

## The Highland Council

Resources Committee – 27<sup>th</sup> May 2015

Agenda Item	28
Report No	RES/55/15

### Lochaber Area Asset Management Plan

#### Report by Director of Development and Infrastructure

##### Summary

This report presents an overview of Corporate Property Asset Management and the development of Area Asset Management Plans. It highlights the findings and actions in the draft Lochaber Area Asset Management Plan and provides a progress update against the Plan actions. The report asks Resources Committee to agree the Lochaber Area Asset Management Plan as a Council plan.

## 1. Background

- 1.1 On 18<sup>th</sup> August 2010, Resources Committee agreed a “target operating model”<sup>1</sup> for property which stated the need to develop:
  - a property strategy; and
  - Asset Management Plans against the overall aims, objectives and property strategy of the Council such that a coherent corporate plan is developed.
- 1.2 The Highland Council’s Corporate Property Strategy<sup>2</sup> describes a strategic approach to property asset management to deliver an effective, efficient, and economic property portfolio that supports improved service delivery and the corporate aims and objectives.
- 1.3 The following agreed Corporate Property Asset Management (CPAM) objectives support the aims of the Corporate Property Strategy:
  - a. Reduce the number of property assets held.
  - b. Generate capital receipts from the disposal of property assets that can be reinvested.
  - c. Reduce the overall revenue costs of owning and occupying property by holding fewer assets that are in better condition, and thereby spending less on property overheads such as property management, maintenance, cleaning and energy costs.
- 1.4 The Council’s approach (agreed by the Asset Management Project Board on 28<sup>th</sup> August 2012) for the development of Area Asset Management Plans (AAMP) is through cross-Service Strategic Area Property Reviews, facilitated by the Corporate Property Asset Management Team, that will seek to identify property opportunities within the Council’s operational land and property

<sup>1</sup> [Review of Asset Management by CIPFA Property](#) approved by Resources Committee on 18<sup>th</sup> August 2010.

<sup>2</sup> [Corporate Property Strategy](#) approved by Resources Committee on 16<sup>th</sup> February 2011.

portfolio that will:

- a. Contribute to and support the achievement of the above CPAM and wider corporate aims and objectives.
  - b. Support improved service delivery.
- 1.5 The purpose of an AAMP is for the key Council stakeholders (Services, Executive Leadership Team and Members) to agree the key priority actions for the Council's operational land and property assets for the currency of the Plan that will contribute towards the achievement of the Corporate Property Asset Management aims and objectives (sections 1.1-1.3).
- 1.6 The purpose of a Strategic Area Property Review is to:
- develop a clear understanding of Service delivery aims, challenges, changes and opportunities (in relation to property);
  - identify properties that support service delivery now and in the future;
  - identify properties that do not support service delivery and are no longer needed, or fit for purpose;
  - identify land potentially suitable for affordable housing development;
  - look for opportunities to improve how we use our properties; and
  - explore opportunities to share buildings across Council Services and partner organisations.
- 1.7 An AAMP will include a strategic and Service overview, agreed actions that will be led by the Corporate Property Asset Management Team and a disposal plan for the Council's area operational property assets.
- 1.8 Resources Committee approved the Council's first AAMP covering the City of Inverness Area Committee in November 2014<sup>3</sup>.
- 1.9 The draft Lochaber AAMP follows the same approach and format to the Inverness AAMP.
- 1.10 The draft Lochaber AAMP can be found in the **Appendix 1** of this report. This Plan covers Lochaber Area (Wards 12 and 22), and the key highlights, findings and CPAM actions for this area are presented in Section 2 below. Any reference to this will be shown as AAMP followed by the section reference e.g. (**AAMP, Section 1**) refers to section 1 in the draft Lochaber AAMP.
- 1.11 This report asks Resources Committee to agree the Lochaber AAMP as a Council plan.

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<sup>3</sup> [Inverness Area Asset Management Plan](#) approved by Resources Committee on 26<sup>th</sup> November 2014.

## 2. Draft Lochaber Area Asset Management Plan – findings and actions

2.1 The relative size and running costs for the operational property assets in the Lochaber area and Highland are as follows:

Operational property assets	Lochaber		Highland	
	Size	Running costs	Size	Running costs
Offices	5%	19%	8%	16%
Schools	83%	65%	70%	66%
Depots	5%	5%	6%	5%
Other	7%	11%	16%	13%

**(AAMP, Section 4)**

2.2 The delivery of the actions in the Lochaber AAMP will take account of the emerging West Highlands and Islands Local Development Plan, the economic, social and environmental importance of Fort William and the range of opportunities being explored by the Council and others through the Fort William Town Centre Action Plan. **(AAMP, Section 5)**

2.3 Alongside the development of the Lochaber AAMP, the Council undertook a major review of its office accommodation in Fort William which was driven by short term lease expiries. **(AAMP, Section 5)**

2.4 Section 4 of this report provides an overview of progress made on some of the key actions in the Lochaber AAMP. (highlighted in sections 2.3, 2.7 and 2.8).

2.5 The overview of Council Services has highlighted the following initiatives that may have an impact upon CPAM and will need to be taken into consideration as part of the achievement of the agreed actions in this AAMP **(AAMP, Section 6)**:

- service led property initiatives
  - School estate management and sustainable school estate reviews
  - Integrating Care in the Highlands
  - Strategic review of depot and stores facilities
  
- other initiatives
  - Community Empowerment (Scotland) Bill/Asset Transfer Requests
  - Carbon CLEVER
  - Customer Services Review
  - Transformation and modernisation agenda
  - Land Registration (Scotland) Act 2012
  - Development plans, development briefs and planning guidance

2.6 The Highland Public Sector Property Group provides a framework for co-operation and joint working between its members in the management of public property assets, including disposals and co-location opportunities. **(AAMP, Section 7)**

2.7 The focus of the Lochaber Area Asset Management Plan is the CPAM actions (below) that were identified during the Lochaber Strategic Area Property Review. They cover the operational property assets (offices and depots) which account for 24% of the running costs in the Lochaber area:

No	Action	Timescale	Priority
1	Fort William office review	Within 24 months	High
2	Leased property review	Within 24 months	High
3	Integrating Care in the Highlands property matters	Within 12 months	Medium
4	Improve information about the Council's operational property assets	Ongoing	Low/ Medium
5	Property disposals	Ongoing	Medium
6	Area Asset Management Plan monitoring report	Ongoing	Low

**(AAMP, Section 8)**

2.8 Action 1 – Fort William office review, and Action 2 – Leased property review, (for those leased properties in-scope of the office review) have continued to build on this existing work and are significant actions in the Lochaber AAMP. **(AAMP, Section 5 and 8)**

2.9 Land and property disposals, which contribute towards the achievement of the Corporate aims and objectives and efficiency targets, are actively managed by the Corporate Property Asset Management Team with the involvement of local Members. Progress is reported to the Council's Planning Development & Infrastructure Committee through the Property Transactions Monitoring Report. **(AAMP, Section 9)**

2.10 The table below gives an overview of the types of property disposals completed in 2013/14, and those forecast for the next three financial years for the Lochaber area.

Operational property assets	Completed disposals	Forecast disposals		
	2013/14	2014/15	2015/16	2016/17
Offices				
Schools	✓			✓
Depots		✓		
Other	✓		✓	✓

**(AAMP, Section 9)**

2.11 An annual AAMP monitoring report will be prepared which will highlight latest property performance, progress on actions and the disposals plan in the area. **(AAMP, Section 10)**

### 3. Member briefing

- 3.1 A briefing was held on 27<sup>th</sup> of April 2015 for local Members to present the draft Lochaber AAMP prior to this report being brought to Resources Committee.

### 4. Lochaber Area Asset Management Plan actions – progress

- 4.1 This section provides an overview of progress made on Actions 1, 2 and 5 in the Lochaber AAMP.
- 4.2 **Action 1** - Significant work has already been completed by the CPAM Team. In November 2013, Finance, Housing and Resources Committee approved the outcome of the Fort William Office Review<sup>4</sup> which identified the former Fort William Secondary School site as its preferred option for its main administrative offices, democratic services, Service Point and Registration offices.
- 4.3 Since then the Council has been carrying out detailed design work and local consultation for the project and a planning application will be submitted shortly.
- 4.4 **Actions 2, 5** - The CPAM Team has also led five major pieces of work against Action 2 – Leased property review, and Action 5 – Property disposals. This has included undertaking options appraisals and complex negotiations to support the Fort William Office Review and too identify preferred property solutions at lease break/lease expiry dates.
- 4.5 The CPAM Team is leading on three further options appraisals associated with lease break/expiry dates in 2016 and 2017, and property disposals associated with the Sustainable School Estate Review.
- 4.6 **Action 3** – The CPAM team continue to be involved with the ICH partnership property team that are agreeing the property occupation and maintenance arrangements between the Council and NHS Highland.

### 5. Resource and risk implications

- 5.1 The following resource and risk implications have been identified:
- CPAM Team resource availability and capacity to deliver the Plan actions to required timescales (**AAMP, Section 8**) and the impact on other work areas;
  - resource availability and capacity of other Property teams in the Development & Infrastructure Service and Service stakeholders to deliver the Plan actions to required timescales; and
  - there will be financial resource implications to prepare whole life appraisals for specific property reviews. Appropriate funding sources will need to be identified on a case by case basis.

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<sup>4</sup> [Fort William Office Review](#), approved by Finance, Housing and Resources Committee on 27<sup>th</sup> November 2013.

5.2 A post has recently been created and filled (March 2015) within the Development and Infrastructure Service that will support the implementation of the Council's office workplace transformation programme and the activities of the CPAM team in the development of business cases that contribute to the key CPAM objectives and the actions contained within this plan.(Section 1.3).

**6. Legal, equalities, climate change/carbon clever, Gaelic and rural implications**

6.1 Implications arising from the actions contained within the draft Lochaber AAMP will be assessed during the delivery of each action.

**Recommendation**

Resources Committee is asked to **agree** the Lochaber Area Asset Management Plan as a Council plan.

Designation: Director of Development & Infrastructure

Date: 8<sup>th</sup> May 2015

Author: Graham Bull, Corporate Property Asset Manager  
Felix McGunnigle, Property Manager (Asset Manager)

Background Papers:

1. Review of Asset Management by CIPFA Property, approved by Resources Committee on 18<sup>th</sup> August 2010
2. Corporate Property Strategy, approved by Resources Committee on 16<sup>th</sup> February 2011.

**Appendix 1 – Draft Lochaber Area Asset Management Plan**

# Area Asset Management Plan Plana Rianachd So-mhaoin Sgìre



Lochaber

Draft

April 2015







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## Executive summary

- The Highland Council's Corporate Property Strategy describes a strategic approach to property asset management to deliver an effective, efficient, and economic property portfolio that supports improved service delivery and the corporate aims and objectives.

Section 1

- Area Asset Management Plans will be developed to support this strategic approach and will include a strategic and Service overview, agreed actions that will be led by the Corporate Property Asset Management Team and a disposal plan for the Council's operational property assets in the area.

Section 1

- This Area Asset Management Plan covers the Lochaber Area Committee (Wards 12 and 22).

Section 2

- The vision for the Lochaber Area Asset Management Plan is:  
"The Council must work collaboratively across Services, with staff and with partners to maximise opportunities and invest responsibly in quality, flexible accommodation which supports service delivery for our staff and customers, permits sharing and retains a local identity. The Council should lead by example to deliver practical, innovative buildings at the heart of our communities that we are proud of."

Section 3

- The relative size and running costs for the operational property assets in the Lochaber area and Highland are as follows:

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Section 4

- The delivery of the actions in the Lochaber Area Asset Management Plan will take account of the emerging West Highlands and Islands Local Development Plan, the economic, social and environmental importance of Fort William and the range of opportunities being explored by the Council and others through the Fort William Town Centre Action Plan.

Section 5

- Alongside the development of the Lochaber Area Asset Management Plan, the Council undertook a major review of its office accommodation in Fort William which was driven by short term lease expiries.

Section 5

- The overview of Council Services has highlighted the following initiatives that may have an impact upon Corporate Property Asset Management and will need to be taken into consideration as part of the achievement of the agreed actions in this Area Asset Management Plan:

- Service led property initiatives
  - School estate management and sustainable school estate reviews
  - Integrating Care in the Highlands
  - Strategic review of depot and stores facilities
- Other initiatives
  - Community Empowerment (Scotland) Bill/Asset Transfer Requests
  - Carbon CLEVER
  - Customer Services Review
  - Transformation and modernisation agenda
  - Development plans, development briefs and planning guidance

**Section 6**

- The Highland Public Sector Property Group provides a framework for co-operation and joint working between its members in the management of public property assets, including disposals and co-location opportunities.

**Section 7**

- The focus of the Lochaber Area Asset Management Plan is the Corporate Property Asset Management actions that were identified during the Lochaber Strategic Area Property Review. They cover the operational property assets (offices and depots) which account for 24% of the running costs in the Lochaber area:

No	Action	Timescale	Priority
1	Fort William office review	Within 24 months	High
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4	Improve information about the Council's operational property assets	Ongoing	Low/ Medium
5	Property disposals	Ongoing	Medium
6	Area Asset Management Plan monitoring report	Ongoing	Low

**Section 8**

- Action 1 – Fort William office review and Action 2 – Leased property review (for those leased properties in-scope of the office review) have continued to build on this existing work and are significant actions in the Lochaber Area Asset Management Plan.

**Section 5 and 8**

- Disposals, which contribute towards the achievement of the Corporate aims and objectives and efficiency targets, are actively managed by the Corporate

Property Asset Management Team with the involvement of local Members. Progress is reported to the Council's Planning Development & Infrastructure Committee.

**Section 9**

- The table below gives an overview of the types of property disposals completed in 2013/14 and those forecast for the next three financial years for the Lochaber area:

Operational property assets	Completed disposals	Forecast disposals		
	2013/14	2014/15	2015/16	2016/17
Offices				
Schools	✓			✓
Depots		✓		
Other	✓		✓	✓

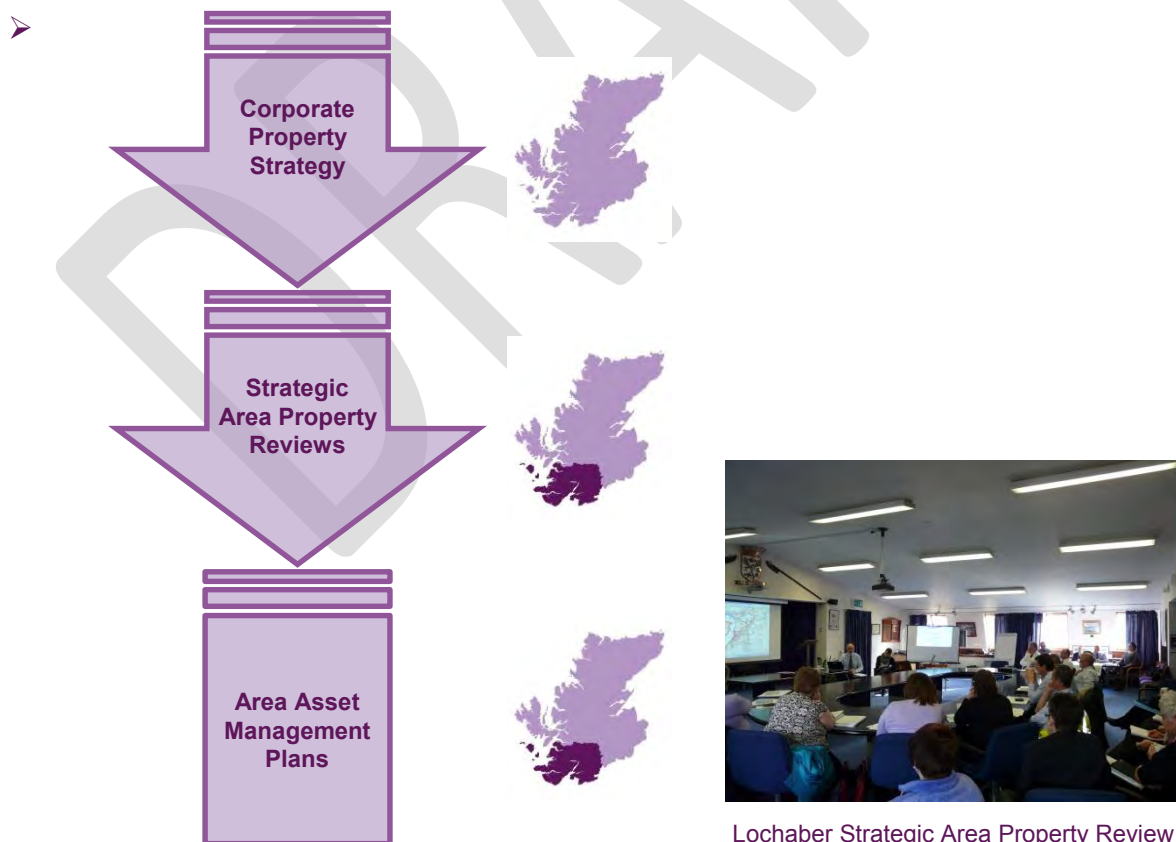
**Section 9**

- An annual Area Asset Management Plan monitoring report will be prepared which will highlight latest property performance, progress on actions and the disposals plan in the area.

**Section 10**

## 1 Overview of Corporate Property Asset Management

- The Highland Council's Corporate Property Strategy<sup>1</sup> describes a strategic approach to property asset management to deliver an effective, efficient, and economic property portfolio that supports improved service delivery and the corporate aims and objectives.
- The following Corporate Property Asset Management objectives support the aims of the Corporate Property Strategy:
  - a. Reduce the number of property assets held.
  - b. Generate capital receipts from the disposal of property assets that can be reinvested.
  - c. Reduce the overall revenue costs of owning and occupying property by holding fewer assets that are in better condition, and thereby spending less on property overheads such as property management, maintenance, cleaning and energy costs.
- These aims and objectives will be achieved by the development of Area Asset Management Plans which will be delivered using a cross-Service Strategic Area Property Review approach.



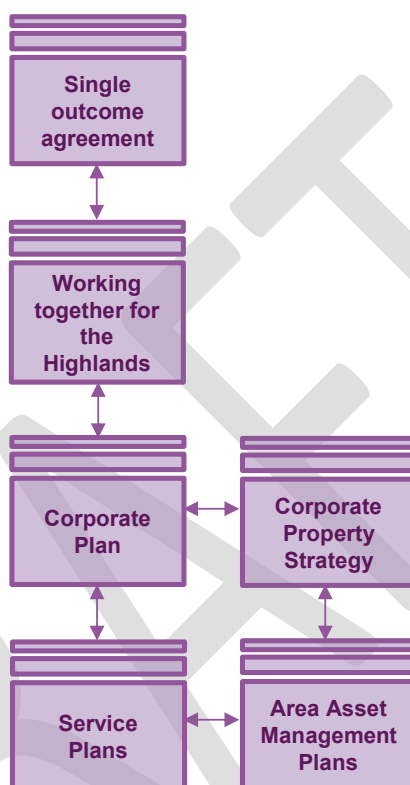
<sup>1</sup> [Corporate Property Strategy](#) approved by Resources Committee on 16<sup>th</sup> February 2011.

- The purpose of a Strategic Area Property Review is to:
  - Develop a clear understanding of Service delivery aims, challenges, changes and opportunities (in relation to property).
  - Identify properties that support service delivery now and in the future.
  - Identify properties that do not support service delivery and are no longer needed.
  - Identify land potentially suitable for affordable housing development.
  - Look for opportunities to improve how we use our properties.
  - Explore opportunities to share buildings across Council Services and partner organisations.
  
- An Area Asset Management Plan will be developed as a result of each Strategic Area Property Review and brought to Area/Strategic Committee for formal agreement by Members.
  
- An Area Asset Management Plan will include the following:
  - Vision – relating to the approach for reviewing operational property assets in the area. Section 3
  - Area overview – key performance information for the operational property assets in the area. Section 4
  - Strategic overview – wider strategic context for the Area Asset Management Plan Section 5
  - Service overview – key property related activity in each Service. Section 6
  - Action Plan – agreed actions for the operational property assets in the area to be led by the Corporate Property Asset Management Team with timescales and priorities. Section 8
  - Disposal Plan – 3 year disposal plan for the area. Section 9
  
- It is anticipated that an Area Asset Management Plan will be reviewed on a three year cycle with annual monitoring reports.
  
- The scope of an Area Asset Management Plan is the Council’s operational property assets<sup>2</sup> based on the Chartered Institute of Public Finance and Accountancy (CIPFA) property categories below and held on the Council’s General Fund Account:
  - Other Land and Buildings
  - Schools
  - Community Assets

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<sup>2</sup> The CIPFA Best Value Accounting Code of Practice

- The Area Asset Management Plan and agreed actions support the delivery of the Council's corporate aims and objectives:
  - Single Outcome Agreement
  - Working together for the Highlands Programme 2012-17
  - The Corporate Plan
  - Corporate Property Strategy
  - Service Plans

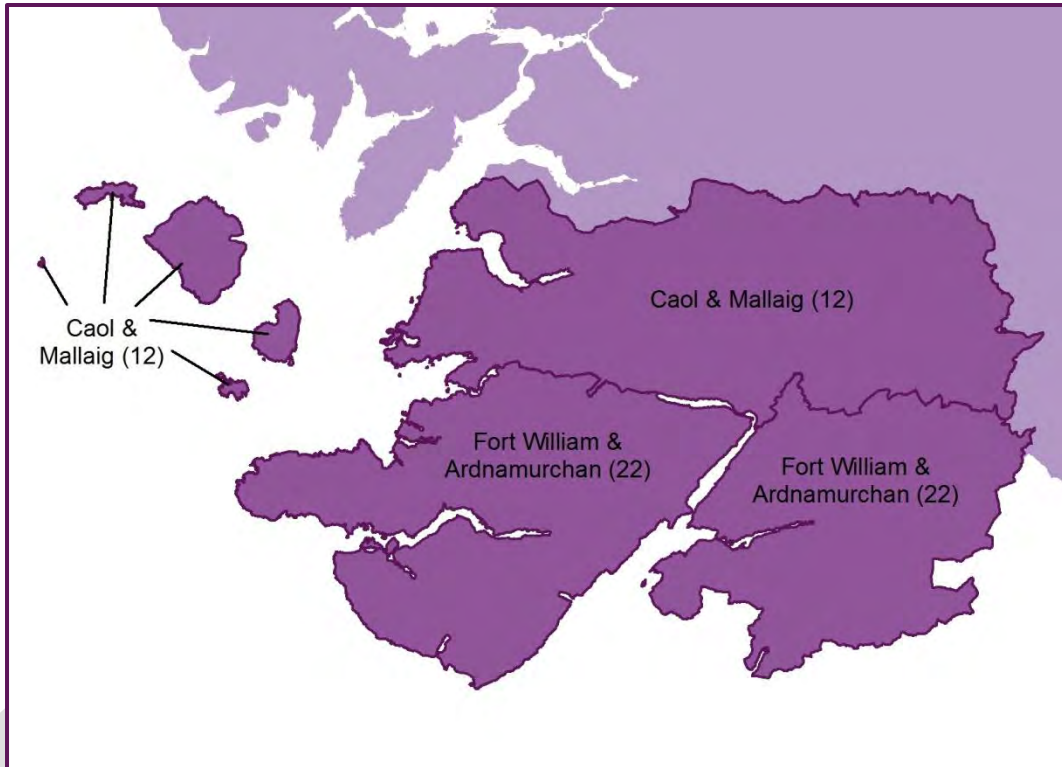


- Each Service has its own Service Plan to deliver the Council's corporate aims and objectives. It may also include Service specific property actions arising from the Strategic Area Property Reviews.

Section 6

## 2 Introduction to the Lochaber Area Asset Management Plan

- This Area Asset Management Plan covers the Lochaber Area Committee (Wards 12 and 22).
- The map and table below provide an introduction to the area covered by this Area Asset Management Plan. Further information about the area can be found on The Highland Council's website.



Ward	Population <sup>i</sup>	Area (km <sup>2</sup> )	Population Density <sup>i</sup>	Number of establishments <sup>ii</sup>
12 – Caol & Mallaig	8,294	2,065	4.0	26
22 – Fort William & Ardnamurchan	11,649	2,591	4.5	50
<b>Lochaber Area</b>	<b>19,943</b>	<b>4,656</b>	<b>4.3</b>	<b>76</b>
<b>Highland Council</b>	<b>232,950</b>	<b>26,489</b>	<b>8.8</b>	<b>697</b>

- i. *Highland Facts and Figures – Ward profiles – The Highland Council website, March 2015.*
- ii. *Based on the Council's operational property assets, establishments which have buildings. Some establishments may have multiple buildings associated with them e.g. Council Headquarters or a school.*



### 3 Vision

- The vision for the Lochaber Area Asset Management Plan is:  
“The Council must work collaboratively across Services, with staff and with partners to maximise opportunities and invest responsibly in quality, flexible accommodation which supports service delivery for our staff and customers, permits sharing and retains a local identity. The Council should lead by example to deliver practical, innovative buildings at the heart of our communities that we are proud of.”
- These key themes will need to be considered alongside other key Council policy documents within the development of the actions in this Area Asset Management Plan.



Fort William town centre

## 4 Property performance

- This section compares the Council's operational property assets for the Lochaber area with the rest of Highland.
- It considers the size and running costs (see notes on next page) of the operational property assets as these property performance indicators will help to inform the key actions and priorities for this Area Asset Management Plan that contribute to two of the Council's Corporate Property Asset Management key objectives:
  - a. Reduce the number of property assets held.
  - c. Reduce the overall revenue costs of owning and occupying property.
- It identifies the key functional areas of the operational property assets based on the CIPFA sub property categories of:
  - Offices, Administrative Buildings (shown as "offices").
  - Schools.
  - Depots, Depots and Workshops (shown as "depots").
  - All other categories (shown as "other").
- Appendices A, B and C show the operational property assets for the Lochaber area in the offices, schools and depots functional areas respectively.
- Appendix D shows the type and range of functions and the number of the operational property assets in the "other" category.

Section 1

Appendices A, B and C

Appendix D



Fort William Service Point



Glen Nevis Visitor Centre

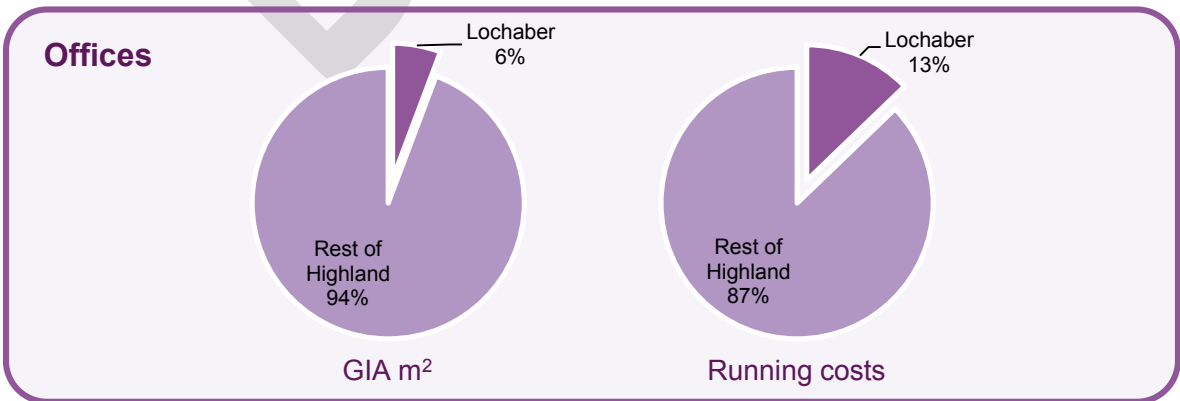
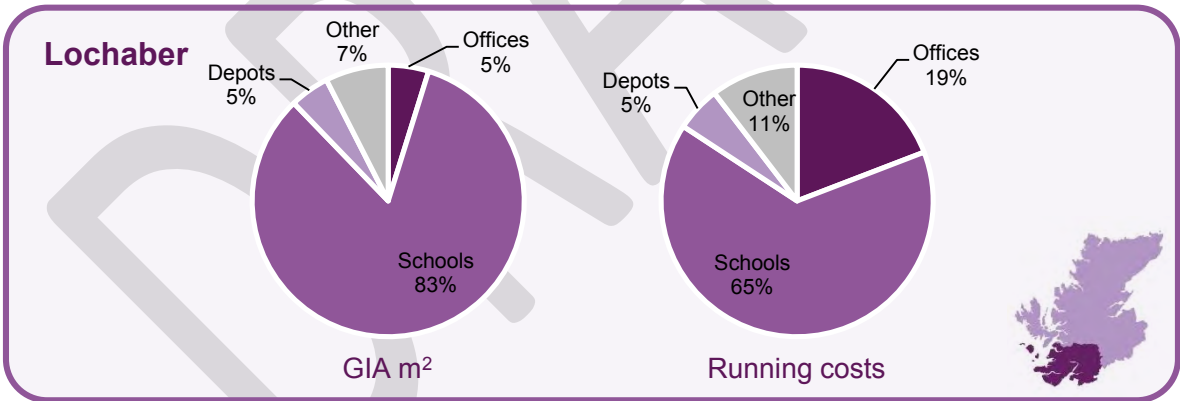
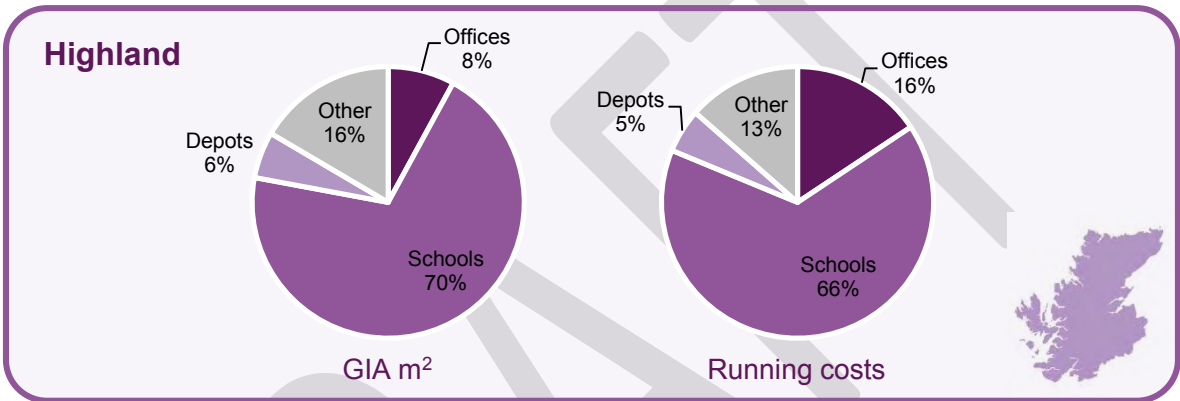
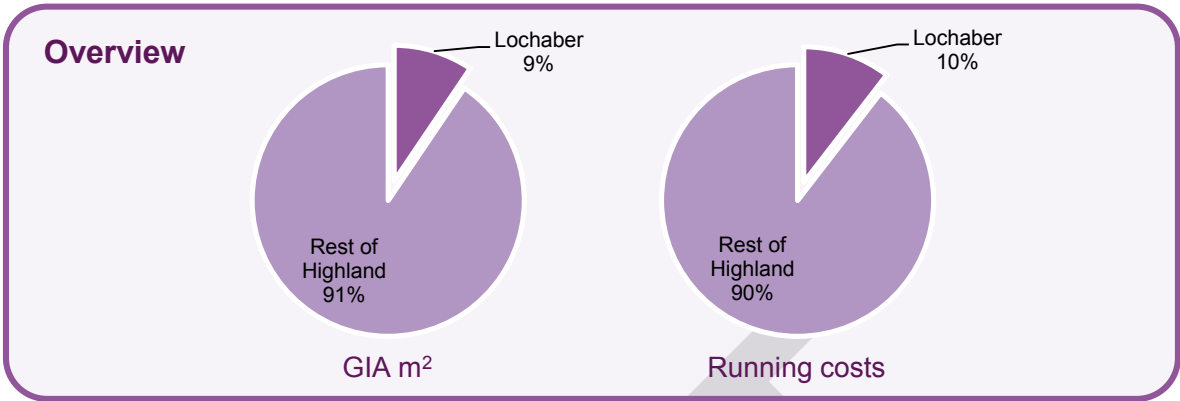
### Notes

**GIA m<sup>2</sup>** – gross internal floor area of buildings in square metres.

**Running costs** – average running costs based on last 3 financial years (2011/12, 2012/13, 2013/14).

Information based on those operational assets with GIA m<sup>2</sup> and running cost data.

➤ **Operational property assets**



## 5 Strategic overview

- The Highland-wide Local Development Plan<sup>3</sup> identifies Fort William's important role serving the wider West Highland and Islands area.
- The delivery of the actions in the Lochaber Area Asset Management Plan will take account of the emerging West Highlands and Islands Local Development Plan<sup>4</sup> and the range of opportunities being explored by the Council and others through the Draft Fort William Town Centre Action Plan<sup>5</sup>.
- Alongside the development of the Lochaber Area Asset Management Plan, the Council undertook a major review of its office accommodation in Fort William which was driven by short term lease expiries.
- The findings and recommendations were reported to the Finance, Housing and Resources Committee in November 2013<sup>6</sup>.
- Members agreed to co-locate the Council's main administrative offices, democratic services, Service Point and Registration office to a regenerated conversion of the Council owned, listed former Fort William Secondary School site.
- Action 1 – Fort William office review and Action 2 – Leased property review (for those leased properties in-scope of the office review) have continued to build on this existing work and are significant actions in the Lochaber Area Asset Management Plan. **Section 8, Action 1**
- The office review is being driven by the Council's transformation programme led by the Development & Infrastructure Service in conjunction with the Corporate Development Service to shape the property solutions. The Corporate Property Asset Management Team has delivered the business case that supports asset rationalisation and the transformation and modernisation agenda.

<sup>3</sup> [Highland-wide Local Development Plan](#), adopted on 5<sup>th</sup> April 2012

<sup>4</sup> [West Highlands and Islands Local Development Plan](#), being prepared

<sup>5</sup> [Draft Fort William Town Centre Action Plan](#), draft, March 2015

<sup>6</sup> [Fort William Office Review](#) approved by Finance, Housing & Resources Committee on 27<sup>th</sup> November 2013

## 6 The Highland Council service overview

- The Council comprises five Service departments along with the Chief Executive:
  - Care and Learning Service
  - Community Services
  - Corporate Development Service
  - Development and Infrastructure Service
  - Finance Service
- The table below shows the key functional areas of the operational property assets by Service:

Service	Offices	Schools	Depots	Other
Chief Executive	✓			
Care & Learning <sup>i</sup>	✓	✓		✓
Community Services	✓		✓	✓
Corporate Development	✓			
Development & Infrastructure	✓			✓
Finance	✓			

*i. Including High Life Highland*

- The rest of this section provides an overview of each Service:
  - Main functions.
  - Service led property initiatives.
  - Other initiatives that may have an impact on Corporate Property Asset Management.
- As a result of the changes to the Service structure there may be new opportunities to review how the Council uses its operational property assets to deliver its services.
- The resource implications of any Service led initiatives that have an impact on the Council's General Fund operational property assets will need to be reviewed alongside the agreed actions in this plan.

## 6.1 Chief Executive



The **Chief Executive** is supported by the following teams:

- Policy and reform
- Corporate leadership support
- Corporate communications office



### Service property related activity



The Community Empowerment (Scotland) Bill was introduced in the Scottish Parliament in June 2014. It provides a framework for empowering communities including through the community control of land and buildings, meaningful community participation in the decisions affecting people and communities and improving community planning. Enactment is expected by summer 2015.



Part 5 of the Bill – Community Control of land and buildings: Asset Transfer Requests is of particular relevance for Corporate Property Asset Management and the Council's operational property assets. It provides for community organisations to request ownership, lease or management of publicly owned buildings or land, whether or not they are available for sale or deemed surplus to requirements by the owning body.



The Highland Council considered a report<sup>7</sup> about the Community Empowerment Bill at its meeting on 30<sup>th</sup> October 2014. It explains that, in relation to Asset Transfer Requests, the financial implications identified so far include difficulties in meeting annual targets for capital receipts from the sale of land and buildings if a community seeks ownership or leases at below market value.



To support the new legislative duties from the community empowerment legislation the Council has created a new role of Community and Democratic Manager.



The purpose of the post will be to work as part of the senior ward management team to improve the Council's approach to community empowerment, enabling community action in the design and delivery of council services. A key task will be developing a strategic and collaborative approach to promote successful community asset transfers.



Another key policy area for Corporate Property Asset Management is the Council's Carbon Management Plan and carbon CLEVER declaration for a carbon neutral Inverness and low carbon Highlands by 2025.

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<sup>7</sup> [Community Empowerment Bill – update, implications and opportunities](#), Highland Council, 30<sup>th</sup> October 2014

## 6.2 Care and Learning Service and High Life Highland

➤ The main functions of the **Care and Learning Service** are:

- Children's services
- Education
- Adult services
- Criminal justice
- Mental health
- Additional needs
- Catering, cleaning and facilities management

➤ The main functions of **High Life Highland** are:

- Adult learning
- Archives
- Arts
- Community centres
- Libraries
- Leisure and community facilities
- Museums, galleries and attractions
- Outdoor education
- Sport
- Youth

➤ **Service property related activity**

➤ The Care & Learning property estate and capital programme is managed by the Resources Team in the Care & Learning Service. Appendix B lists the operational property assets in the "schools" category in the Lochaber area.

➤ Sustainable school estate reviews, school capacity and catchments, the future management of the educational residential properties, free school meals, additional child care provision and looked after children will be considered by the Education, Children and Adult Services Committee.

➤ £167 million in the Capital Programme is allocated to Care & Learning projects over the next three financial years (2014/15 to 2016/17). This includes £1.5 million over the next three years allocated to High Life Highland projects and £1 million per year for adult services.

➤ Sustainable School Estate Review – The Council is working with the Scottish Government to develop a 10 year programme to provide modern schools in the Highlands.

➤ A Sustainable School Estate Review has been undertaken for the Fort

William area which will see the completion of a new primary school at Lundavra Road in October 2015, a new joint-campus school in Caol in July 2016 and a new Gaelic primary school in July 2015.

- Integrating Care in the Highlands – In March 2012, the Council and Highland Health Board, operating as NHS Highland, entered into a partnership agreement to improve outcomes for the people of Highland through the development of integrated services. From 1st April 2012 NHS Highland became the lead agency for adult services and Highland Council became the lead agency for children’s services.
- The Corporate Property Asset Management Team is contributing to the joint work being undertaken by the partners to develop a long term model for property occupation and management.
- There are now lease arrangements in place for the remainder of the term of the partnership agreement for the 27 properties occupied by the Council prior to 1st April 2012 and now wholly occupied by NHS.
- There are approximately 23 properties owned or leased by the Council that are occupied on a shared basis with NHS. Arrangements are being finalised with NHS for the remainder of the term of the shared occupation agreement.
- High Life Highland – a property agreement<sup>8</sup> is in place between the Council and High Life Highland for the properties from which it delivers its culture and leisure services.
- The agreement seeks to align High Life Highland’s operational service delivery requirements with the Council’s Strategic Maintenance and Asset Management Planning process. This will be supported by The Corporate Property Asset Management Team.



Development at Caol



Fort William Library

<sup>8</sup> Property Agreement between The Highland Council and High Life Highland, 30<sup>th</sup> September 2011



## 6.3 Community Services



The main functions of **Community Services** are:

- Housing
- Road maintenance
- Waste management
- Community works
- Cleansing
- Transport
- Environmental health
- Emergency planning
- Harbours
- Street lighting



### **Service property related activity**



Community Services will be undertaking a strategic review of all its depot and stores facilities that will explore potential opportunities to co-locate and share services internally and with Transport Scotland. This will be supported by the Corporate Property Asset Management Team.



This was one of the key themes at the Lochaber Strategic Area Property Review and will address a number of service delivery areas operating from depots that have been brought together in the new Community Services.



Other property related activity is connected to community asset transfers and business improvements.



The Council's housing stock is part of the Council's Housing Revenue Account and is outwith the scope of this Area Asset Management Plan.



Fort William Recycling Centre

## 6.4 Corporate Development Service



The main functions of the **Corporate Development Service** are:

- Human resources
- Legal and democratic services
- Information and communication technology
- Council performance
- Customer services



### **Service property related activity**



A **Customer Services** Board has been established to:

- Undertake a rolling consultation of Members, staff, partner agencies, and the public on the future of the Service Point network.
- Consider customer service provision in each of the 23 communities with a Service Point not designated a Community Hub.
- Agree a future service delivery model for each such community on the basis of a business case which took into account the impact on service users and the Council's commitment to remote and rural communities.



A consultation has been undertaken to seek views from Service Point users, Community Groups – including Community Councils, Highland Council tenants, Members and any other interested parties on the Council's proposals for delivering face to face customer services across Highland.



Any changes to the service delivery model on the operational property assets will need to be considered in conjunction with the Corporate Property Asset Management Team as part of this review.



**ICT, People & Performance and Corporate Improvement Programme** – These areas are central to the Council's transformation and modernisation agenda and will be responsible for delivering a shift of focus from "business as usual" to transforming the ways in which the Council operates<sup>9</sup>. This includes how we use our offices, manage our information and take advantage of technology.



It is anticipated that these will help to deliver efficiencies in the operational property assets and will be considered as part of any actions in this plan.

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<sup>9</sup> [Proposed amendments to Service structure](#), The Highland Council, 24<sup>th</sup> October 2013

## 6.5 Development and Infrastructure Service



The main functions of the **Development and Infrastructure Service** are:

- Planning and Building Standards
- Transport Planning
- Capital Infrastructure projects
- Housing development and Property Partnerships
- Property Design
- Energy management
- Economic development
- Europe
- Environment and Countryside
- Trading standards
- Assets



### **Service property related activity**



The Development and Infrastructure Service is responsible for development plans, development briefs and planning guidance which cover the Lochaber area (below). These will need to be considered within the development of the actions in this Area Asset Management Plan.

- Highland Wide Local Development Plan
- West Highland and Islands Local Development Plan (being prepared)
- Town Centre Action Plan – the Scottish Government Response
- Fort William Town Centre Action Plan (consultative draft)
- Caol Lochyside development brief
- Glen Nevis Partnership Strategy



**Housing development** – one of the objectives of a Strategic Area Property Review is to identify Council owned land potentially suitable for affordable housing development.



During the Lochaber Strategic Area Property Review the Housing Development Team recorded a number of sites with potential for housing development (subject to availability). A number of sites are currently progressing and feasibility studies are being carried out on others.



Affordable housing development in Fort William

## 6.6 Finance Service



The main functions of the **Finance Service** are:

- Corporate Finance
- Revenues and Business Support
- Internal Audit and Risk Management
- Corporate Procurement



### **Service property related activity**



Council services are often location specific which may require local Business Support. The outcome of office reviews may provide the Council with the opportunity to deliver services from a reduced number of buildings thereby reducing the related efforts required in covering receptions and contact points. Any such opportunities will be considered as part of any review.

## 7 Public sector and community interests

### 7.1 Public sector partners

- The Highland Public Sector Property Group was established in September 2011 by the Highland Public Services Partnership Board.
- The constitution provides a framework for co-operation and joint working between the members of the Highland Public Sector Property Group in the management of public property assets, including disposals and potential for co-location opportunities.
- The Corporate Property Asset Manager is a member of the group.
- The development of the actions in this Area Asset Management Plan will explore the opportunity to work with public sector partners.

### 7.2 Community interests

- One of the seven themes in the “Working together for the Highlands” programme is “empowering communities”.
- Information relating to the Council’s operational property assets and the Community Empowerment (Scotland) Bill can be found in section 6.1 of this plan.  
**Section 6.1**
- Currently local Ward Managers are the key Council contact for communities enquiring about assets transfers relating to the Council’s operational property assets.

## 8 Action plan

- The focus of the Lochaber Area Asset Management Plan is the Corporate Property Asset Management actions that were identified during the Lochaber Strategic Area Property Review.
- The actions cover the operational property assets (offices and depots) which account for 24% of the running costs in the Lochaber area.  
Section 4, Appendices A and C
- Actions to do with schools (65% of the running costs) are managed by the Care & Learning Service. An overview is provided in Appendix B.  
Section 4, Appendix B
- The remainder of the operational property assets accounts for 11% of the running costs in the Lochaber area. Appendix D shows the type and range of functions and the number of the operational property assets in the “other” category.  
Section 4, Appendix D
- No priority actions were identified for these operational property assets (Appendix D). Any actions arising during the currency of this Area Asset Management Plan will need to be reviewed alongside the agreed actions in this plan.
- The actions for the Lochaber Area Asset Management Plan are shown below. Each action has been given a priority and an indicative timescale:

Priority	Timescale
High	Short term – within 12 months
Medium	Medium term – 12 – 24 months
Low	Long term – more than 24 months
	Ongoing – ongoing activity



<b>Action 1</b>	
<b>Fort William office review</b>	
<p><b>Description</b></p> <p>Undertake options appraisals to identify preferred property solution(s) and location(s) for the Council's main administrative offices, democratic function and Service Point in Fort William. This will include:</p> <ul style="list-style-type: none"> <li>• Confirmation of in-scope offices, staff and service delivery requirements taking account of recent organisational and property changes</li> <li>• Review of long list of potential site options</li> <li>• Links to Fort William town centre initiatives (Sections 5 and 6.5)</li> <li>• Development of strategic, financial and risk appraisals</li> <li>• Links to wider organisational transformational benefits (Sections 5 and 6.4)</li> <li>• Assessment of the wider environmental and economic impacts on Fort William town centre, including transport issues</li> <li>• Assessment of funding models</li> <li>• Development of business case for Committee approval</li> <li>• Key stakeholder involvement (including Members)</li> <li>• Key public and third sector partner engagement to explore the potential for co-location</li> </ul>	
<b>Timescale</b>	Short to medium term
<b>Priority</b>	High
<p><b>Resources</b></p> <p><b>Leads</b></p> <ul style="list-style-type: none"> <li>• Property – Corporate Property Asset Management Team</li> <li>• Workplace transformation – Corporate Development (ICT, People, Performance and Corporate Improvement)</li> </ul> <p><b>Other key stakeholders</b></p> <ul style="list-style-type: none"> <li>• All Services, Members, public sector partners, Third sector, trade unions</li> <li>• Property (design and cost consultancy, property maintenance, energy)</li> <li>• Finance</li> </ul>	



Former Fort William Secondary School



Action 2	
Leased property review	
<p><b>Description</b></p> <p>Undertake options appraisals to identify preferred property solution(s) for the Council's leased properties at lease expiry and break dates. This will include:</p> <ul style="list-style-type: none"> <li>• Identification of lease expiry and break opportunities</li> <li>• Linking to other actions in this plan</li> <li>• Validation of service delivery requirements and site options</li> <li>• Development of strategic, financial and risk appraisals</li> <li>• Assessment of funding models</li> <li>• Development of outline business case for Committee approval</li> <li>• Key stakeholder involvement (including Members and partners)</li> </ul>	
<b>Timescale</b>	Short to medium term
<b>Priority</b>	High
<p><b>Resources</b></p> <p><b>Lead</b></p> <ul style="list-style-type: none"> <li>• Corporate Property Asset Management Team</li> </ul> <p><b>Other key stakeholders</b></p> <ul style="list-style-type: none"> <li>• Affected Services, Members, public sector partners, trade unions</li> <li>• Property (design and cost consultancy, property maintenance, energy)</li> <li>• Finance</li> </ul>	



Lochaber House



Fulton House





<b>Action 3</b>	
<b>Integrating Care in the Highlands property matters</b>	
<b>Description</b> Continuation of existing work on property arrangements between the Council and NHS.	
<b>Timescale</b> Short term	<b>Priority</b> Medium
<b>Resources</b>	
<b>Leads</b>	
<ul style="list-style-type: none"> <li>• Property (Corporate Property Asset Management Team and property maintenance)</li> <li>• Legal Services</li> <li>• NHS Highland</li> </ul>	
<b>Other key stakeholders</b>	
<ul style="list-style-type: none"> <li>• Finance</li> </ul>	



<b>Action 4</b>	
<b>Improve information about the Council's operational property assets</b>	
<b>Description</b> Improve the information about the Council's operational property assets to support the Corporate Property Asset Management and the actions in this plan. This will include: <ul style="list-style-type: none"> <li>• Accessible and accurate property financial information (lead – Finance).</li> <li>• Developing and implementing a property performance framework (lead – CPAM Team).</li> <li>• Using the key performance indicators to support options appraisals and Strategic Area Property Reviews (lead – CPAM Team).</li> </ul>	
<b>Timescale</b> Ongoing	<b>Priority</b> Low/Medium
<b>Resources</b>	
<b>Leads</b>	
<ul style="list-style-type: none"> <li>• Corporate Property Asset Management Team</li> <li>• Finance</li> </ul>	
<b>Other key stakeholders</b>	
<ul style="list-style-type: none"> <li>• Property (property maintenance, energy)</li> </ul>	



Action 5	
Property disposals	
<b>Description</b> Complete property disposals in the Disposal Plan. This may include: <ul style="list-style-type: none"> <li>• Property sales (lead – CPAM Team)</li> <li>• Lease exits (lead – CPAM Team)</li> <li>• Community asset transfers (lead – Ward Managers/Services)</li> </ul>	
<b>Timescale</b> Ongoing	<b>Priority</b> Medium
<b>Resources</b> <b>Leads</b> <ul style="list-style-type: none"> <li>• Corporate Property Asset Management Team</li> <li>• Ward Managers</li> <li>• Services</li> </ul> <b>Other key stakeholders</b> <ul style="list-style-type: none"> <li>• Legal Services</li> <li>• Finance</li> </ul>	

Section 8



Action 6	
Area Asset Management Plan monitoring report	
<b>Description</b> Produce an annual Area Asset Management Plan monitoring report. This will include: <ul style="list-style-type: none"> <li>• Latest property performance</li> <li>• Progress on actions</li> <li>• Disposals plan</li> </ul>	
<b>Timescale</b> Ongoing	<b>Priority</b> Low
<b>Resources</b> <b>Lead</b> <ul style="list-style-type: none"> <li>• Corporate Property Asset Management Team</li> </ul> <b>Other key stakeholders</b> <ul style="list-style-type: none"> <li>• All Services, Members, public sector partners, trade unions</li> </ul>	

Section 9

- The table below shows how the actions in the Lochaber Area Asset Management Plan will contribute to the Council's corporate aims and objectives:

Action	Working together for the Highlands/ Corporate Plan	Service Plans	Corporate Property Strategy
1 – Fort William office review	✓	All	✓
2 – Leased property review	✓	Affected Services	✓
3 – Integrating Care in the Highlands property matters	✓	Care & Learning	✓
4 – Improve information about the Council's operational property assets		Development & Infrastructure	✓
5 – Property disposals		Development & Infrastructure	✓
6 – Area Asset Management Plan monitoring report		Development & Infrastructure	✓

- There are links between Actions 1, 2 and 5. The coordination of these by the Corporate Property Asset Management Team will ensure that the operational and strategic actions taken for the Council's operational property assets will be aligned.

## 9 Disposals plan

- Each Area Asset Management Plan will have an Area Disposal Plan.
- The disposal of surplus operational property assets contributes to the Council's Corporate Property Asset Management key objectives:
  - a. Reduce the number of property assets held.
  - b. Generate capital receipts from the disposal of property assets that can be reinvested.
  - c. Reduce the overall revenue costs of owning and occupying property by holding fewer assets that are in better condition, and thereby spending less on property overheads such as property management, maintenance, cleaning and energy costs.

Section 1

- Disposals are actively managed by the Corporate Property Asset Management Team with the involvement of local Members. Progress is reported to the Council's Resources Committee.
- In a bid to reduce rental payments, space requirements and running costs the Asset Management Project Board operates under a "presumption in favour of terminating leased-in accommodation" at lease breaks and expiries, unless the occupying Service delivers a robust business justification to remain in the respective accommodation.
- This contributes to two of the Council's Corporate Property Asset Management key objectives (see a and c above).

Section 1

- The table below gives an overview of the types of property disposals completed in 2013/14 and those forecast for the next three financial years for the Lochaber area:

Operational property assets	Completed disposals	Forecast disposals		
	2013/14	2014/15	2015/16	2016/17
Offices				
Schools	✓			✓
Depots		✓		
Other	✓		✓	✓

## 10 Monitoring and review

- An annual Area Asset Management Plan monitoring report will be prepared which will highlight:
  - Latest property performance
  - Progress on actions
  - Disposals plan
- This will be presented to the local area committees and ward business meetings.
- Outcomes from the actions in this Area Asset Management Plan will be considered by the Council's Asset Management Project Board and relevant strategic or area committee.

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## Appendix A – Offices

- There are 8 operational property assets in this category in the Lochaber area.
- Offices **highlighted** were identified as in-scope for the Fort William office review.

Reference	Address	Tenure	Lochaber Area Asset Management Plan comment
HC 06214	An Cala, Lochaber College, Carmichael Way, FORT WILLIAM PH33 6AN	Leased	Confirm property status (in/out of scope) for Action 2.
HC 01129	Community Service Office - 4B1, Blar Mhor Industrial Estate, FORT WILLIAM PH33 7PT	Owned	No action.
TP 07081	Fort William Health Centre (part), Camaghael, FORT WILLIAM PH33 7AQ	Other	No action
HC 02261	Fulton House, Gordon Square, FORT WILLIAM PH33 6XY	Leased	In-scope for Actions 1 and 2.
HC 03289	Lochaber House, High Street, FORT WILLIAM PH33 6EL	Leased	In-scope for Actions 1 and 2.
HC 01130	Offender Services Office - 4B2, Blar Mhor Industrial Estate, FORT WILLIAM PH33 7PT	Owned	No action.
TP 06475	Strontian Ranger Office (Forestry C), Tigh Na Feidh, Anaheilt, Strontian, ACHARACLE PH36 4JA	Other	Confirm property status (in/out of scope) for Action 2.
HC 01702	Tweeddale Buildings, High Street, FORT WILLIAM PH33 6EU	Leased	In-scope for Actions 1 and 2.

*Other – Sharing third party premises or other occupancy agreement*

## Appendix B – Schools

- There are 31 operational property assets in this category in the Lochaber area.

Reference	Address	Tenure	Lochaber Area Asset Management Plan comment
HC 00197	Acharacle Primary School, ACHARACLE PH36 4JV	Owned	
HC 01694	Ardgour Primary School, Ardgour, FORT WILLIAM PH33 7AB	Owned	
HC 05974	Ardnamurchan High School (PPP), Strontian, ACHARACLE PH36 4JY	PPP	PPP school with contract running until 2027
HC 00199	Arisaig Primary School, Station Road, ARISAIG PH39 4NH	Owned	
HC 00200	Ballachulish Primary School, Ballachulish, BALLACHULISH PH49 4JS	Owned	
HC 00201	Banavie Primary School, Banavie, FORT WILLIAM PH33 7LX	Owned	
HC 00202	Caol Primary School, Glenkingie Street, Caol, FORT WILLIAM PH33 7DP	Owned	To be replaced with new Caol Joint campus comprising new primary provision.
HC 00203	Duror Primary School, Duror, APPIN PA38 4BW	Owned	
HC 00204	Eigg Primary School, ISLE OF EIGG PH42 4RL	Owned	
HC 00194	Fort William Primary School, Achintore Road, FORT WILLIAM PH33 6JR	Owned	To be replaced by the new Lundavra Primary School, scheduled to open Oct 2015
HC 00195	Fort William RC Primary School, Fassifern Road, FORT WILLIAM PH33 6BD	Owned	To be replaced with new Caol Joint campus comprising new RC provision.
HC 00205	Glencoe Primary School, Glencoe, BALLACHULISH PH49 4HP	Owned	
HC 00206	Invergarry Primary School, INVERGARRY PH35 4HG	Owned	
HC 02315	Inverie Primary School, Inverie, Knoydart, MALLAIG PH41 4PL	Owned	
HC 00207	Inverlochy Primary School, Earl of Inverness Road, Inverlochy, FORT WILLIAM PH33 6LS	Owned	
HC 00208	Kilchoan Primary School, Kilchoan, ACHARACLE PH36 4LH	Owned	

Reference	Address	Tenure	Lochaber Area Asset Management Plan comment
HC 06143	Kinlochleven Combined School (PPP), Riverside Road, KINLOCHLEVEN PH50 4QH	PPP	PPP school with contract running until 2036
HC 00210	Lady Lovat Primary School, Morar, MALLAIG PH40 4PA	Owned	
HC 00282	Lochaber High School, Camaghael, FORT WILLIAM PH33 7NF	Owned	Currently in phases 3 and 4 of a major refurbishment programme
HC 00211	Lochaline Primary School, Lochaline, Morvern, OBAN PA80 5XT	Owned	
HC 00212	Lochyside RC Primary School, Lochyside, FORT WILLIAM PH33 7NX	Owned	To be replaced with new Caol Joint campus comprising new RC provision.
HC 00283	Mallaig High School, Fort William Road, MALLAIG PH41 4RG	Owned	
HC 06763	Mallaig Hostel, Annies Brae, MALLAIG PH41 4RG	Owned	
HC 00213	Mallaig Primary School, Fort William Road, MALLAIG PH41 4QX	Owned	
HC 00320	Muck Primary School, Isle of Muck, MALLAIG PH41 2RP	Owned	
HC 00215	Roy Bridge Primary School, ROY BRIDGE PH31 4AG	Owned	
HC 00214	Rum Primary School, ISLE OF RHUM PH43 4RR	Owned	
HC 05971	Spean Bridge Primary School (PPP), SPEAN BRIDGE PH34 4EU	PPP	PPP school with contract running until 2027. A project currently underway to install demountable unit at the school.
HC 00216	St Brides Primary School, Onich, FORT WILLIAM PH33 6SA	Owned	
HC 00217	Strontian Community Complex&Primary, Strontian, ACHARACLE PH36 4HZ	Owned	A statutory consultation relating to the future of Strontian Primary School is currently underway.
HC 00218	Upper Achintore Primary School, Zetland Avenue, FORT WILLIAM PH33 6LL	Owned	To be replaced by the new Lundavra Primary School, scheduled to open Oct 2015



## Appendix C – Depots

- There are 5 operational property assets in this category in the Lochaber area.

Reference	Address	Tenure	Lochaber Area Asset Management Plan comment
HC 03291	Brackletter Transfer Station, SPEAN BRIDGE PH34 4EX	Owned	No action.
HC 01371	Carrs Corner Roads Depot, Lochybridge, Carrs Corner, FORT WILLIAM PH33 6TL	Owned	Confirm property status (in/out of scope) for any Community Services' strategic review of depot facilities in Lochaber.
HC 00596	Kilchoan Depot, Kilchoan, ACHARACLE PH36 3LL	Owned	Confirm property status (in/out of scope) for any Community Services' strategic review of depot facilities in Lochaber.
HC 00594	Strontian Roads Depot, Strontian, ACHARACLE PH36 4HZ	Owned	Confirm property status (in/out of scope) for any Community Services' strategic review of depot facilities in Lochaber.
	The Workshop, West Laroch, BALLACHULISH PH49 4JP	Owned	No action.

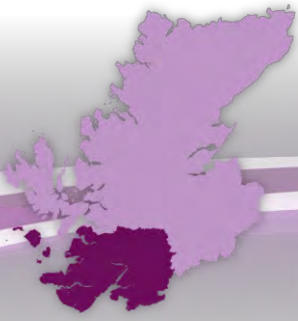


Carrs Corner Depot

## Appendix D – Other operational property assets

- There are 173 operational property assets in this category in the Lochaber area.
- No priority actions were identified for these operational property assets. Any actions arising during the currency of this Area Asset Management Plan will need to be reviewed alongside the agreed actions in this plan.

Type of establishment	No of establishments
Car Parks	17
Cemeteries & Crematoria (land)	9
Community Buildings	1
Education Non-Schools	1
Libraries	3
Museums and Galleries	1
Other Community Asset	35
Other Operational Asset	37
Parks	48
Public Conveniences	18
Residential Homes and Day Centres	2
Sports Centres and Pools	1
<b>Total</b>	<b>173</b>



# Area Asset Management Plan Plana Rianachd So-mhaoin Sgìre

Lochaber

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Prepared by the Corporate Property Asset Management Team  
April

