.
Condition	Percentage of properties in good or satisfactory condition.	Detailing the extent to which our land and building assets are maintained in satisfactory or better condition to support service delivery
Suitability	Percentage of properties that are considered satisfactory or better in terms of suitability.	Detailing the extent to which our land and building assets are fit for purpose in terms of accommodation type and layout to support the delivery of services.
Sufficiency	Percentage of properties that are considered satisfactory or better in terms of sufficiency, utilisation and usage to support service delivery.	Detailing the extent to which our land and building assets are sufficient for service delivery and utilised as much as possible by our communities.
Accessibility	Percentage of properties that are considered accessible according to Government guidelines as detailed in the Equality Act 2010.	Demonstrating that our land and building assets provide accommodation that is accessible for all service users and staff.
Sustainability	Total carbon emissions from corporate land and building assets (CO_2 tonnes).	Demonstrates the impact our consumption of energy has on the environment. The energy performance of our land and building assets is monitored, and improvements undertaken where financially viable and technically feasible.

4.2.3   Fixed assets are managed efficiently and effectively taking account of availability, accessibility, safety, utilisation, cost, condition and depreciation. The Asset Register is a document of considerable importance to any organisation; an asset register is designed to record all assets on the balance sheet, together with basic information as to use, size, value, occupying department. The register will record the existence of the asset, in order that an accurate, regularly updated listing is in existence so as to assist in good asset management planning and meeting audit requirements. South Ayrshire Council was the first Local Authority in Scotland to have a cloud-based Asset Register.

4.2.4   Land and buildings asset portfolio is broken down into the following categories:

- Operational Assets are those that are used to directly support Council service delivery such as schools, community centres and depots.

- Non-Operational Assets are those used to enable the council to support local business space and economic development, indirectly support corporate or community planning objectives and provide the council with a revenue stream. This category also includes surplus assets for disposal to support capital programmes and strategic development land.

- Common Good Assets which are generally historic properties/ land owned and managed by the Counc for the benefit of the inhabitants of the former Burgh to which they are related

4.2.5   As reported in the 2023/24 Asset Register, the current asset value in terms of all land and buildings presently owned by the Council amounts to around £1,073m with properties classified in line with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). This is broken down as follows:

Asset Value by IFRS Category	2023/2024
Council Dwellings	£324,881,000
Other Land and Buildings	£392,626,000
Schools PPP Assets	£163,529,000
Vehicles, Plant and Equipment	£43,267,000
Infrastructure Assets	£76,617,000
Community Assets	£574,000
Surplus Assets Held for Sale	£1,677,000
Assets Under Construction	£55,852,000
Common Good	£14,597,000
Total	£1,073,620,000

4.2.6   A list of our operational portfolio is attached as Appendix C. The table below provides a summary of Asset value as at 31 March 2024 by property use type and number:

4.2.7   Assets are re-valued on a 5-year rolling programme in accordance with the Accounting Code of Practice and in line with valuation criteria as set out by the Royal Institute of Chartered Surveyors. All values are recorded within the Council's asset system and an Asset Register report is produced each year.
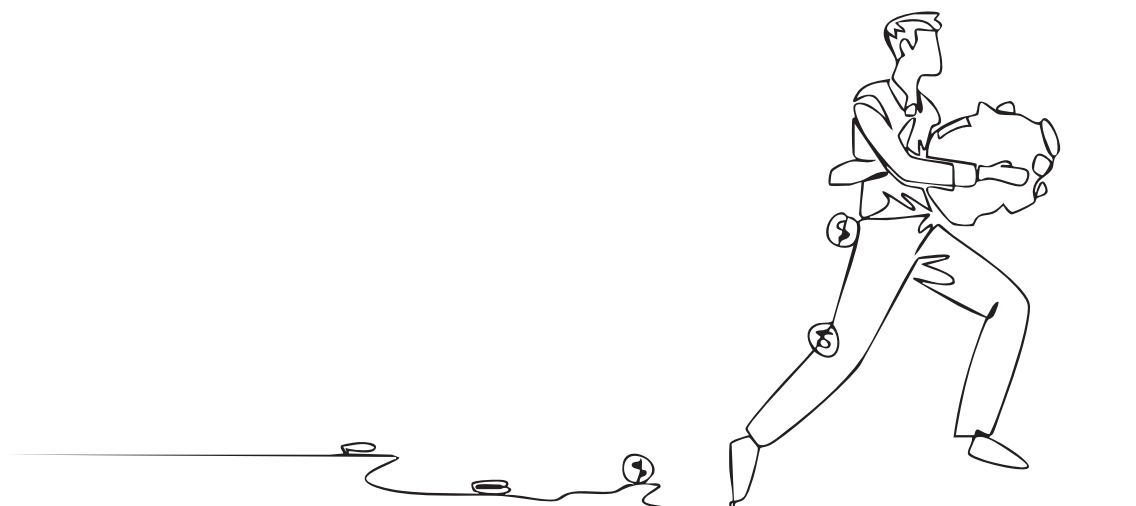
Summary Table	Establishments	GIA (M2)	Asset Value
Car Parks	38	N/A	£8,779,519
Cemeteries and Crematorium	14	1,519	£1,388,361
Community Facilities	16	7,924	£10,188,543
Depots and Stores	8	6,953	£66,716,428
Municipal Buildings	2	14,228	£5,605,087
Museums	3	1,543	£3,408,593
Offices	20	15,917	£6,122,877
Parks and Recreation	16	5,303	£5,318,258
Public Libraries	8	4,472	£3,734,925
Public Toilets	8	657	£1,102,510
Social and Housing	13	9,139	£7,126,039
Schools - Early Years Centres	5	3,154	£6,535,196
Schools - Primary Schools	37	84,064	£139,817,048
Schools - Secondary	8	98,911	£285,011,535
Schools - Special Schools	2	3,943	£6,808,355
Sports and Leisure	16	19,495	£35,075,398
Total Operational Assets	214	277,222	£532,738,672

Property Performance: Condition, Suitability, Accessibility

4.2.8   The AMP is by its nature a dynamic document, subject to annual update. The performance data contained within this AMP is drawn from 2023/2024 figures, however continual update is made to individual property records as new information comes to light (for example details of a new improvement may be added to a condition record).

4.2.9   The performance of the Council's operational property has been evaluated based on a considerable volume of property performance data for business needs and benchmarking. A set of performance indicators has been developed which enables accurate assessment to be made of individual properties, as well as assist in benchmarking with other Scottish Authorities through the National Best Value Benchmarking Scheme and ACES Asset Management Group. More importantly this enables the Council to monitor its property performance against preceding years.

4.2.10   The decision-making process relating to asset management has to be based upon a sound knowledge of the portfolio and an appreciation of how properties are meeting current and future service demands.

4.2.11   The information currently gathered relates to the following key areas:

1)   **Condition** measures the percentage of gross internal floor area of operational accommodation.
Each operational property is allocated a condition rating as detailed below:

A: Good performing well and operating efficiently;

B: Satisfactory performing adequately but showing minor deterioration;

C: Poor Showing major defects and/or not operating adequately;

D: Bad Life expired and/or serious risk of imminent failure.

Condition surveys are updated periodically and when improvement works are carried out.

(2)   **Suitability** is defined by CIPFA as being 'the extent to which a property meets the current and future needs of, and contributes toward improvement of, service delivery'.
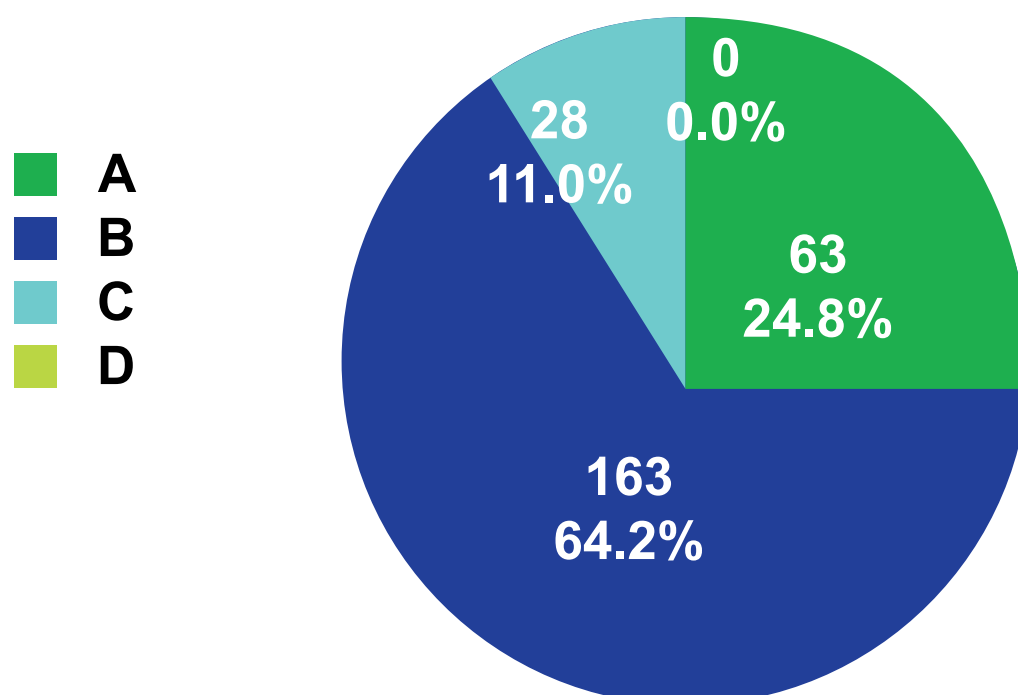
Suitability information is collected on a 5-year rolling programme basis with the assessment of suitability being carried out by service managers in conjunction with Asset Management officers.
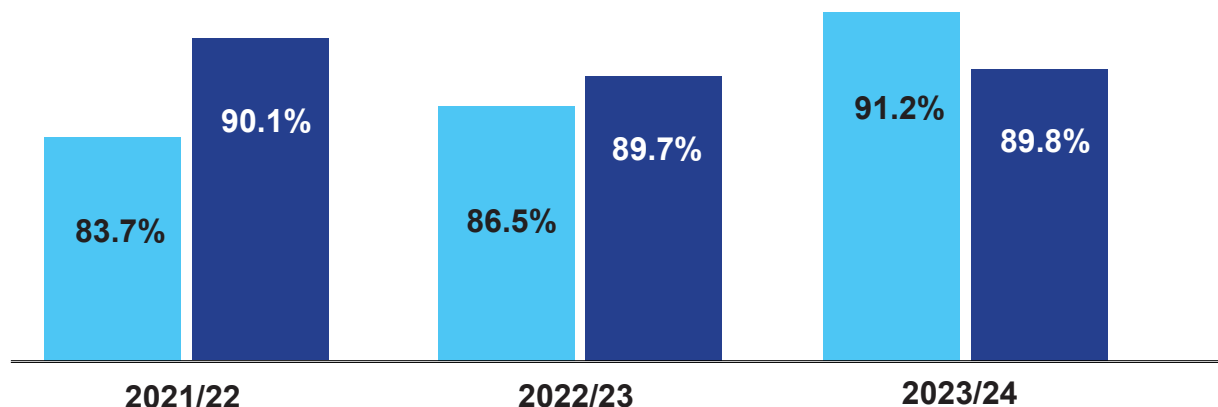
(3)   **Accessibility** measures the number of council buildings from which the council delivers services to the public and the percentage of these in which all public areas are suitable for and accessible to people with a disability.

4.2.12   Surveys of all properties have now been completed and further work has been undertaken to identify works required for each building. Further work is required to quantify costs and thereafter implement these works in compliance with the Equality Act 2010.

4.2.13   The pie charts below outline condition, suitability and accessibility percentage breakdowns bycategory rating in relation to our operational portfolio together with a 3-year comparison with the Scottish Local Authority average:

Condition 2023-24

Legend:
- A
- B
- C
- D

0
0.0%

28
11.0%

63
24.8%

163
64.2%

	2021/22	2022/23	2023/24
83.7%	90.1%		
	86.5%	89.7%	
		91.2%	89.8%

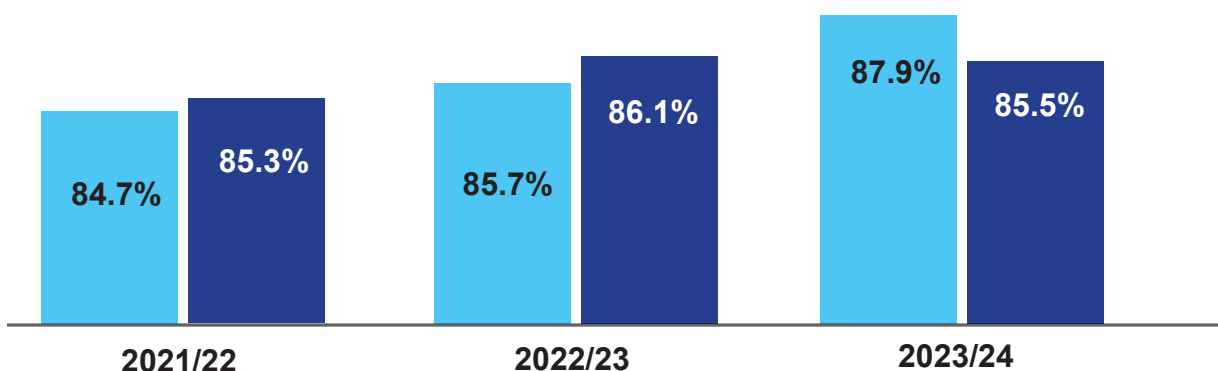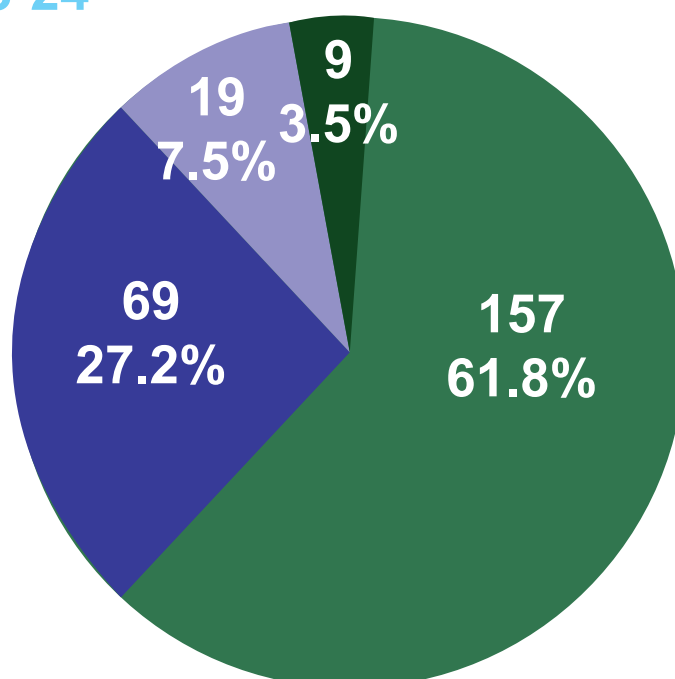■ S06.1.01 LGBF Proportion of internal floor area of operational buildings in satisfactory condition.

■ Scottish Average

Suitability 2023-24

■ **A**
■ **B**
■ **C**
■ **D**

9
3.5%

19
7.5%

69
27.2%

157
61.8%

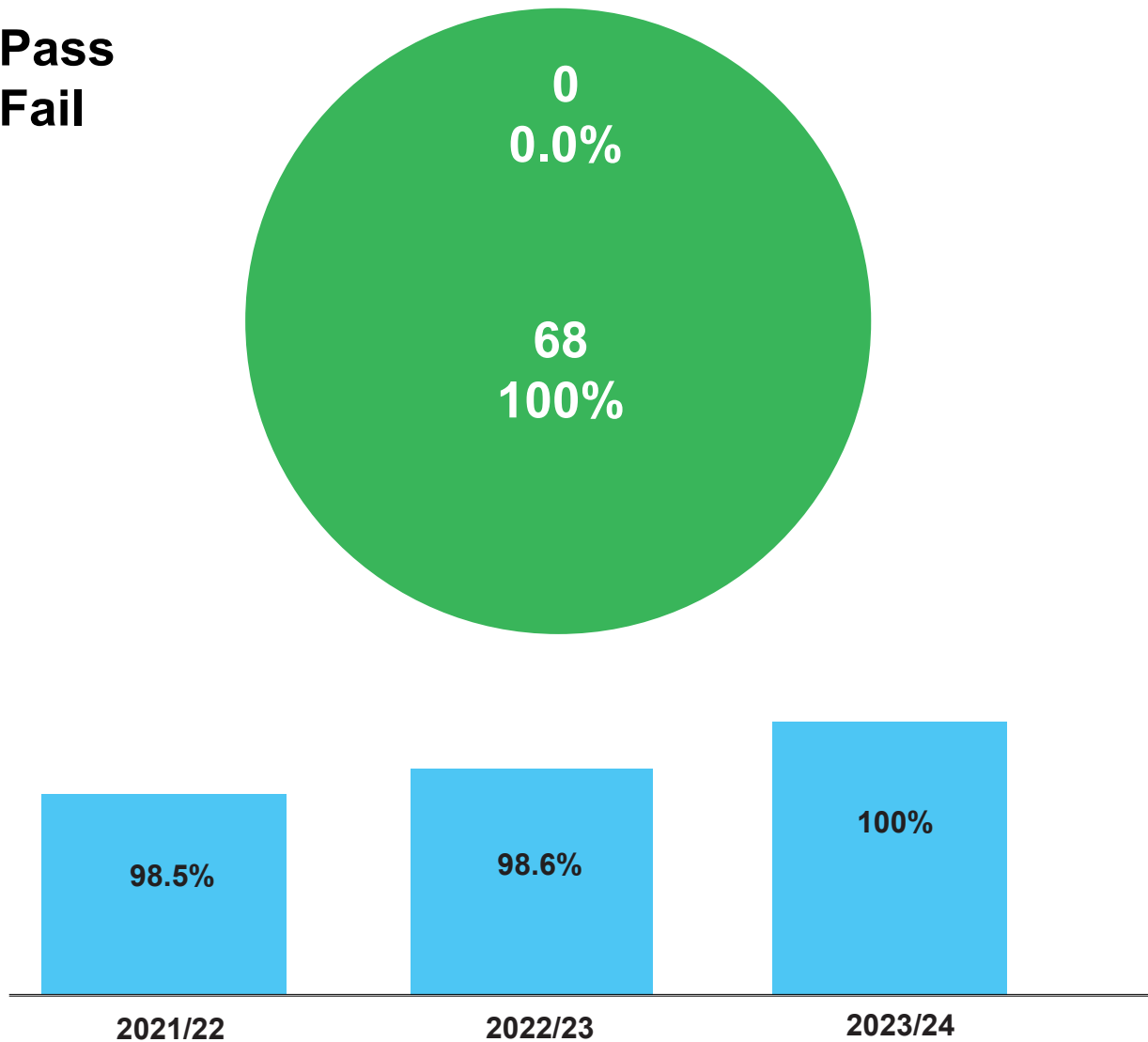| 2021/22	2022/23	2023/24
84.7% 85.3%	85.7% 86.1%	87.9% 85.5%

■ S06.1.02 LGBF Proportion of operational buildings that are suitable for their current use.

■ Scottish Average

Accessibility 2023-24

Pass
Fail

0
0.0%

68
100%

98.5% 2021/22

98.6% 2022/23

100% 2023/24

S06.1.06.3 Percentage of council buildings in which all public areas are suitable for and accessible to disabled people.

4.2.14 Within the Council a number of key performance measures are used to report the performance of our asset base to ensure that our assets are fit for purpose. The following performance indicators are reported to Audit Scotland an annual basis:

- the proportion of operational accommodation that is in satisfactory condition;

- the proportion of operational accommodation that is suitable for its current use; and

- the percentage of Council buildings in which all public areas are suitable for and accessible to disabled people.

4.2.15   Additional performance measures are reported within the Council as follows:

- percentage of non-operational properties let;

- current maintenance spend per square metre; and

- ratios of planned and reactive maintenance spend as expressed as a percentage.

4.2.16   The 2023/24 Audit Scotland return on Condition shows 91.2% of the Council's operational property with a grade A or B rating. The 2022/23 value was 86.5%. Through strategic investment in our properties and rationalisation of our estate a targeted increase has been identified which will see the improvement of this SPI. Data published by the Improvement Service for Local Government Benchmarking for 2023/24 shows a Scottish average of 89.8%.

4.2.17   New and more accurate electronic property condition surveys are continually maintained and updated for all operational properties. This data identifies planned maintenance requirements.

4.2.18   The 2023/24 Audit Scotland SPI return on Suitability shows 87.9% of the Council's operational property with a grade A or B rating. The 2022/23 value was 85.7%. The Council is seeking to improve this indicator through strategic investment in our properties and rationalisation of our estate. Data published by the Improvement Service for Local Government Benchmarking for 2023/24 shows a Scottish average of 85.5%.

4.2.19   The 2023/24 Audit Scotland SPI return on Accessibility shows 100% of the Council's operational property public areas are suitable for and accessible to disabled people. The 2022/23 value was 98.6%. This indicator is not reported within the 2023/24 Improvement Service data set.

Property Assessment Matrix

4.2.20   The Property Assessment Matrix below combines the condition and suitability grading for each of our operational properties and provides a high-level assessment indicating what quartiles need to be targeted for improvement or considered for operational disposal. Please see Appendix C for a property breakdown.

Property Assessment Matrix

D	**Q2 - 9.4%**	**Q4 - 1.7%**
C		
B	**Q1 - 79.5%**	**Q3 - 9.4%**
A		
	A **B**	**C** **D**

Overall Condition Rating
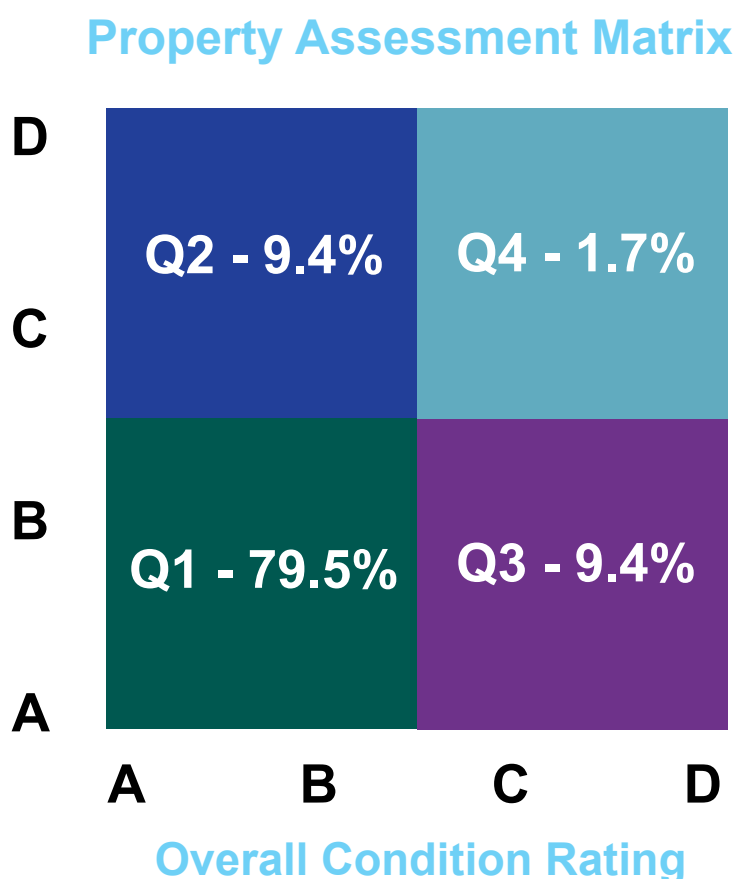
■ The best position for properties in good condition & high suitability

■ 2nd best position for properties; high suitability but condition requires improvement

■ 3rd best position for properties; good condition but low suitability

■ 4th best position for properties; poor condition & low suitability

4.2.21   Planned property activity every year will work to reduce the number of properties in Q3 and Q4 categories and ensuring funding is targeted to increase the number of properties in Q1 and Q2 categories.

Civica/Tech Forge Asset Management System

4.2.22   The Technology Forge Asset Management System (TF) – now 'Civica' (to avoid confusion with other Civica systems here after referred to as Civica TF) is a cloud-based system which is consistently developed and runs on any web browser. The system can be viewed by Council staff. This has assisted in the development of a collaborative approach to asset management and in the creation of a single source for all operational property data.

4.2.23   Civica TF holds the Council's Asset Register, including valuation information, in accordance with Audit Scotland guidelines.

4.2.24   Civica TF is the principal Council property database and the system is central to all aspects of the work of the AMCAT service. All pertinent Asset Management information is held on the system including Condition, Suitability and Accessibility information together with the Corporate Asset Register, Compliance Programming and Identified Building Works.

4.2.25   Within the Civica TF Cloud, the Council's property data can be managed from any location with a web-based solution. For this reason there is no longer a requirement to have servers and there are also no databases to maintain. All that is required is a connection to the internet and Civica TF can be accessed via PCs, laptops, tablets and smart phones. The Council's data is held on secure servers by Civica TF. Data Security is maintained through an international quality accredited standard.

4.2.26   Revenue costs relate to running and maintenance costs for each property. Maintenance costs are held within Civica TF whilst annual running cost information is obtained from Finance, based on a cost centre basis.

4.2.27   In the period since October 2010, the Council has been required to take all reasonable steps to open services to disabled people. The Equality Act 2010 covers all buildings. Barriers to access that make it difficult for people to access services require to be altered unless alternative means of providing that service can be delivered either through increased use of technology and property assets which can provide a range of Council services.

4.2.28   Surveys have been carried out for all properties which are accessed by the public to check compliance with the points identified in the Equality Act 2010 and also BS 8300 2001 and 2009. These surveys have highlighted further work that the Council needs to undertake in order to fully comply.

4.2.29   These surveys have highlighted further work that needs to be undertaken in order to achieve full compliance. From the current in year 2023/24 budget of £399,418 there is a projected spend to 31st March 2024 of £324,418. The approved budget for 2024/25 & 2025/26 is £300,000 in each financial year.

4.2.30   There is a systematic and evidence-based approach to identifying and managing risks in relation to land, buildings, plant, equipment, vehicles, materials and digital infrastructure. Steps are taken continually to ensure that properties comply with legislative and regulatory requirements. On-going programmes of compliance testing to measure and control risk are in place with this information recorded and managed within TF.
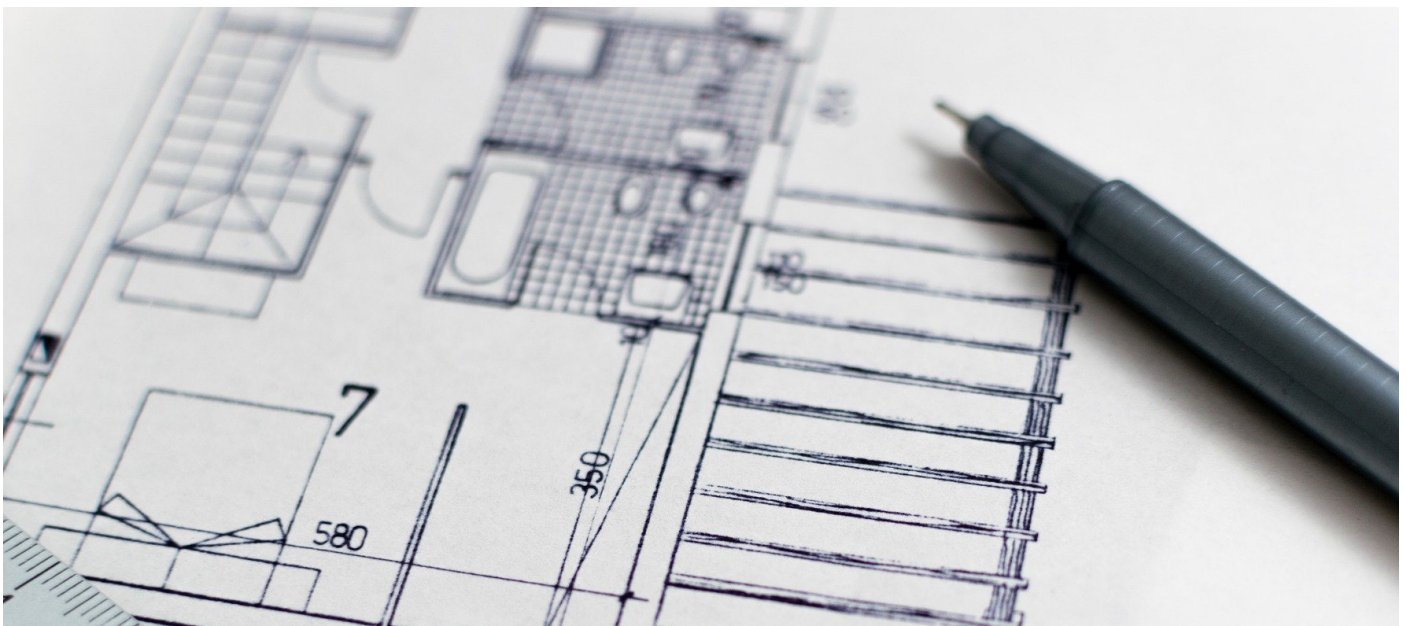
4.2.31   Steps are taken continually to ensure that properties comply with legislative and regulatory requirements. On-going programmes of compliance testing to measure and control risk are in place to address key issues relating to:

- gas installation testing – tested annually;

- electrical installation testing – tested on a 5-year rolling programme;

- legionella testing – Legionella is monitored on a monthly basis in all properties;

- asbestos management – Ongoing in accordance with HSG247 and CARs 2012 – also all properties with known positive samples are monitored annually.; and recorded in the Asbestos register in all properties

- fire risk assessments and general health and safety audits – ongoing management.

4.3   Estates

4.3.1   The Estates section is a specialist function within AMCAT. Estate management concerns the delivery of the following activities which contribute towards the delivery of the AMP. The Estates section primarily deals with the following areas of work:

- Property acquisition and disposal

- Non-operational and commercial property management

4.3.2   In June 2022 the Council updated its Policy for the Acquisition and Disposal of Land and Buildings which was first introduced in 2016. The purpose of this policy is to inform Elected Members, services and other interested parties of the principles and process by which the Council will acquire and dispose of land and buildings. This policy aims to formalise the basis for the identification of any future need for land and buildings and the means of its disposal and contribute to the efficiency saving in future years. The policy forms the operating basis of the Estates section with regards acquisition and disposal of property.

4.3.3   The Council can choose to acquire land and buildings in either of the following forms:

- ownership; or

- leasehold.

The reasons for the Council to acquire land or buildings would be:

- opportunities for improved service delivery;

- investment purposes; and

- acquisition in line with Council's strategic objectives.

4.3.4   Firstly, prior to the purchase or lease of any asset a full options appraisal should be carried out which should involve appraisal of all the options for delivery of the final objective. Consideration should be given to all other Council-owned land and buildings and whether these could be used to fulfil the requirement prior to any acquisition. Further, within the options appraisal consideration of full life property costs should be made with appropriate budgetary consequences understood. It is the responsibility of the proposing services to undertake the options appraisal. The options appraisal should be reported to the Director – Housing, Operations and Development - the result of which identifies the requirement for the land or buildings for service delivery.

4.3.5   Secondly, the identified ongoing revenue and capital costs are contained within an approved budget which has been confirmed as appropriate by the Chief Financial Officer and ICT and/ or an appropriate budget is approved by the Council; and

4.3.6   Thirdly, the Cabinet/ Council has approved the acquisition of the land or buildings for the purpose of service delivery.

4.3.7   On acquisition the proposed holding service is responsible for all property costs.

Surplus Land and Building Assets

4.3.8   Vacant and surplus properties cost the Council money. It is therefore important that once a property is declared surplus its future use is determined in a timely manner to minimise ongoing costs to the Council. Until the property has been disposed of by the Council or formal transfer of a property to another Council service has been completed the incumbent holding service will continue to be responsible for the property and all associated costs.

4.3.9   The identification of surplus assets is an ongoing process which will require the co-operation of all Council services. There are clear benefits to the Council in reducing its portfolio of properties and therefore a rigorous examination of assets is required. Disposals of the Council land and property assets are undertaken by the Estates Section in order to secure 'best value' and maximise the generation of capital receipts.

4.3.10   Property may be identified as being potentially surplus to the Council's requirements as a result of any one or more of the following circumstances:

- the holding service determining it no longer has a requirement for its property due to changes in its operational requirements;

- as part of a wider strategic review of the Council's land and buildings an alternative and more cost effective service delivery site has been identified;

- the property has no potential for future strategic or regeneration/redevelopment purposes (including affordable housing);

- the income generated from the land or buildings is nil or less than £1,000 per annum and there is a potential regeneration or redevelopment opportunity for the asset; and/ or

- the site has been identified by the Council's Housing Services or local or national Housing associations as being suitable for affordable housing.

4.3.11   All land and property that is potentially surplus to requirements will be offered to use as follows:

- Housing Services;

- Council Directorate; and

- Public Sector Organisations.

4.3.12   If a Council service expresses an interest in retaining the asset, a clear business case including recognition of the ongoing financial responsibilities will require to be developed to justify retention and the relevant approval sought. This exercise may therefore culminate in an alternative Council use being identified, disposal to a community organisation, the leasing of the property where the Council wishes to retain a long-term interest, demolition of the property or the property's outright sale on the open market.

4.3.13   Formal approval to declare the asset surplus to requirements will be given by the Cabinet or Council where the land/property is valued at equal-to-or-greater-than £100,000. Under the Scheme of Delegation HOD78 may be used to declare land and property surplus to requirements where the value of the land/property is valued at less than £100,000. Requests for approval to declare land and buildings surplus to requirements will usually be sought in batches to limit the number of individual reports required.

4.3.14   It should be noted that there are some sites and properties which are of little or no commercial value and as a consequence are likely to remain in the Council portfolio for the foreseeable future. A small number of properties have lain derelict and unused for a number of years resulting in ongoing costs to the Council. One solution for a number of these properties is demolition in order to reduce this ongoing financial burden to the Council.

Non-operational and commercial estate

4.3.15   AMCAT Estates section manages the Council's non-operational estate and does so to meet a variety of objectives as follows:

- To return an income on previously acquired property to the benefit of the Council.

- To promote and support economic development

- To create new avenues for income generation

- Support the Council's visitor offer and generate income for the Council

4.3.16   The management of the Commercial Property Portfolio is focused on influencing local business space provision, supporting economic development and delivering revenue income. It comprises a diverse range of property types, including industrial, retail and office properties together with strategic land and other miscellaneous assets. The Council's non-operational assets consist of a variety of properties which are leased out to third parties and which provide the Council with an income stream. Overall the non-operational estate is well tenanted with 95% of non-operational properties currently let. A list of these properties is shown as Appendix D.

4.3.17   The non-operational estate presently brings in an annual income of approximately £880,000.

4.3.18   The vast majority of the Council's non-operational properties are on Full Repairing and Insuring (FRI) terms which means the burden for repairs and maintenance, along with the cost of utilities and non-domestic rates, lies with the tenant.

4.3.19   South Ayrshire Council holds a considerable amount of land, parks, and open space which offer excellent settings for a wide range of events – from small community fun days to major events such as The International Ayr Show - Festival of Flight. In order to ensure the Council receives best value on the opportunities Estates shall undertake commercial marketing exercises and/or valuations as appropriate for these opportunities. Estates shall work closely with other services to support the delivery of a coherent and organised calendar of events to support the visitor economy of South Ayrshire, showcase what our area has to offer and deliver value to the Council.

4.4   Community Asset Transfer

4.4.1   The Council continues to encourage the progression of our community organisations to support them in creating strong, successful, sustainable and effective asset transfer proposals that can make a real difference in South Ayrshire through the acquisition and development of Council land and buildings.

4.4.2.   Furthermore, the objective of the Council's approved Community Asset Transfer (CAT) process and associated fund is to enable a streamlined, efficient and appropriately resourced CAT route map for an applicant that ensures equal access for all in exploring and pursuing ambitions.

4.4.3   To date 5 community asset transfers have been completed under Part 5 of the Community Empowerment (Scotland) Act 2015, 1 is pending conclusion following approval by Cabinet, and one has been refused.

4.4.4   As of February 2024, seven further community groups (described as Community Transfer Bodies under the Community Empowerment (Scotland) Act 2015) have submitted CAT Stage 1 EOI forms to the Council and are working towards the submission of a formal Stage 2 CAT request. Of those seven community groups: 4 can be described Community Associations; 2 as Sports Clubs, 1 as an Arts/Culture organisation.

4.4.5   The Council has an 'Advancing Community Assets Fund' (ACAF) which is designed to support community-controlled bodies that aspire to take on a Council-owned asset through ownership, lease or other rights such as rights to manage, occupy or use the asset for a specified purpose, with the aim of promoting or improving economic development, regeneration, public health, social wellbeing, environmental wellbeing or reducing socio-economic inequalities for people living in South Ayrshire. The purpose of the Advancing Community Assets fund is to encourage the progression of all our community organisations, disadvantaged or not, to support them in creating strong, successful, sustainable and effective asset transfer proposals that can make a real difference in South Ayrshire through the acquisition and development of Council land and buildings.

Community Asset Transfers Approved under Part 5 of the Community Empowerment Act				
Organisation	Council Asset approved for Community Asset Transfer	Outcome	Capital Receipt Value	Advancing Community Assets Fund
Barr Community SCIO SCO49703	Barr Community Centre	Approved by Cabinet 25th Sept 2024	£1	£118,826
Troon Water Sports Centre (SCIO), SC047691	Site at Barassie, North Beach, Troon	50 year lease concluded 2024	N/A	Not Eligible
Ayr Lawn Tennis Club (SCIO) SCO49014	Seafield tennis court, Arrol Drive, Ayr, KA7 4AZ	Purchase, 26th July 2022	£4,500	£60,000
Pinwherry and Pinmore Community Development Trust (SCIO) SC048025	Former Pinwherry primary school, Main Street, Pinwherry, South Ayrshire KA26 0RN	Purchase, 23rd April 2021	£25,000	£106,710
Friends of Dundonald Castle SCIO 31541	Dundonald Castle visitor's centre and adjacent land, Winehouse Yett Dundonald KA2 9HD	Purchase, 19th February 2021	£28,000	Not Applicable
Colmonell Community Association SCIO SC049177	Former public convenience Colmonell, Main Street, Colmonell KA26 0RY	Purchase, 30th October 2020	£1	Not Applicable

4.4.6   The Advancing Community Assets Fund has two categories:

Development

The first category of grant is a development grant, which may be available to eligible bodies interested in making a community asset transfer request but who are at the early stages of the process (known as a Community Asset Transfer ("CAT") Stage 1-Expression of Interest). Sums of up to a maximum of £12,000 for costs associated with all types of property surveys and investigation relating to the land and property asset may be available for the development of an asset transfer proposal and to help towards preparing a Stage 2 CAT application.

Capital

The second category of grant, the capital grant, may be available to bodies at the later stages of the process, which are in a position to make an application for a community asset transfer request (known as a Stage 2 CAT applications.) Costs may be available for capital works, relevant to the condition of the asset being requested. The Council expects that requests for capital costs would not exceed £100,000; however the Cabinet will consider grant requests in excess of £100,000 on a case by case basis. Capital grant funding may only be requested through the Stage 2 CAT application form. An asset may be requested without a request for a capital grant however a capital grant through the Advancing Community Assets Fund will not be considered by the Council without submission of a formal Community Asset Transfer request for lease or ownership.

4.4.7   The Team Leader Community Asset Transfer post within Asset Management is the Council's 'single point of contact' and works to promote community asset transfer in the community and supports interested groups to reach an informed choice regarding the viability or liability of potential transfers, providing information, advice and support from initial enquiry through to post-acquisition. The Team Leader liaises within Asset Management and across the wider council to provide a high-quality service to interested community bodies. The Team Leader also chairs the 'Community Asset Transfer Advisory Group' who consider Part 5 applications against a comprehensive assessment tool and make approval recommendations to Cabinet. This ensures that all community asset transfers under Part 5 of the Community Empowerment (Scotland) Act 2015 are viable, robust, and represent good value to both Council and Community.

4.4.8   We continue to update and enhance the CAT pages on the Council website (www.south-ayrshire. gov.uk/community-asset-transfer) where members of the public can learn how to apply for a CAT, sign posting to useful support organisations as well as details of live applications.

4.4.9   A new CAT information flyer and a short video have been produced, in collaboration with the Public Affairs team, to raise awareness amongst communities of the opportunities offered by CAT. The Team Leader Community Asset Transfer also attends community events and meetings to promote asset transfer.

4.4.10   The transfer of assets by sale or lease to community and charitable bodies can also take place outside of Part 5 of the Community Empowerment (Scotland) Act 2015. In some cases this is a necessity as community or charitable bodies do not meet the criteria for being a 'community controlled body' as defined by the Act. In others, it can be quicker to purchase or lease a property which has been declared surplus and marketed. Assets transferred in this way are not eligible for ACAF grants. Through the Community Asset Transfer Team leader, the Council will work proactively with community and charitable bodies interested in taking on Council properties in a similar supportive manner to those applying through Part 5 of the Act in order to ensure positive and appropriate outcomes for the community and the Council.

4.4.11   The AMCAT service works with internal Council colleagues to facilitate the transfer/acquisition of assets by community bodies. Most notably, this collaboration involves colleagues from Legal Services and from various teams within the Thriving Communities service. Good working relationships have also been established with external partners including Community Ownership Support Service (COSS), Development Trust Association Scotland (DTAS) and with Voluntary Action South Ayrshire, the local Third Sector Interface. This collaborative approach can be tailored to the particular circumstances of each community and seeks to offer the most comprehensive package of support.

4.4.12   Disposals of land and property within or without Part 5 of the Act are subject to requirements of the Council's Policy for the Acquisition and Disposal of Land and Buildings as described in section 4.3

4.5   Energy Management

4.5.1   Governments around the world are under increasing pressure to identify measures to help mitigate the ongoing climate crisis. With the built environment accounting for a significant proportion of current energy use and carbon emissions globally, improving the performance of not only new buildings, but also our current building stock, will be key if ambitious decarbonisation targets - such as the Scottish Government's aim to create a net-zero society by 2045 – are to be met. On the 1st of October 2020 the Council set its net zero targets by adopting a 75% reduction in emissions by 2030 (based on 2014/15 as a baseline) and a target of net zero greenhouse gas emissions by 2045. It should be noted that the Scottish Government is also seeking to introduce a statutory requirement for all publicly owned buildings to meet zero emission heating requirements by 2038.

4.5.2   In November 2021 a Net Zero Carbon Estate Strategy report was completed (see Appendix G). This report set out how the Council could align their decarbonisation strategy with the 10-year capital programme. The report assessed the works required to decarbonise our existing buildings and detailed three potential strategic routes to net zero carbon. The options assessed a range of capital and revenue cost scenarios with the capital cost impact estimated at between £225m to £576m. A Net Zero Board group was then established and met for the first time in April 2022 to carry forward the next step actions that were identified in the report. Since then, the group has met regularly and all report actions have been successfully completed in the Cabinet log. Work is continuing in this area.

4.5.3   The energy performance of our land and building assets is monitored and improvements undertaken where financially viable and technically feasible. The Council established a Carbon Budget in 2021 and now reports progress on our net zero targets on an annual basis. At present, we are working to ensure that the carbon footprint for Council buildings, in tonnes of CO2e, falls in line with our net zero targets. This is being carried out though a range of energy efficiency projects, including extensive internal and external LED lighting refits, AMR and BEMS update and installations, and rigorous energy monitoring processes.

4.5.4   The Council's Sustainable Development and Climate Change Strategy published in 2019 gives high level objectives for the Council's move towards zero carbon. In the move towards zero carbon we must introduce innovative, low carbon heating solutions, LED lighting inside our buildings and to light our streets, and a suitable infrastructure to support the move towards electric vehicles. A Sustainable Design Checklist is in development which will be used for future new build and retrofit works for Housing and Non-Housing properties.

4.5.5   To meet zero carbon targets for 2045 it is essential that the Council make best use of renewable energy resources. Currently installed renewable capacity includes 175 kW of solar PV, 468kW of biomass heat, and 340kW of air source heat pumps. This represents a reduction of 258 tonnes of CO2e annually compared to fossil fuel alternatives. Registration of installations for the Feed in Tariff and Renewable Heat Incentive funding schemes has generated an income of £88,000 to date for the Council. Renewables are now installed on all new build non-Housing properties with gas no longer used and heating and hot water now provided by air source heat pumps. Renewables for future new build will be considered as per design briefs. The recently opened Bridge St Depot welfare building in Girvan was the Council's first A+ net zero carbon energy performance certificate rated building and was also the first Council site to install a battery for solar PV electricity storage. Feasibility work is scheduled to take place on 3 potential sites for solar farms within South Ayrshire as part of a commercialisation opportunity. Feasibility work has also been undertaken at 3 Education properties in the Wallacetown area of Ayr for a community led solar PV scheme.

Renewables	
Feed in Tarrif Income To Date	£42,932
Renewable Heat Incnetive Income To Date	£45,090
Total Renewables Income To Date	£88,022

Renewables				
Financial Year	FIT kWh	FIT Income	RHI kWh	RHI Income
2021 - 2022	21,529	£5,934	465,660	£14,919
2022 - 2023	25,427	£7,215	469,973	£14,919

4.5.6   Since 2016 the Council has been utilising Salix Finance funding to help deliver energy and carbon reduction projects. The Energy team has successfully delivered projects including ventilation upgrades, LED lighting upgrades and the fitting of swimming pool covers. In 2021/22 two new internal posts were created, Building Services Engineer (Mechanical) and Building Services Engineer (Electrical) as well as £1m of Capital funds to be used for Net Zero project work. Significant work has since been undertaken on BEMS, LED lighting upgrades, installation of electrical submetering as well as feasibility work for several Net Zero projects. Officers will continue to work with Council services to identify project opportunities with a programme of carbon reduction projects developed that will target the highest energy consumption sites in the current Council estate, focussing initially on quick payback projects. Looking further ahead, AMCAT will develop a medium-long term programme that will aim to reduce carbon emissions across the operational estate.

4.5.7   In December 2023 the Council submitted a joint bid to the Salix managed Scotland's Public Sector Heat Decarbonisation Fund for projects at Crosshill PS and Prestwick Swimming Pool. This new funding source of £20m was available to local authorities to bid into. In March 2024 the Council was notified that the Council had been successful in its request for £1,556,560. The Scottish Government is yet to confirm future funding availability. Going forward a suite of Net Zero project feasibility reports will be undertaken so the Council is in a strong position to bid for any further grant funding. Within 2024/25 further LED lighting upgrade projects and BEMS upgrades will be delivered in our properties that will help the Council meet its energy and carbon reduction objectives. Most medium and large sized sites are now remotely connected to IQVision so further iterative improvements will be made to these sites as well as considering appropriate BEMS solutions for our smaller sites which are not remotely connected at present. The Council has undertaken work to identify further potential projects with a pipeline of future projects now in place.

4.5.8   The Council has undertaken a renewal program of utility meters, focussing largely on the implementation of automatic meter readers (AMR). This allows for monitoring of utility consumption within a 24-hour window as half hour meter readings, presenting the opportunity to quickly address faults and excessive energy consumption. We now have 100% AMR data coverage of all corporate (Non-Housing) gas supplies. Work also commenced in November 2021 to install AMR on metered water supplies for the first time. 61 water AMR are now installed providing 31% coverage of all metered supplies. Water AMR provides an early warning system for water leaks with the AMR being used at Forehill PS to identify and fix a leak resulting in a leak allowance of 3690m3 and a refund of £6463 being received by the Council. Electricity AMR have also been invested in with 37% coverage of all metered supplies across the estate. The other major benefit of AMR is that it ensures that accurate reads are used for billing, and it has been noted that billing to estimate reads has significantly reduced. We will continue to review and extend AMR coverage across our buildings focussing on buildings with the highest consumption or where significant opportunities exist to make savings. The availability of high-quality utility data is essential to our efforts to reduce energy consumption and associated carbon emissions.

4.5.9   The necessity for Building Energy Management Systems (BEMS) was starkly outlined during the Covid-19 lockdowns, when energy staff worked to ensure heating controls were adapted for building closures. A new Trend IQVision software platform has been installed and there are now 90 sites connected to this system. The system allows remote access to BEMS to monitor and make controls adjustments. Timeclocks, setpoints and other settings can now be adjusted remotely and this system is now also used to manage holiday heating shutdown periods e.g. school holidays. Significant savings have been achieved, in total reductions equate to 4.6million kWh, £245,000 of costs avoided and 833 tonnes of CO2e reduced. IQVision integration has had a transformative impact on how we manage building energy consumption and is now a critical system used by several staff on a daily basis. This programme continues to develop to ensure that all BEMS can be monitored and accessed remotely, allowing energy staff to adapt heating controls, identify errors, and manage instances of severe weather without the need for a site visit. Improvements on AMR and BEMS coverage are interlinked in providing reductions in energy use, carbon emissions and travel requirements.

4.5.10   The requirement for a building heating policy was identified as a result of BEMS work. The Council didn't have a document that defined heating times and temperatures and staff and service responsibilities. A heating policy document has now been created and was shared with services in August 2023 (see Appendix I). Formalising the approach around how we heat our buildings has had many benefits allowing energy saving opportunities to be maximised. This also brings the Council in line with other local authorities who either have a policy in place or have been looking to introduce this policy in response to recent utility cost price increases.

4.5.11   The Council completed its draft Local Heat and Energy Efficiency Strategy for public consultation between 16th February and 10th April 2024. Once consultation and service feedback have been implemented a final draft will be formed for Full Council on 27th June 2024. The LHEES is a specialised plan for heat decarbonisation, taking a data driven approach to identify areas of intervention. Interventions will be focussed on areas of developing heat networks, and energy efficiency improvements, especially where this is a driver for fuel poverty. Initial work will look at wider engagement with private and public partner organisations, development of feasibility work on heat network potential and building level intervention plans. This work will link closely with the Ayrshire Energy Masterplan, looking at area wide investment opportunities.

4.5.12   The Council is supporting the development of an Ayrshire Energy Masterplan which represents a cross-authority approach to develop a strategic energy vision for the Ayrshire region. This will include socio-economic and techno-economic modelling to identify investment opportunities, areas of business growth, and skills and supply chain development areas. Strategic outcomes will link with LHEES through local energy and heat generation, decarbonisation, investment in local carbon technologies, and a just and inclusive energy transition. The Ayrshire Energy Masterplan strategy report will be finalised in 2024.

4.5.13   The council appointed consultants in September 2019 to undertake a forensic investigation into the 'pass through' and non-commodity charges within the energy and water billing. Third-party costs from the Distribution Network Operator, the Grid and HMRC account for over 50% of the energy billing, many of which are complex comprising of multiple components. This work took some time to complete and was delayed due to Covid 19 site access restrictions. This work concluded in January 2023 and the Council has received a total saving of £93k. The £93k saving includes refunds and first year cost savings but it should be noted that the savings will recur meaning that the savings benefit to the Council will be much higher than the £93k figure. This has been a very worthwhile project, and will be repeated in 3 years. Learnings have been integrated in business as usual checks for bill validation and staff have been upskilled.

4.6   Office Accommodation

4.6.1   The Covid-19 pandemic resulted in a significant change to work patterns which have endured to a significant extent across both the Council and the wider economy. Enabled by technological innovation many Council services have chosen to adopt flexible work patterns where possible and appropriate. Many non-frontline staff are now working part of their week at home and part of their week in a Council office. As a consequence, parts of the Council's office accommodation estate are now significantly under-occupied.

4.6.2.   Offices remain an important aspect of working life in the Council and are important in fostering collaboration and a sense of togetherness within and between teams and services. We will also seek collaboration with public sector partners where co-working offers opportunities for improved service delivery – for example through hub/locality models.

4.6.3.   Under occupancy of property is a poor use of Council resources and does not foster a positive and vibrant working environment. The Transforming the Estate work programme was approved at Cabinet of 23 May 2023 and provision was made to significantly rationalise the Council's office estate. Therefore, AMCAT will look to reduce the office accommodation footprint where possible through a process of office rationalisation and consolidation. This work will reduce revenue property costs, reduce the Council's CO_2 emissions, provide a capital receipt to the Council, and result in fully populated workspaces. Where AMCAT identify that a property is surplus to operational requirement, AMCAT will, having engaged with the affected service(s), and having identified suitable alterative provision appropriate for the needs of that service (where required), seek ELT approval to rationalise the property. Thereafter Council properties identified as surplus to Council requirements must be vacated within three months of such a decision being taken by ELT. This shall increase the efficiency of property rationalisation, maximise revenue savings, and expedite capital receipts. The property in question will then be subject to the processes defined by the Council's Policy for the Acquisition and Disposal of Land and Buildings and the Scheme of Delegation.

4.6.4   All requests for office moves should be addressed through the Director, Housing, Operations and Development to ensure equity in office space allocation and will be subject to ELT approval.

4.6.5   Office accommodation will be kept under review and where under occupancy is identified this will be managed as required in order to ensure effective and efficient uses of resources.

5. Capital Asset Management Planning

5.1 The Council's Financial Strategy is to continue to invest in the assets of the Council over a 10-year period through an affordable and deliverable capital investment programme which reflects both available resources and delivery of Strategic Objectives and Outcomes.

5.2 The Council has previously developed and implemented a Business Case process including option appraisal linking to the AMP (See Appendix A).

5.3 In addition, the membership of the Capital Asset Management Group (CAMG), comprising senior officers representing all services, which is tasked with ensuring the effective management of the capital programme and the evaluation of new bids brought forward.

5.4 Since 2015 all bids for all new capital projects are considered on an annual cyclical basis and accord with a timescale that aligns with the budget setting process in December each year. This has ensured that projects are considered and evaluated on a consistent basis related to strategic objectives and corporate policies and recommended to Members for future investment on that basis, consultation with Portfolio Holders on an ongoing basis will ensure lines of communication are kept open during the year with final proposals and recommendations being brought forward for formal approval through the budget process annually.

5.5 In recent years the Council and the Scottish Government have funded an increasing range of place based projects through initiatives such as Place Based Programme, Ward Capital Programme, Promenade Capital and Regeneration Capital. The nature and form of capital projects funded under these arrangements are different from the property focus of the existing CAMG. This AMP introduces a second CAMG grouping – CAMG Place Planning (CAMG-PP) to oversee the approval of these projects. This will compliment the existing CAMG as described above which will henceforth be referred to as CAMG Corporate Property (CAMG-CP).

5.6 CAMG – Corporate Property

5.6.1 As part of the continuous improvement in the Councils approach to asset management, the CAMG-CP will focus on corporate property projects and has approved a capital programme for a 10-year period. This enables longer term capital investment plans to be developed in the context of improving the linkages between capital investment and Council strategic objectives and key Outcomes.

5.6.2 Bids for all new capital projects are considered on an annual cyclical basis and accord with a timescale that aligns with the budget setting process in December of each year. This will ensure that projects are considered against the Council's Strategic Objectives on a prioritised basis having regard to existing programmes, available resources and deliverability.
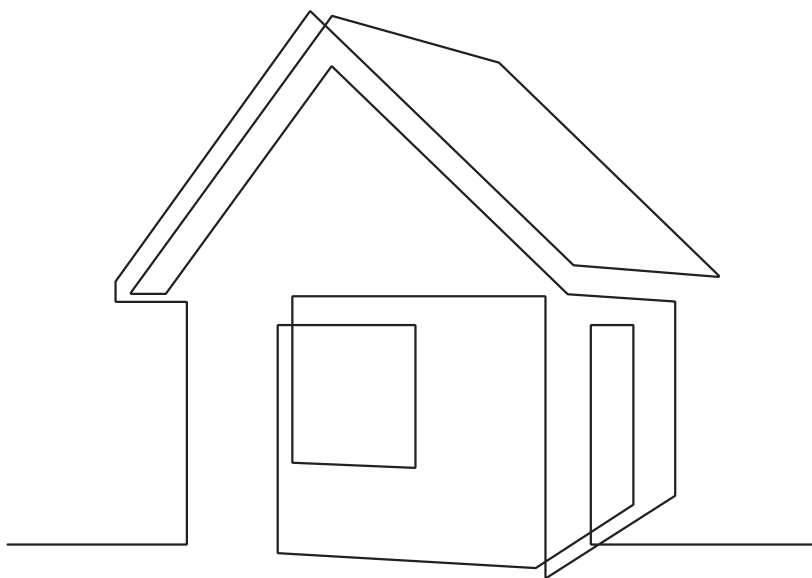
5.6.3   The Financial Regulations published in June 2024 detail the procedure for the preparation annually of a financial plan for the capital investment programme.

5.6.4   The basis for assessment of business cases for projects is as follows: completed business cases are considered and assessed at the one time by the CAMG-CP in September each year; recommendations from the CAMG-CP based on the scored templates are passed to the Executive Leadership Team (ELT) for consideration in October; and proposals are presented to Elected Members for inclusion in the Capital Programme

5.6.5   The CAMG-CP is established to consider at a strategic level, corporate property issues and investment options. The membership of the CAMG is as follows:

- Director – Housing, Operations and Development (Chair);
- Director of Health and Social Care;
- 2 x Assistant Director Housing, Operations and Development;
- Chief Financial Officer;
- Quality Improvement Manager - Education Support Services; and
- Service Lead Asset Management & Community Asset Transfer

5.6.6   Capital projects are considered on a regular basis by the CAMG-CP with a view to producing a Capital Project Business Case for each project. Services work together with relevant officers across services as required to complete the template sections 1 to 4, with the actual scoring of the project in section 5 undertaken by the CAMG-CP. Only projects in excess of £100,000 capital requirement will be subject to this process.

5.6.7   Projects under £100,000 will be prioritised and approved through a separate form submitted to the CAMG-CP. These will be considered and approved utilising a similar methodology for main capital bids. There may be various sources of funding utilised for works in this category of value including the CRA fund and the Repairs and Renewal Fund. The method for approval of these bids by the CAMG-CP can be achieved through circulation of bids through emails and/or meetings.

5.6.8   Works required to be undertaken and proposed to be funded by the Repairs and Renewal Fund in excess of £100,000 will require to be considered for recommendation by the CAMG-CP but will require formal approval by Cabinet.

5.6.10   The Housing Asset Management Group (HAMG) is an operational sub group of CAMG-CP. It meets on a monthly basis to discuss the Housing capital programme and ensures that spend is monitored throughout the financial year. Any adjustments to capital programme budget lines are referred to the CAMG-CP or Cabinet for approval. The HAMG sub group is chaired by the Service Lead - Housing Services and consists of senior officers within Housing and Finance. It fulfils a similar role to the CAMG-CP sub group. It also discusses potential new housing projects, energy efficiency measures, new build /demolition projects, larger scale environmental projects in housing areas and feasibility proposals.

5.6.11   If, at any time following approval it becomes apparent that a capital project will be overspent or if the phased expenditure for the current year is likely to vary between years, then following consultation at either the Capital Asset Management CP Sub-Group or the Housing Asset Management Sub-Group, it shall be the duty of the Service Lead – Asset Management & Community Asset Transfer / Service Lead - Housing Services to report such variation immediately to the CAMG-CP.

5.6.12   Where a budget variance amount is less than £100,000, the transfers or adjustments to funding shall be considered by the CAMG-CP and formally approved by the Director – Housing, Operations and Development as Chair of the CAMG-CP. Where the variance amount is in excess of £100,000 or if the phased expenditure for the current financial year is at any time expected to vary by an amount in excess of £100,000, then approval must be sought from Cabinet.

5.7   CAMG – Place Planning

5.7.1.   This AMP introduces a new 'Capital Asset Management Group Place Planning'(CAMG-PP). The CAMG-PP will focus on delivering capital 'place planning' projects between 2024 and 2027. Funding is allocated by Ward and was approved at Cabinet 25th April 2023 and is as follows:

Year/Project	2023-24	2024-25	2025-26	2026-27
Girvan Regeneration Projects	£1,500,00	£1,500,000		
Place Plans	£700,000			
Place Planning and Community Led Projects	£1,750,000	£1,750,000	£1,750,000	£1,750,000
Place Planning and Ayr Ward West/Ayr Town Centre Projects	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Promenade and Shorefront Enhancement Scheme	£850,000	£500,000	£500,000	£500,000

5.7.2   Potential projects and considered by CAMG-PP to ensure that projects are considered on a consistent basis and following due diligence.

5.7.3   With a place making focus potential Place Planning Projects are scored on place based outcomes such as visitor attraction, enhancing town centre vitality and compatibility with heritage conservation objectives. However, given the need to manage a range of these projects and with the emerging Council budgetary position, potential projects are also scored on their deliverability prospects and opportunity to reduce revenue cost and improve property condition. The bid form for Place Planning Projects is set out in Appendix H.

5.7.4   Regeneration projects will be identified through masterplans developed for each area. Masterplan projects will be first screened by CAMG-PP before being recommended to Council/Cabinet for public consultation. CAMG-PP will ensure that projects satisfy diligence requirements of Best Value and IIA. No further approvals are required from CAMG-PP.

5.7.5   The basis for assessment of business cases for projects is as follows:

completed business cases are considered and assessed on a rolling basis and as required when projects are sufficiently developed to enable CAMG-PP proper consideration;
for projects with an estimated cost of more than £100,000 recommendations from the CAMG-PP based on the scored templates are submitted to Cabinet or Council for approval..
The Director of Housing, Operations and Development, in consultation with Ward Members, has delegated authority to authorise projects with an estimated cost of less that £100,000 following CAMG approval.

In the event of a project exceeding its approval estimate once a project has been approved then the Director of Housing, Operations and Development, as Chair of the CAMG, will have delegated authority to progress the project, including consultation with the Section 95 Officer, provided that it does not exceed £100,000 from its estimated cost and can be financed from elsewhere within the Capital Programme.

5.7.4   The CAMG-PP membership is as follows:

- Director of Housing, Operations and Development

- Director of Strategic Change and Communities

- Legal officer nominated by Chief Governance Officer

- Assistant Director Housing and Operations

- Assistant Director Planning and Development

- Assistant Director Communities

- Service Lead Professional Design Services

- Service Lead Asset Management & Community Asset Transfer
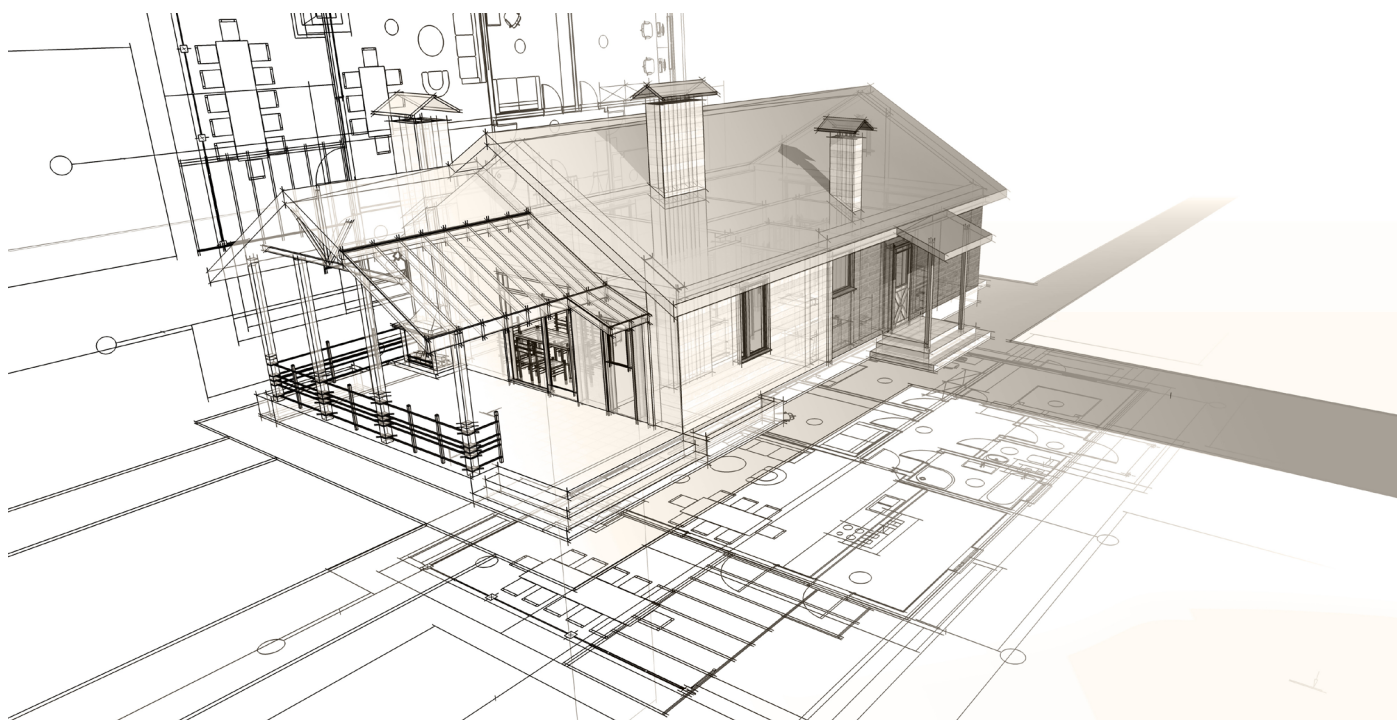
6. Conclusions

6.1   This AMP is focused on improving our properties within the budgets we have available. The AMP is a dynamic document which will be adaptable and will be reviewed and reported on an annual basis.

6.2   This AMP will provide information and direction to the following range of stakeholders:

- The Council, its Panels and Elected Members – to inform how available land and building assets are currently used;

- Chief Officers, Service Leads and Employees – to help identify the available resources and assist in service delivery planning;

- Residents and visitors of South Ayrshire – to show how the Council's land and building assets impact on service provision; and

- Partners – to help identify opportunities for joint working.

6.3   It is essential that the Council embraces this approach to asset management and strives to invest to ensure our land and building assets are fit for purpose. This will enable efficient resource deployment, service rationalisation, longer term financial planning and improved risk management.

7.   Appendices

A – Capital Business Case Form

B - Scottish Government Elemental Listing for Condition Surveys

C - Property Asset Information

D - Leased Property Information

E - General Services Capital Programme 2024-25 to 2035-36

F - Sample Condition Survey

G - Net Zero Carbon Estate Strategy 2021

H - Place Planning Capital Buisness Case Form

I - Energy Reduction in Buildings