

Aberdeenshire Council

Corporate Asset Management Plan

incorporating Capital Strategy

2010 – 2015



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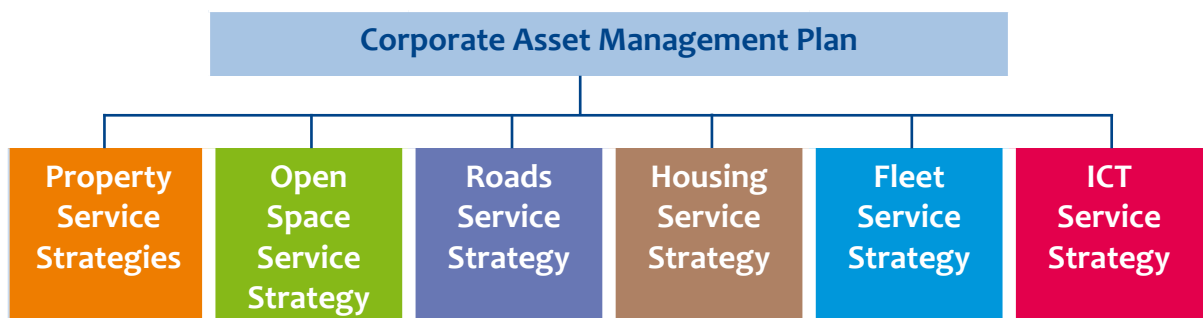
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1 ABOUT THIS PLAN

This, the Council's second, Corporate Asset Management Plan has been developed in line with "A Guide to Asset Management and Capital Planning in Local Authorities" published by CIPFA. This overarching document summarises Services asset based Strategies which sit below and inform this Corporate Asset Management Plan as indicated below:



This Corporate Asset Management Plan also outlines the Council's approach to Asset Management and how this links with the Single Outcome Agreement, the Aberdeenshire Community Plan, and its five community planning themes, and Strategic Priorities which set a clear direction for the Council in ensuring that resources are appropriately and effectively utilised.

The importance of Asset Management is contained within the Strategic Priority:

“Managing our buildings and facilities – Continue the improvement of Asset Management to support and inform investment decisions”

All asset types have, to some extent, clearly defined strategies for their delivery and management which are summarised within this document, along with high level commentary regarding the asset base



2 BACKGROUND

2.1 Background

The Council's asset management process initially focused on the Education Estate in response to the Scottish Executive initiative "Building Our Future – Scotland's School Estate" in 2003. The Council commenced a data collection process and reported these findings in the form of Core Facts to the Scottish Executive Education Department along with the preparation of the Schools Estate Management Plan.

Asset management for remaining assets was the Council's response to the introduction of the Prudential Code. This resulted in the formation of a Corporate Asset Management Group, the work of which was informed by the collection of data concerning assets which covered extent, value, condition, suitability, and where applicable, maintenance and energy costs associated with the asset. This information is utilised to inform management decisions relating to assets.

Services produced initial asset based Strategies which identified key elements and needs required to fulfil the objectives within the Council's Strategic Priorities and Community Plan whilst also meeting the need for additional community infrastructure within areas of population growth. The results of these Strategies were highlighted within the Council's first Corporate Asset Management Plan 2008/09, which covered Property and Roads & associated infrastructure, along with funding requirements.

Services have reviewed and updated original asset based strategies to ensure validity of future requirements and investment. These future requirements and investment needs have been realigned to reflect current timescales, including deliverability, and available funding. This realignment is reflected within the amended Capital Plan.

2.2 Key Drivers to Asset Management

Effective asset management relies on good quality and accurate data to record critical information concerning the performance of assets to:

- inform asset review, appraisal, decision making and planning processes
- monitor and assess the implementation of strategies and asset performance
- support continuous management and maintenance of the asset base
- inform and support future investment proposals

The Council have collected Core Facts concerning its assets, more recently referred to as ‘key drivers’ or the ‘building blocks’ of asset management. Core Fact data collected to date covers:

- extent and ownership of the estate – core fact 1
- value of the portfolio, both valuation and replacement cost – core fact 2
- condition of the portfolio – core fact 3
- suitability of the portfolio – core fact 4 and 5
- annual maintenance costs of the portfolio – core fact 6 pt 1
- annual energy consumption and running costs – core fact 6 pt 2

This information, initially collected from 2006/07 for the operational portfolio, generally aligns with that promoted by CIPFA these being:

KEY DRIVER	DESCRIPTION
Condition	Need to understand the condition of all assets.
Suitability	Also known as ‘fitness for purpose’, suitability refers to how well the asset is suited to its current use.
Sufficiency	Also known as utilisation, sufficiency concerns asset use now and in the future. This ‘driver’ is critical in identifying under utilised assets for alternative proposals to maximise asset use or possible disposal.
Revenue Costs	Concerns the cost of running the asset. Currently this is limited to energy and maintenance costs, however to develop a greater understanding of asset performance, and to inform the decision making process, this is to be extended to include rates, FM costs etc and to be recorded centrally against each asset.
Accessibility	Linked to DDA, this concerns how accessible an asset is to those with disabilities. For property related assets recording of this information is often included within suitability assessments or stand alone access audits. On a wider scale, this also covers how accessible other asset areas are, particularly in ensuring effective asset use by all users.
Value	Valuation information is recorded not only for statutory accounting requirements or insurance purposes, but also to inform the decision making process/management of assets ie market value of the asset, replacement costs etc.

The information recorded and retained covering these key drivers form the basis of management decisions concerning the asset base. This information is also a key element in the informing and supporting of Business Cases for projects.



3 ASSET MANAGEMENT PLANNING IN ABERDEENSHIRE

3.1 Corporate Overview

Aberdeenshire is the 6th largest of the 32 local authorities within Scotland with a population of approx 236,000 and covering a predominantly rural area of 2,437 square miles, comprising a mixture of farmland, towns, coastline and mountains. Traditionally, major industries of the area are agriculture, fishing, forestry and tourism. The emergence of the oil and gas industry along with the related service sector over the past 30 years has resulted in a broadening of Aberdeenshire's economic base. This has led to an increase in the population of Aberdeenshire which has grown by 50% since 1971, and the area has the highest percentage of young people in Scotland which puts particular strain on Council resources. Forecasts predict the population increase will peak around 2012 before gradually falling over the following years.

Unemployment within Aberdeenshire is currently low with a third of the working population commuting to work in Aberdeen. Forecasts indicate that over the next 15 years the proportion of working age people within the area will decrease whilst the number of retired people will increase which, leading to greater demand on Council services.

Many areas of Aberdeenshire experience excellent quality of life with good employment prospects, high standards in health care and low crime levels. However, there remain pockets of deprivation both in urban areas and small or remote communities where lack of access to employment remains a problem.

Aberdeenshire's asset base extends to some 848 facilities which are used for operational purposes, 3, 000 Ha of parks and open space, 3, 400 miles of carriageway, 1, 400 bridges and culverts, 12,954 rented units for social housing, 782 vehicles / key plant plus a further 1711 items of smaller plant and over 14,300 ICT installations (PC's and servers).

3.2 Corporate Vision

The Council has clear aspirations for the future of Aberdeenshire which are reflected in the Aberdeenshire Council vision:

Serving Aberdeenshire from mountain to sea – the very best of Scotland

The best area

Helping to create and sustain the best quality of life for all through:

- happy, healthy and confident people
- safe, friendly and lively communities
- an enterprising and adaptable economy
- our special environment and diverse culture

The best council

Aiming to provide excellent services for all by:

- involving, responding and enabling
- finding new and more efficient ways of doing things
- providing elected leadership for our area
- working with our partners in the North East and beyond
- always looking to the future

3.3 Corporate Framework and Structure

In continuing to address asset management at a corporate level, the Council has in place a structure to manage both asset management and the Capital Plan. The establishment of this structure continues to ensure that asset management issues are progressed cross service.

This structure consists of three strands, these being:

- Policy and Resources Committee
- Strategic Management Team
- Capital Plan and Asset Management Working Group

Policy and Resources Committee – The Policy and Resources Committee act as the approval body for asset management and capital investment decisions with the primary function of:

- approval of the Capital Plan
- approval of the Corporate Asset Management Plan
- approval, at various stages through the Gateway process, for projects inclusion within the Capital Plan and expenditure thereafter

Strategic Management Team – The Strategic Management Team essentially acts as the ‘steering group’ for capital works. The team, chaired by the Chief Executive, comprises Service Directors and Area Managers and meets regularly with items concerning asset management included within the agenda as necessary. Its primary tasks are to:

- manage the capital plan strategy
- ensure a culture of good corporate asset management
- undertake strategic resource management
- manage strategic performance
- consider and approve proposals for capital investment and recommend accordingly to the Policy and Resources Committee



Capital Plan and Asset Management Working Group – The Capital Plan and Asset Management Working Group act as the ‘project group’ for capital works. The group, chaired by a member of the Strategic Management Team, comprises Head of Service representation from each Service. Its primary function is to:

- periodically review and challenge service based asset management strategies
- review the progress of the capital plan and asset management strategy
- assess proposals for new projects
- prepare and propose business plans for assets
- develop data systems for Council assets and manage data collection and analysis
- assess requests from Services to vary the scope or nature of projects in the plan
- recommend to Management Team and Policy & Resources Committee the prioritisation of projects
- implement agreed corporate capital and revenue programmes related to asset management
- manage asset related budgets on a corporate scale
- manage corporate capital and revenue programmes related to assets
- implement the procurement process for assets
- develop service level agreements incorporating responsibilities relating to asset management
- arrange, review and periodically refresh the documentation of the asset management strategy for written and web based publication
- consider and approve proposals for the publication of the asset management strategy

The assessment of requests and proposals by the Capital Plan and Asset Management Working Group includes assessment of option appraisals, along with the examination and approval of business plans for assets, consideration of ‘fit’ with the Service Strategy plans agreed by Strategic Management Team, and consideration of the impact on the Council’s asset base.

3.4 Links to Strategies and Plans

The effective utilisation of the Council’s assets and resources are fundamental in realising the Council’s vision and in fulfilling the Council’s five strategic priority themes as outlined in Aberdeenshire Community Plan 2006-2010, developed with our partner agencies, these being:

- Community Wellbeing
- Jobs and the Economy
- Lifelong Learning
- Sustainable Environment
- Developing our Partnerships

The Council’s Strategic Priorities 2007-2011, developed following consideration of both national initiatives and local priorities, takes into account local circumstances and pressures along with feedback from communities, customers, residents and other stakeholder groups. The Council’s Strategic Priorities outline the overarching outcomes from the priority themes within the Community Plan along with key actions aimed at their delivery.

In addition to the themes contained within the Community Plan, the Council has an additional theme of Corporate Improvement. The strategic priority themes are clearly linked to the Council’s vision for Aberdeenshire.

Services have produced strategies, based on asset type, which outline requirements to enable Services to fulfil the delivery of the Strategic Priorities. These strategies form the basis from which projects identified within both the Corporate Asset Management Plan and Capital Plan are based.



The efficient use of public resources through improvement in the management of assets is fundamental to the effectiveness of this planning framework. The Council ensures a corporate approach to capital spending along with adopting a strategic approach to the management of its assets.

3.5 Corporate Planning

As a lead agency within the area, the Council has clear aspirations for the future of Aberdeenshire which are embodied within the Council's Strategic Priorities 2007-2011 and Aberdeenshire Community Plan 2006-2010. The links between the Councils Strategic Priorities and asset management have been assessed and are summarised below:

Community Wellbeing	<ul style="list-style-type: none"> • Investment within Care and Children's Homes • Upgrade of Respite Homes and Hostels • Upgrade of Sports Facilities (also linked with Lifelong Learning) • Development of "Comfort Partnerships" and upgrade of Public Conveniences • Rationalisation and upgrade of Depots • Upgrade and extension of burial facilities • Investment within the roads network
Jobs and the Economy	<ul style="list-style-type: none"> • Upgrade of Caravan Parks • Upgrade of Country Parks • Refurbishment and development of non-operational portfolio
Lifelong Learning	<ul style="list-style-type: none"> • Investment within the Schools Estate • Investment with the Councils Community, Sports, Libraries and other cultural facilities
Sustainable Environment	<ul style="list-style-type: none"> • Energy conservation measures within Council property • Reduction of CO² emissions towards carbon neutral by 2020 • Retention and reuse of old buildings within Aberdeenshire to protect the historical environment • Improvement of waste and recycling facilities • Whole life costing and sustainable design
Developing our Partnerships	<ul style="list-style-type: none"> • Continue partnership working within North East Scotland Joint Public Sector Groups and Public Sector Property Group • Continue work with Shared Services Board
Corporate Improvement	<ul style="list-style-type: none"> • Effective management of Councils assets through improved Asset Management which informs and supports the decision making process

3.6 Service Strategies

In addition to the Council's Strategic Priorities this Corporate Asset Management Plan is also informed by asset based Service Strategies. Through the Capital Plan and Asset Management Working Group, Services have produced asset based Strategies for all asset types within their control and are key documents referred to in the development of this plan. These asset based strategies generally cover, where applicable:

- Introduction and context
- Service asset policy
- Change in external environment and implication this may have on property
- Service delivery and accommodation needs, overview of accommodation requirements, alternative means of service delivery, alternative work practices
- Summary of future accommodation requirements
- Summary of existing portfolio and its performance
- Review and challenge including gap analysis, surpluses etc.
- Identification of strategic projects along with timescale requirements for the delivery of these projects.

Based on these asset based Service Strategies, the Council reviews asset management at a corporate level the result of which informs both the Corporate Asset Management Plan and Capital Plan requirements.

3.7 Links to Partners

The Council has strongly established links with partner agencies which continue to develop as greater efficiencies within the public sector are sought.

The North East Scotland Joint Public Sector Group (NESJPSG) and its sub group Public Sector Property Group currently has representation from the following organisations:

- Aberdeen City Council
- Aberdeenshire Council
- Grampian Fire and Rescue Service
- Grampian Police
- Moray Council
- NHS Grampian



The Public Sector Property Group (PSPG) develops closer working relationships with all members relating to property matters whilst delivering an integrated property strategy which supports a fully integrated Public Sector.

In addition to the above, the Council has developed strong partnership links with the following agencies:

- Scottish Government
- Community Councils
- Local Rural Partnerships
- Scottish Enterprise
- Voluntary Service Network

These organisations, in addition to those within NESJPSG are key partners in the joint delivery of the Aberdeenshire Community Plan 2006-2010. The Council is also a key stakeholder within Aberdeen City and Shire which is developed to improve efficiencies between the two Councils. The group is also key in the promotion of the area as a destination for living, business, study and tourism.

The Council also has links with both Aberdeen and Banff & Buchan Colleges with both organisations delivering outreach courses from Aberdeenshire facilities.





4 PROPERTY

4.1 Context

Aberdeenshire Council holds a wide and varied portfolio of property that supports a range of services delivered by the Council. These can be divided into two property types:

Non-Operational and Investment Property – Properties which are retained to support economic development within Aberdeenshire or used for investment purposes to generate a revenue income for the Council.

Operational Property – Properties which are used directly to support delivery of services.

The Council’s operational portfolio extends to 848 facilities in total, excluding cemeteries, graveyards, parks and playing fields etc. These can be broken down into the following categories:

OPERATIONAL PROPERTY	NUMBER OF PROPERTIES
Education Learning and Leisure	
Primary Schools	151
Secondary Schools	17
Special Schools	4
Stand Alone Nurseries, incl detached nurseries within school grounds	12
Community Centres	52
Halls (Council)	35
Sports Centres	7
Libraries	38
Museums	30
Swimming Pools	20
Sports Pavilions	54

OPERATIONAL PROPERTY	NUMBER OF PROPERTIES
Social Work	
Care Homes	8
Childrens Homes	3
Respite Homes	5
Hostels	41
Day Centres/Social Work Projects	29
Family Centres	11
Planning and Environmental Services	
Household Waste Recycling Centres	17
Transportation and Infrastructure	
Caravan Sites	11
Depots	56
Stores	18
Quarries	3
Country Parks	4
Cemetery Lodges	6
Interchanges/Park and Ride	2
Corporate	
Offices	109
Council Chambers	13
Public Conveniences	88
Chief Executive	
Training Centres	4
Total	848

The majority of properties are owned by the Council, however a number are leased, predominantly within the office portfolio, or have trust/community involvement in their operation, namely within sports facilities and museums.

Targeted investment, coupled with improved monitoring and recording of completed works, has seen the operational portfolio rising to 73.2% being assessed in satisfactory condition with 55.7% assessed as suitable for their current use, as reported in Audit Scotland SPI's. Continued targeted investment, along with greater challenge of under performing assets, will ensure continued improvement within the operational portfolio.

4.2 Vision

“Support the delivery of the Council’s Asset Management Plan through effective maintenance and management of the Council’s property assets so ensuring that citizens and visitors to Aberdeenshire have the best possible facilities in which to learn, work and play.”

4.3 Goals

Manage property as a corporate resource and adopt a strategic approach to asset management by:

- Managing property as a corporate resource to support the delivery of services
- Maintaining established working relationships with Services
- Ensuring that the outcomes of Services asset based strategies are aligned with the Community Plan, Strategic Priorities and Single Outcome Agreement
- Corporately reviewing outcomes of business cases developed to support projects identified within strategies to secure capital investment

Continue to maintain an accurate asset register with information held against the asset base by:

- Maintaining the property register
- Recording key information centrally against each asset in the property database
- Implementing procedures to update information as projects/works are completed or where changes to asset use occurs
- Implementing procedures to update information on a regular cycle to effectively manage assets and accurately inform property performance reporting arrangements

Minimising impact on the environment from the construction and operation of properties by:

- Implementing a carbon management strategy
- Implementing a fuel choice strategy for heating in new council buildings and when heating is upgraded in council buildings based on scoring system which considers whole life costs, carbon emissions and other factors
- Considering carbon management/reduction and energy consumption during development of the brief and when undertaking planned maintenance
- Considering sustainability within project business cases and option appraisals
- Manage/monitor energy consumption and costs
- Users understand and operate properties to reduce energy consumption

Effectively maintain properties in appropriate condition by:

- Implementing a maintenance strategy that supports maximising extent of planned maintenance
- Regularly assessing and reporting on the condition of the portfolio
- Targeting investment in assets with greatest need identified during condition assessment process and which continue to satisfy Business Case requirements for service delivery
- Provide reactive maintenance to ensure portfolio remains safe and operational
- Reducing faults, failures, disruption and closures by ensuring properties are effectively and adequately maintained through planned maintenance procedures

Ensure the property portfolio is suitable for current use and supports delivery of services by:

- Regularly assessing and reporting on the suitability of the portfolio
- Targeting investment in assets with greatest need identified during suitability assessment process and which continue to satisfy Business Case requirements for service delivery
- Ensuring that, where required by DDA, properties are accessible for people with disabilities by ensuring that, where works take place, these comply with relevant standards and best practice

Ensure the property portfolio is effectively utilised across all levels by:

- Implementing procedures to collate and assess utilisation across the operational portfolio to map current and future demands
- Examining under utilised assets to determine alternative proposals to maximize asset use or to provide the service alternatively
- Developing and implementing common office space standards to ensure efficient use of office accommodation
- Implementing programme to reduce office space by 25% over next 2 years linked to the Worksmart initiative and modern ways of working
- Encouraging shared use of property with community partners
- Regularly reviewing the use of temporary accommodation and remove where no longer required

Manage surplus property by:

- Implementing disposal strategy to ensure that assets that no longer satisfy service delivery, or within strategic locations, are arranged to be disposed of within a set period
- Ensuring that disposal values are maximised



Report performance of the property portfolio to relevant bodies and elected members by:

- Regularly reporting the performance of assets to relevant statutory bodies
- Annual preparation of an Operational Property Performance Report to members which highlights condition, suitability, sufficiency, cost and value of the estate

Adopt a strategic approach to capital prioritisation, project initiation and procurement by:

- The development of capital projects through a stage/gateway process which requires business case to be satisfied to secure investment
- Approval required by appropriate corporate groups/management teams/committee at key stages to ensure corporate buy-in

Ensure that option appraisals are conducted to support investment and disinvestment proposals which consider whole life costs and sustainability by:

- Developing and implementing high level option appraisal/selection process to determine inclusion within the capital plan
- Utilising developed Aberdeenshire option appraisal methodology to determine best value option which considers whole life costs and sustainability
- Developing and implementing policy for under utilised assets

Manage the non-operational and investment portfolio by:

- Effectively managing the non-operational portfolio to maximise revenue income to the Council
- Maintaining the long-term performance of the non-operational portfolio
- Providing appropriate high quality premises which promote and encourage economic development within Aberdeenshire
- Developing a process to collect, record and maintain key asset information concerning the non-operational and investment portfolio

Ensure joint planning, management and sharing of property with community partners by:

- Continued active participation with the North East of Scotland Joint Public Sector Group to identify and implement opportunities for shared premises
- Continued partnership with Government, Community and Voluntary bodies in the delivery of the Aberdeenshire Community Plan



5 OPEN SPACE

5.1 Context

Aberdeenshire has a wide variety of landscapes. Open spaces may be found in or adjacent to woodlands, in exposed coastal zones, along river banks, or form part of the setting of historic buildings. They may have a ‘natural’ feel, or be more formal, with facilities designed across a wide range of age and user groups. In all, Aberdeenshire Council has around 3000 hectares of maintained open space, encompassing a range of types, including urban parks, residential greenspace, playing fields and school grounds. Other public open space includes play areas, areas of natural habitat, community woodlands, and shelterbelts, to which the public have access, as well as riparian and open water features. The protection, enhancement, management and delivery of open space underpins a range of public agendas, many of which inform our work with communities and public sector partners.

Aberdeenshire recognises that good quality, fit for purpose open space is key to delivery on a range of National Outcomes, as defined under the terms of the Single Outcome Agreement between Aberdeenshire Council and the Scottish Government.

Aberdeenshire Councils open spaces include:

- Over 3000ha of maintained Open Space
- 213 Burial Grounds & Cemeteries
- 4 Country Parks
- 10 Caravan Parks
- Over 60 town parks
- 429 Equipped Play Areas
- 18 Skateparks
- 36 recognised and maintained beaches (Including: 8 identified bathing waters, 6 KSB Rural Award beaches, 4 KSB Resort Award beaches)

Aberdeenshire Council has completed a quantitative and qualitative Audit of open space within its settlements (as required by Scottish Planning Policy 11). The information gathered will be considered in three main ways:

- Alongside a standards-based approach in the determination of open space requirements, to ensure ‘best fit’ for the community to be affected by any new development.
- To ensure best value in public spending, both in the delivery, and the care and maintenance of open space, taking into account both the findings of the audit and the objectives of the Strategy.
- To ensure targeted use of developer contributions available for open space and community facilities.

Findings of the open space audit have revealed key characteristics and qualities of Aberdeenshire’s open spaces. More detailed findings from the audit and public consultation have been used in formulating the Action Programme and to identify priority areas for improvements in individual settlements.

The audit findings considered on an individual settlement basis have revealed some recurring issues raised by Community Councils. Overall, there is a widespread demand for relatively minor improvements, notably the provision of seating and bins, and the clearing of litter, which could nonetheless play an important part in improving access to open space.

Other common observations related to tennis court maintenance, provision of facilities for teenagers and the availability of paths to access local woodlands.

5.2 Vision

“To provide high quality multi-functional open space that is easily accessible, safe, welcoming, rich in biodiversity and sustainably managed for the future; which encourages a sense of belonging, and enhances the quality of life of those people who live, work in and visit Aberdeenshire”.

5.3 Goals

Our key objectives are:

- To develop a long-term physical framework for each of Aberdeenshire’s main settlements, into which substantial further development can continue to be expected, and which will link with the developing network of countryside paths
- Identify the actions required to achieve the framework
- Set policies, standards, procedures and provide training required, so that all the relevant Services can apply in concert, both to achieve the framework and to maintain it thereafter to which the Council as a whole is committed to support (in particular with adequate and continuing funding).
- The settlement frameworks will double up as supplementary guidance to the Local Development Plan, and will also reflect/go in parallel with Capacity Studies
- To refine this Plan through consultation with each of the Services involved, other stakeholders and representatives of the general public.

- To define the various potential roles or functions, and essential qualities of each different type of Open Space
 - public parks and town gardens
 - private ground/gardens
 - amenity greenspace
 - playspace – play areas
 - sports areas
 - green corridors
 - natural areas
 - other functional greenspace e.g. cemeteries
 - civic space – town/village centres
- To develop minimum standards and qualitative indicators as opposed to solely quantitative measures of open space. Identify existing shortfalls, over-provision and divergence from qualities desired.
- To identify actions, including those that are possible in the short term, eg interim adjustments to Open Space management regime, supplementary planning guidance, improvement to co-ordination etc; and target consultation to be carried out, as necessary.

In order to deliver the vision, Aberdeenshire Council will be guided by the following Goals and proposed actions:

We will ensure that networks of green and open spaces are well located, designed, and managed, as well as being adaptable, appropriate and sustainable by:

- Linking all spaces into a network, connecting well-used routes via footpaths and green corridors
- Enhancing the quality of open spaces by creating diverse and attractive areas which will add colour and interest to the site, and protect biodiversity. Design out crime and fear of crime.
- Following a management and maintenance regime attuned to the type of space and wildlife habitats present.
- Maximizing the potential of open spaces to adapt to different uses, and to promote a range of benefits
- Considering the need for balance between different areas and types of open space within a settlement, ensuring spaces are fit for purpose.
- Considering whether a site can be maintained over the longer term, minimizing any adverse affects on soil and water, as well as contributions to greenhouse gas emissions

We will improve policies and procedures in relation to the management of open space by:

- Developing a standards based policy for inclusion within the Local Development Plan (LDP)
- Providing justification within LDP settlement statements for detailed application of the policy, based on the findings of the open space audit
- Developing robust mechanisms for the funding and maintenance of the open space resource

- Reviewing information from Section 75 monitoring spreadsheets (s75 Developer Contributions to communities)
- Taking account of views of local communities in the above

We will encourage healthy lifestyles and wellbeing by:

- Providing recreational and exercise opportunities across all age groups
- Ensuring a range of appropriate options are available to male and female user groups
- Ensuring a range of open space types are accessible to all residents of Aberdeenshire
- Promoting an urban design culture in which green space is visually accessible from everyone's home
- Building in capacity for local food production
- Ensuring paths and cycleways provide functional links between community facilities and services

We will work to promote community identity and cohesion by:

- Providing gathering places for residents
- Building in capacity for local food production
- Drawing on and developing public art resource

We will improve the landscaping and visual appearance of communities by:

- Respecting the landscape setting of Aberdeenshire communities
- Maintaining and enhancing the identity and attractiveness of our communities through appropriate landscaping measures



We will conserve, manage and enhance opportunities for wildlife by:

- Incorporating natural spaces as valuable features in developments, and seek biodiversity gains.
- Minimising pesticide use on managed open space
- Seeking to deliver BAP actions through developments
- Minimising use of non-natural surfaces
- Maximising potential of SUDS to enhance biodiversity
- Define minimum percentage of open space to be included on development sites (including SUDS), incorporating biodiversity in civic areas as well as within green infrastructure.

We will promote integration between the location and management of Sustainable Urban Drainage Systems (SUDS) and the open space resource by:

- Maximising potential of SUDS to incorporate biodiversity on developed sites (see above)
- Maximising potential contribution of SUDS as a landscape feature, adding identity to communities
- Encouraging use of the development framework process to design in and agree maintenance of SUDS at pre-application stage, and to consider the potential for regional SUDS.
- Ensuring proposed SUDS are both functional and safe e.g. through consideration within access statements, where appropriate.

We will develop the resources and structures required to implement the Strategy & Plan by:

- Raising the profile of open space across the Council with reference to National Outcomes and related strategic priorities across the Services
- Increasing expectation of open space provision as part of a wider drive to improve the sense of place and design within our communities
- Appropriate utilisation of developer contributions in terms of delivering quality, functional open space
- Promoting cross-Service and partnership working on open space issues
- Seeking to recognise and enhance the role of greenspace staff





6 ROADS, STRUCTURES, LIGHTING AND WATER INFRASTRUCTURE

6.1 Context

The public road network plays a vital role in the movement of people and goods without which our society simply could not function and is the conduit for the delivery of basic utility infrastructure; water, sewage, electricity, gas and telecommunications. In one form or another, it is used daily by the entire community. It is the largest and most visible community asset in Aberdeenshire and comprises carriageways, footways, street furniture, bridges & culverts, retaining walls, traffic signals, lighting and drainage. An efficient and effective public road network is fundamental to delivering community well-being, economic prosperity and a sustainable environment.

On a replacement cost basis, the value of the Aberdeenshire Council road network is some £2.6 billion with a total route mileage of around 3,400 miles and some 1,400 bridges & culverts. The table below illustrates the diversity of public assets constituting the public road network. The table also includes water infrastructure managed by the Council as a harbours authority, a flood prevention authority and a coast protection authority.

ASSET GROUP	ELEMENTS
Carriageways	Carriageways, kerbs, gullies, road markings
Footways	Footways, cycleways, hardened verges
Street Furniture	Signs, bollards, fences, pedestrian barriers, safety fences, bus shelters, litter bins, seats, trees & planters, street nameplates, grit bins, boundary walls (non structural or height less than 1.5m)
Bridges & Culverts	Bridges (spans 1.5m or more), culverts (spans 1.5m or more)
Retaining Walls	Retaining walls (structural with height 1.5m or more)
Traffic Signals	Signalised junctions, pedestrian crossings, school crossing lights, interactive traffic signs
Lighting	Light columns, lamps, cabling, feeder pillars, illuminated traffic signs, illuminated bollards

Road Drainage	Gulley connections & pipework, road offlets, surface water drains, ponds, swales, detention basins, filter drains, absorption drains, culverts (spans less than 1.5m)
Water Infrastructure	Flood alleviation structures, coast protection structures, harbours and associated infrastructure

6.2 Vision

“To provide a safe, well-maintained and sustainable transport network that will enable a more economically competitive, sustainable & socially inclusive society and facilitate community well-being and a sustainable environment within Aberdeenshire.”

6.3 Goals

Our key objectives are to ensure that the road network and civil engineering infrastructure:

- facilitate the Councils Strategic Priorities, “Community Well-being”, “Jobs and the Economy” & “Sustainable Environment”
- contribute to achieving the Single Outcome Agreement
- achieve the objectives of the Regional & Local Transport Strategy
- continue to perform their function at minimum whole-life cost

We ensure the safety of road network users by:

- taking action to reduce the number of casualties on our roads
- ensuring that our communities enjoy an appropriate standard of street lighting
- ensuring that traffic signs are legible, clearly visible and appropriate
- regularly undertaking safety inspections and following up reports from the public to ensure that hazardous defects are identified and rectified promptly

and will in the future:

- ensure that improvement action is taken without delay wherever an unacceptable risk of road traffic accidents is identified
- further reduce the number and severity of traffic related accidents
- improve the safety and security of journeys by reducing casualties and enhancing the personal safety of all users of the transport network
- achieve increased use of active travel and improved air quality as part of wider strategies to improve the health of north east residents



We manage & maintain the road network:

- to as high a standard as practicable
- to function as a fully effective road network
- to improve accessibility and support commercial, industrial and residential development
- to minimise delays and congestion

and will in the future:

- ensure a high standard of maintenance in town centres, at tourist attractions and on tourist routes to enhance visitor experience
- eliminate weight restrictions on bridges where to do so would remove constraints on economic activity or significantly reduce journey distances for commercial traffic, thereby reducing Aberdeenshire's carbon footprint

We will make infrastructure more sustainable in the future by:

- promoting sustainable construction
- moving towards more sustainable travel methods throughout Aberdeenshire
- preparing & implementing a coastal management plan

We respect our unique environment & heritage by:

- cherishing our built heritage by retaining old & historic bridges in use on the network and retaining & enhancing them when strengthening or improvement is necessary, in preference to replacement
- cherishing our unique environment by ensuring that our road network infrastructure is as unobtrusive and sympathetic to its surroundings as possible
- assessing the ecological impact of proposed works
- adopting soft sustainable solutions wherever possible

and will in the future:

- reduce the environmental impacts of transport in line with national targets
- reduce growth in vehicle kilometres travelled
- reduce the environmental footprint of transport services, infrastructure and networks by reducing harmful emissions, and consumption of non-renewable resources and energy



We promote jobs and the economy by:

- supporting NESTRANS in the delivery of the Regional Transport Strategy
- making the movement of goods and people within the north east and to and from the area more efficient and reliable
- managing & developing our harbours so as to meet local business needs
- setting appropriate standards for road construction consent and adoption and engaging with developers from an early stage in the planning process.

We ensure road network asset performance by:

- regular, systematic inspection
- targeted & prioritised maintenance

and will in the future:

- develop asset management planning & integrate it into the daily task
- minimise whole-life costs by long term financial planning
- set asset performance standards & report on asset performance
- provide regular asset performance & cost data to decision makers
- benchmark costs and performance wherever practicable

Our approach will be to:

- aim for the highest standards in design to achieve well designed, sustainable places where we are able to access the amenities and services we need
- be innovative, effective, responsive & efficient to provide public services of high quality, continually improving, efficient and responsive to local people's needs



7 HOUSING

7.1 Context

The council currently owns around 10,178 main stream rented housing properties 1,542 sheltered homes and manages a further 65 homes owned by others. The stock is in good condition and, due to careful investment, will meet and exceed the requirements of the Scottish Housing Quality Standard (SHQS) by 2015.

A summary of the type of housing is shown below.

TYPE OF HOUSING	NUMBER OF HOUSES
Mainstream Housing	10,178
Sheltered Housing	1,516
Very Sheltered Housing	26
Amenity Housing	1,169
Leased Housing	65
Temporary Accommodation Blocks	3
Total	12,954

Information from Stock Condition Database, correct as of 19th July 2010.

Temporary Accommodation Blocks consist of multiple bed spaces and aren't included in the total shown above.

The value of the stock as a disposable asset and in rental cash flow terms is very substantial. The disposal value of the stock, in 2006, was approximately £841m and outstanding debt levels at 31 March 2010 of £1.25bn. However the 2009 Housing Business Plan shows that this is manageable and also allows for a limited provision to develop a new council house building programme.

In 2000 the council completed a detailed option appraisal exercise using independent consultants. The appraisal concluded that there is a very heavy demand for the council's stock, with no low demand housing, and with tenant support it could be retained with confidence rather than be subject to voluntary transfer. As a result, a thirty year housing investment programme totalling £577m was agreed that will allow the continual investment and improvement of all council housing.

7.2 Vision

“To work in partnership to ensure every household in Aberdeenshire has:

- ***access to housing***
- ***of good quality***
- ***which meets a required particular need***
- ***in a sustainable and inclusive community”***

7.3 Goals

We will continue to provide good quality affordable homes to people in housing need by:

- Reviewing and publishing an allocations policy
- Implementing statutory guidance in relation to homelessness
- Providing housing for particular needs provision as appropriate

We will maintain council housing to a standard at least comparable with the SHQS:

- Carrying out appropriate stock condition surveys
- Preparing a housing capital programme
- Preparing a planned maintenance programme

We will maximise use of existing and new housing by:

- Reviewing the housing allocations policy
- Developing a New Council Housing building programme
- Work in partnership with other providers (e.g. producing a Common Housing Register, to examine a common allocations policy)

We will maintain a balanced portfolio through new build, acquisitions, sales, remodelling, tenure diversification, demolition and redevelopment by:

- Develop an Asset Management Plan for Housing
- Carrying out stock condition and full structural surveys
- Undertaking housing needs studies
- Carrying out public consultation
- Being guided by political priorities

We will contribute to neighbourhood regeneration by:

- Using powers proposed in the Housing Scotland Act 2006
- Develop a Mixed Tenure Factoring procedure

We will encourage a Council wide approach to investment by:

- Implementing the Affordable Housing Strategic Outcome Statement
- Seeking to create balanced and sustainable communities
- Working in partnership with various interest groups

We will ensure the stock complies with relevant regulatory requirements by:

- Carrying out stock condition surveys
- Undertaking regular servicing contracts in line with legislative and good practice guidelines (e.g. annual gas servicing, electrical testing, lift servicing, fire alarm testing, chimney sweeping)
- Developing a comprehensive Asbestos register of Refurbishment and Demolition surveys linked to all Stock Improvement, Planned Maintenance and Repairs works
- Implementing detailed 3 year stock improvement programmes, led by a comprehensive 100% stock condition database linked to the 30year Housing Business Plan
- Investment to reduce carbon emissions, investigate opportunities to maximise the use of renewable energy and, as far as is reasonably practical, to eliminate fuel poverty by 2016
- Undertaking an Energy Audit of all council housing using RdSAP (Reduced Data Standard Assessment Procedure) to produce Energy Performance Certificates for all properties
- Developing an Affordable Warmth Policy linked at the next review to the Rent Setting Policy





8 FLEET

8.1 Context

The council has a fleet of 2476 vehicles and plant that support delivery of services. They include:

- 177 vehicles over 3500kg
- 68 welfare and 17 seat mini buses
- 393 vans and tippers up to 3500kg
- 54 Tractors/JCB's/Telehandlers
- 15 Heavy quarry plant Items
- 58 Ride on Grass Cutting Mowers
- 1711 Various plant/trailers/Landscape Services Equipments

8.2 Vision

“To provide an efficient and effective Fleet Management and Vehicle Maintenance Service”

8.3 Goals

We ensure that all council services have the appropriate vehicles and plant to carry out their duties by:

- Having a ten year vehicle and plant replacement programme
- Holding regular Service level meetings with all internal customers
- Providing a central in house and external vehicle hire desk facility
- Offering flexible workshop opening hours that suit our customers business needs and continue to monitor this
- Providing demonstrator vehicles and plant when required

We ensure vehicles are maintained to VOSA (Vehicle Operator Services Agency) standards by:

- Regular inspection as per manufacturers warranty procedures for vehicles under 3500kg and 8 weeks for vehicles over 3500kg as defined by our Operators Licence OM0021117
- Ensuring vehicles are fit for purpose and kept roadworthy and comply with Construction and Use regulations
- Providing in house Class IV, V & VII MOT facilities by VOSA trained mechanics

We ensure fleet asset and internal/external hire management information is collated and stored effectively by:

- Continually updating Tranman Fleet Management Software as and when new vehicles and plant arrive and are disposed
- Updating individual files and maintenance history
- Rolling out the Fleet Web Portal for customer information and ease of accessibility including fuel, maintenance, servicing, asset register, out with contract charges, internal contract charges and spot hire charges
- Monitoring all charges from Tranman to the various financial ledgers within the council

We demonstrate Best Value by:

- Benchmarking through the APSE network.
- Through our Central Procurement Unit and Scotland Excel procurement contracts

We consider the needs of our Internal Customers by:

- Holding regular meetings with service users
- Advising on legislation and new technology
- Arranging vehicle demonstrations

We will ensure vehicles are environmentally Friendly (Best possible in class) by:

- Using the latest engine technology available (currently Euro 5)
- Electronically limiting vehicles 3500kg and under to 60 M.P.H. and over 3500kg to 50M.P.H. to reduce both emissions and fuel consumption by up to 10%
- Carry out a Green Fleet review with assistance from the Energy Savings trust.
- Evaluating alternative fuels dependant upon local infrastructure





9 ICT

9.1 Context

Aberdeenshire Council owns and uses a significant range of ICT assets including:

- Data centre facilities (server rooms, server racks, air conditioning, UPS)
- Communication lines and network equipment (including cabling, switches, hubs)
- Servers (line of business applications)
- Servers (corporate applications – e.g. internet, email, firewall, GIS, CAG)
- Storage and backup systems (e.g. storage area network servers, tape devices)
- PCs, laptops, handheld devices, printers, scanners
- Software applications and systems
- Software licences and contracts
- Domain names and security certificates
- Data and Information

ICT-related planning and operational management in the Council is undertaken on a whole life basis using the following techniques:

- Identification of need in light of Service and corporate strategic requirements
- Procurement, including ongoing maintenance
- Managed operation by the asset users
- Regular review of fitness for purpose and performance
- Disposal when the need no longer exists or it is no longer appropriate or financially advantageous for the asset to be retained

It is estimated that, on an annual basis, the ICT division of Corporate Services:

- Handles around 72,000 incidents and change requests
- Manages and delivers over 100 projects
- Supports over 300 servers
- Supports over 14,000 PCs (5,000 corporate, and 9,000 in school classrooms)
- Supports over 30,000 internet accounts (including school pupils)
- Supports over 5,000 corporate e-mail accounts
- Supports over 200 line of business software systems

ICT purchasing is provided through supply and service contracts facilitated by the Council's Central Procurement Unit. The Council utilises framework agreements providing for hardware and peripherals. The Council's Capital budget is approximately £2.4m p.a. (currently under review).

9.2 Vision

“We aim to support the Council to be the best in Scotland by providing our customers with ICT systems and services that enable greater efficiency, higher performance, improved customer service and innovation.”

9.3 Goals

In general, we will:

- Provide the best ICT solutions and services to suit the agreed needs of our customers within the resources that are available
- Assist our customers to identify their ICT requirements and choose the best solutions to meet their needs
- Promote continuous improvement and appropriate innovation
- Provide an ICT infrastructure and information systems to agreed levels of functionality, performance, capacity, security, accessibility and usability
- Develop and maintain effective communications links with our customers and external partners
- Use best practice professional standards to underpin the services we provide
- Encourage and promote education and training relevant to the effective management and exploitation of ICT

Specifically, in relation to ICT assets:

- We will ensure effective and efficient identification, management and operation of ICT assets:
- Comprehensive asset management information is collected, maintained, readily available and stored efficiently
- Information is identified and maintained relating to system “roadmaps”, lifecycles and replacement plans
- Detailed information is maintained in relation to contractual obligations, leasing, warranties and software
- Asset management information is in line with all other Council processes and procedures e.g. financial planning, service planning and project management
- Robust asset management procedures appropriately inform ICT service delivery and management

We will ensure the effective planning, procurement and deployment of ICT assets solutions:

- Informing ICT Capital and Revenue budget planning, ICT service and workload planning
- Managing the deployment of ICT assets in accordance with Council project management procedures

- Identifying the optimum point for system upgrades, minimising operational impact whilst ensuring efficient delivery using appropriate deployment tools
- Minimising costs via efficient processes, partnership approaches and economies of scale
- Assessing affordability and determining priorities
- Centralising purchasing and supply contracts for hardware and standard software
- Ensuring an option appraisal framework is in place to clearly demonstrate benefit, best value and total cost of ownership
- Ensuring compliance with all other appropriate Council strategies including the Council's Strategic Priorities, Continuous Improvement Plan, ICT Strategy, Information Management Strategy, and ICT Technical Framework
- Exploiting appropriate e-procurement, legal and framework agreements for hardware and software
- Ensuring a corporate approach to the exploitation of shared service/ infrastructure/ hardware/systems opportunities
- Ensure all new hardware and software are thoroughly tested to ensure technical and operational compliance



We will ensure that assets are suitable, operational, accessible and maintained to required standards:

- Challenging the need for ownership/retention of under-performing assets
- Taking advantage of a corporate approach to ownership in a shared infrastructure
- Minimising operational overheads and annual running costs
- Better co-ordination of assets, management and budgets
- Ensuring effective capacity planning is undertaken
- Ensure regular monitoring and reporting on the performance of ICT assets, including identifying redundant hardware and software
- Ensuring backup/recovery of systems and disaster recovery of critical systems
- Maximising interoperability opportunities between hardware, applications, systems and networks
- Ensuring appropriate information security (availability, integrity and confidentiality)
- Ensure compliance with internal and external audit requirements

We will ensure that new assets are sustainable and affordable for the whole life of the asset:

- Identification of operational sustainability including storage, space and cooling
- Ensuring all new hardware is energy efficient in line with Council’s Energy Policy and associated targets
- Levering as much practical life out of assets as possible
- Working closely with hardware vendors to ensure maximum benefits are realised and support contracts are in place and fully documented
- Developing “roadmaps” and replacement plans for all ICT assets integrating opportunities for consolidation and the application of new, more economic technologies

We will ensure the effective retiral and disposal of ICT assets complying with legislative and operational requirements:

- Complying with the EC Directive on Waste Electrical and Electronic Equipment (WEEE) and the Council’s Sustainability Charter.
- Ensuring the information storage framework fulfils the statutory obligation of the Council in relation to Freedom of Information and the Council’s own records management policies for the retention and archival of information
- Maintaining replacement plans for hardware, systems and networks
- Ensuring the efficient and safe removal of electronic data





10 CAPITAL INVESTMENT STRATEGY AND ASSET MANAGEMENT

10.1 Introduction

Aberdeenshire Council holds assets, including Housing Revenue Account (HRA), with a value in excess of £1.8 billion with a total spend on capital funded projects in 2009/10 of £73 million. The Council adopts innovative procurement methods, flexible approaches to financing capital projects and a robust and rigorous approach to the management of its capital and assets in order to deliver its key objectives, whilst treating funds as a corporate resource.

10.2 Sources of Funding

Borrowing – A large proportion of resources used to finance the Council’s capital expenditure comes from borrowing, predominantly from the Public Works Loan Board (PWLB) with other borrowing coming from market loans i.e. bonds and mortgages. In managing the Council’s borrowing, the objective is to arrange borrowing activities in order to minimise the average rate of interest payable on the Council’s loan debt, while spreading the maturities of the debt over different timeframes to minimise exposure to interest rate movements. The Council receives an element of support for the costs of borrowing from the Scottish Government through the Revenue Support Grant mechanism.

The Prudential Code for Capital Finance in Local Authorities (the Prudential Code) introduced in 2004 encourages authorities to take a strategic view of capital financing requirements, which permits borrowing beyond previously capped levels on the basis the Council can demonstrate the borrowing decision is affordable, sustainable and prudent.

Capital Receipts – The Council generates its own capital resources through the sale of surplus land and buildings. These resources can be used by the Council to invest in new capital projects.

Capital Finance from Revenue – The Council can also use revenue resources to fund capital projects. This includes contributions from both current years budgets and from balances and reserves.

Government Grants – A general government grant is received from the Scottish Government each year which is used to assist general fund capital expenditure. In addition, a number of specific grants are received to assist in the funding of specific capital expenditure.

Capital Fund – Under the Local Government (Scotland) Act 1975, Section 22 allows a local authority to establish a Capital Fund. This can only be used for the purposes of defraying expenditure to which capital is properly applicable or in providing money for the repayment of the principal of loans (but not the repayment of interest on loans). The Council established a capital fund in 2008/09.

Project Specific Contributions from Third Parties – Where opportunities exist, funding from third parties is sought to assist in the funding of projects.

10.3 Alternative Sources of Capital Funding

The Council continues to examine the potential for alternative means of delivering the Asset Management Plan, these include:

PFI/PPP – PFI contracts are agreements to receive services, where the responsibility for making available the fixed assets needed to provide the services passes to the PFI contractor. Payments made by the Council under a contract are charged to revenue to reflect the value of services received in each financial year.

The Council entered into two PFI/PPP contracts, in 2001 and 2004, for the delivery, including facilities management, of 2 Secondary Schools and 7 Primary Schools.

Scottish Futures Trust – The Scottish Futures Trust (SFT) is the Scottish Government's approach to identifying alternative funding vehicles to PFI and PPP. The main purpose of the SFT, as set out by the Scottish Government, is to act as a catalyst for investment into Scottish infrastructure programmes and projects and to deliver better, more efficient infrastructure in Scotland. Council Officers continue to engage with Scottish Government and SFT officers around the use of the SFT for the delivery of certain projects within the Council's Asset Management Plan. The Scottish Futures Trust as a method of capital project delivery and financing will be utilised as appropriate.

Developer Contributions – Developer contributions in discharging planning obligations provide a means of ensuring that developers contribute towards the infrastructure and services needed to make proposed developments acceptable in land use planning terms. Contributions may be financial payments, land or indirect works. The Council currently uses these contributions on an adhoc basis to fund capital expenditure where required as a direct result of such development. The Council continues to review these arrangements to adopt a strategic approach to future infrastructure and development needs.

Finance and Operating Leases – Finance and operating leases are entered into with third parties where savings in the cost of financing asset purchase can be achieved. The Council periodically evaluates this finance method which is generally undertaken in relation to the procurement of vehicles and ICT equipment.

The Council recognises that certain services have greater potential for attracting capital finance from external sources. By operating the principles of Best Value, the Council seeks to implement an appropriate mix of capital investment solutions to enable capital budgets to be aligned to meet all of the Council's priorities. An important aspect of this approach is the need to balance any risks identified with any single delivery vehicle while finding an optimum number of vehicles to avoid too many set up costs

10.4 Planning and Governance

Three plans underpin the capital expenditure of the Council, these being:

- the 3 year general fund revenue budget,
- the 15 year general fund capital plan,
- the 30 year HRA business plan which covers Housing projects.

These plans are regularly reviewed and updated taking into account the economic and funding outlook of the authority.

The development, control, management and delivery of capital investment programmes is of key concern to the Council to ensure that public money is used wisely, best value is secured and the responsibility for decisions is clearly understood and taken at the right level.

In managing the aspirations for capital expenditure from Council Services and its partners, it is inevitable that demands for capital resources to meet capital investment needs and ambition will exceed the resources available to the Council. The Council has established robust mechanisms for the approval and management of capital schemes.

10.5 Managing and Monitoring the Capital Programme

The Council maintains comprehensive and robust procedures for the management and monitoring of the Capital Plan which reflects the Council's proposals for capital investment. The Capital Plan is constantly reviewed by the Capital Plan and Asset Management Working Group comprising Head of Service representation from each Service. The group, chaired by a member of the Strategic Management Team, reviews the Capital Plan and Asset Management strategy whilst also assessing proposals for new projects along with the management of asset related budgets at a corporate level.

The Capital Plan and Asset Management Working Group reports directly to the Strategic Management Team which, as the steering group, has overall responsibility for management of the Capital Plan strategy whilst ensuring asset management is addressed at a corporate level. The Strategic Management Team also considers and approves proposals for capital investment and recommends this investment need to the Policy and Resources Committee.

10.6 Business Case to Support Inclusion Within Capital Plan

The Council adopts a stage/gateway process in the development and delivery of capital projects. This ensures projects have satisfied defined criteria in the early stages of project initiation for inclusion within the Capital Plan. These early stages, guided by effective asset management, in project identification and initiation, are:

Strategic Appraisal

- Preparation of Services asset based strategies
- Links to Community Plan and Strategic Priorities
- Determination of overall funding for Capital Plan
- Prioritisation within the Capital Plan and Asset Management Plan
- Identification of individual projects.

With the outcome of stage 1 items being satisfied, the recommendation is that project progresses to Assessment stage, with approval required by the Capital Plan and Asset Management Working Group/Strategic Management Team with Policy and Resource Committee approval also required.

Stage 1 – Assessment Stage

- Establish project management structure
- Development of brief
- Conduct consultations with elected members and other stakeholders
- Conduct full option appraisal and assessment on defined options
- Carry out risk management
- Conduct value engineering exercise, whole life costings and cost/value matrix with scores

The outcome from stage 1 Assessment exercise results in the Business Case, with recommended options, which is submitted to the Capital Plan and Asset Management Working Group for approval and subsequent further approval by Policy and Resources Committee for inclusion within the Capital Plan.

Following approval by Policy and Resources Committee, the project progresses through the following stages with approval sought at the end of each stage by either area or service committee or Policy and Resources Committee should costs increase beyond that allocated within the Capital Plan.

Stage 2 – Develop Proposed Solution

- Outline proposals and specification
- Risk/value management
- Estimated costs
- Consultations
- Planning application

Stage 3 – Develop Preferred Solution

- Detail design
- Risk/value management
- Procurement options
- Tender action and CDM planning

Stage 4 – Construction

- Project programme
- Project construction
- Risk/value management
- Cost control and Budget monitoring

Stage 5 – Handover and Review

- Post occupancy evaluation and lessons learnt report
- Defects period and final account

Project stages and gateway approach to project management is contained within appendix A.

10.7 Option Appraisal

Included within the Business Case, projects undergo option appraisal, which considers best value options in fulfilling the project’s objective. This option appraisal model, developed by the Council from the Scottish Government Schools Option Appraisal model, assesses the following which are all considered against whole life costs.

- Support delivery of Service objectives
- Deliverability
- Risk
- Support delivery of other key objectives
- Suitability
- Condition
- Design quality & sustainability





11 15 YEAR CAPITAL INVESTMENT STRATEGY

11.1 Process

The preparation of the 15 year capital investment strategy/capital plan from 2010/11 – 2024/25 has been developed taking cognisance of available funding and existing approved committed expenditure. In addition, the capital plan has been realigned to highlight key projects and their alignment with the council’s strategic priorities. These projects and updated capital plan 2010 – 2025 are included as Appendix B to this document.

11.2 Available Finances

Projected available finances over the 15 year period are £ 844.7 million made up from a number of sources as highlighted below. These figures are subject to ongoing review by Policy and Resources Committee.

AVAILABLE FINANCING – 2010/11 to 2024/25	£'000
Scottish Government – Supported Borrowing	260,025
Scottish Government – Capital Grant	121,160
Other Grants	1,728
Prudential Borrowing	382,875
Capital Receipts	42,899
Anticipated Slippage	36,000
Total Projected Resources	844,687

11.3 Capital Investment Requirements

Capital investment proposals are incorporated within the proposed capital plan 2010 – 2025 as Appendix B to this document and are summarised below. These figures are subject to ongoing review by Policy and Resources Committee.

CAPITAL INVESTMENT 2010/11 to 2024/25	£'000
Strategic Priority Projects	794,553
Grants to Outside Bodies	37,110
Total Planned Expenditure	831,663

11.4 Capital Investment Prioritisation Process

As highlighted above, projects included for capital investment require the preparation of business cases to ensure their inclusion within the capital plan. These business cases ensure that only projects which meet defined criteria, such as statutory requirement, required to fulfil strategic priorities, are proposed for capital investment.

Business cases are analysed and assessed to determine prioritisation for investment within the 15 year period.

Whilst the capital plan/investment strategy is projected for 15 years, business cases and assessments are to be produced for those within the early stages of the plan.

11.5 Key Areas of Expenditure

Detailed analysis and expenditure profiles for capital investment are incorporated within the proposed capital plan 2010 – 2025 as Appendix B to this document and summarised below:



Property

Investment within the property portfolio continues to ensure that statutory requirements are met and to maintain the portfolio in satisfactory condition. Provision is made for replacement secondary schools at Ellon and Laurencekirk, which are part funded by SFT, replacement primary and secondary schools at Alford and primary at Turriff. Investment is made for replacement children's homes at Inverurie and Fraserburgh, replacement care homes at Inverurie and Stonehaven and replacement pool and associated community/sports provision at Fraserburgh. Investment in the office portfolio is made to support the Worksmart initiative.

Also included is investment within the wider property portfolio to enhance facilities to address the suitability of the portfolio.

Open Spaces

Investment within open space includes for new and/or expansion to existing burial grounds. Provision is also made for continued investment in the upgrade of existing country parks, parks, play areas and pitches to ensure facilities are of acceptable condition and suitability

Roads, Structures, Lighting and Water Infrastructure

Investment is targeted at safety, cycling and walking initiatives with investment in public transport also being a key element for investment. Provision continues to be made for street lighting and flood alleviation measures.

Investment also continues to be made within the roads network to ensure these key assets remain safe and in acceptable condition.

Housing

Investment in the housing portfolio continues to be made through the 30 year housing business plan, with new housing being supported via Scottish Government grants.

Fleet

In line with best Value, fleet procurement is managed through the council's Central Procurement Unit. Investment in fleet and plant continues, with provision for quarry plant and vehicle replacement to ensure that standards are maintained and compliance with relevant regulations and licences.

ICT

ICT assets are managed corporately with additional and replacement equipment being administered by the ICT service. Investment allocations are made to support the Worksmart initiative and network access along with continued program of replacement and upgrade of equipment.



12 FUTURE DEVELOPMENTS AND ARRANGEMENTS

The Corporate Asset Management Plan outlines Aberdeenshire Council's approach to asset management and capital investment to ensure that effective and efficient management, and use, of these resources is maintained.

To ensure this process continues, the Corporate Asset Management Plan and investment strategy will be reviewed and updated annually to ensure best practice and value is being achieved. In addition annual Asset Performance Reports are to be prepared outlining the performance of the asset base and be presented to committee.

Additionally, the Capital Plan developed from Services strategies is to be regularly updated throughout the year with monitoring statements presented to committee.



13 GLOSSARY OF DEFINITIONS

APSE	Association of Public Service Excellence
BAP	Biodiversity Action Plan
CIPFA	Chartered Institute of Public Finance and Accountancy
DDA	Disability Discrimination Act
HRA	Housing Revenue Account
LDP	Local Development Plan
NESJPSG	North East Scotland Joint Public Sector Group
NESTRANS	North East of Scotland Transportation Partnership
PFI/PPP	Public Finance Initiative / Public Private Partnership
PSPG	Public Sector Property Group (sub group of NESJPSG)
RICS	Royal Institution of Chartered Surveyors
SFT	Scottish Futures Trust
SHQS	Scottish Housing Quality Standard
SOA	Single Outcome Agreement
SPI	Statutory Performance Indicator
VOSA	Vehicle Operator Services Agency

Appendix A - Project Stages and Gateway Approach (Vo.5)

Strategic appraisal	Project Stage 1 - Assessment	Project Stage 2 - Develop proposed solution	Project Stage 3 - Develop preferred solution	Project Stage 4 - Construction	Project Stage 5 - Handover and Review
Programme management	RIBA (A-B) Inception / Feasibility	RIBA (C-D) Scheme design	RIBA (E-G) Pre-contract	RIBA (J-K) Post contract	RIBA (L) Post Construction
<ul style="list-style-type: none"> • Prepare Service strategies • Link to Strategic Plan/Community Plan • Determine overall funding for Capital Plan • Prioritise with Capital Plan / Asset Management Plan • Identify individual projects 	<p>RIBA (A-B) Inception / Feasibility</p> <ul style="list-style-type: none"> • Project Management Structure (Project Sponsor/Manager/Team) • Elected Member consultation • Stakeholder involvement (Client End User, IT, Planning, Environment) • Determine projects objectives • Design brief – Inception, Feasibility • Define options (Do nothing, refurbishment, extend, new build) • Option appraisal • Assess options • Risk management • Value management/engineering • Site identification / site appraisal • Site Acquisition (with conditions to planning consent) • Agree lifespan of buildings • Sustainability and BREEAM • Planning issues • Section 75 approval in Authority's favour (if applicable) • Whole life costing (NPV) • Cost / Value matrix – scoring mechanism (Net cost of development) 	<p>RIBA (C-D) Scheme design</p> <ul style="list-style-type: none"> • Outline proposals and detailed estimate scheme design • Outline specification • Sustainability & BREEAM • Risk / Value Management • Need for estimated cost report to be developed / approved • Consultation with Service, Area Committees • Planning application submitted • Major Application Planning process 	<p>RIBA (E-G) Pre-contract</p> <ul style="list-style-type: none"> • Detailed design • Production information • Risk / Value management • Procurement options • Tender Action • CDM Planning 	<p>RIBA (J-K) Post contract</p> <ul style="list-style-type: none"> • Project Programme • Project construction • Risk/Value Management • Cost Control • Budget monitoring and project progress reports 	<p>RIBA (L) Post Construction</p> <ul style="list-style-type: none"> • Post occupancy evaluation • Defects period • Final account • Lesson learned report
Output – Recommend projects to progress to Business justification Stage	Output – Business Case with recommended options and approximate costs for a project which is deliverable	Output – Completed scheme design and estimated costs	Output – Completed detailed design and competitive construction quotes	Output – Building works completed and building occupied	Output – End of defects liability period and final account settled
Gateway Review 0 -Recommendations by Capital Plan Group/Strategic Management Team followed by approval of Policy and Resources Committee for individual projects to progress	Gateway Review 1 - Submission to Asset management / Capital Plan Group for recommendation followed by approval by Policy Committee for inclusion in Capital Plan	Gateway Review 2 - Scheme Design / Estimated costs approved by Area Service Committee and Policy and Resources Committee if in excess of Capital Plan approved figure.	Gateway Review 3 - Tender approval by Area Committee and Policy and Resources (if in excess of Capital Plan)	Gateway Review 4 - Confirm the project meets the business need and operational governance measures are in place	Gateway Review 5 - Confirm smooth operation, delivery of outputs, and achievement of benefits

Abbreviations guide

RIBA –	Royal Institute of British Architects (applicable to property projects only)
CDM –	Construction (Design & Management) Regulations
NPV –	Net Present Value
BREEAM –	British Research Establishment Environmental Assessment Method

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Appendix B

Capital Plan 2010 – 2025



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