

ORKNEY
ISLANDS COUNCIL

Corporate Asset Management Plan

2013 - 2018

October 2013

This document is also available in large print and other formats and languages, upon request. Please contact Head of Buildings and Facilities, Telephone (01856) 873535, Extension 2309 or E-mail corporateservices@orkney.gov.uk

Contents

1. About This Plan	5
Our Values	5
2.0. Background.....	7
2.1. The Wider Context	7
2.2. The “Building Blocks” of Asset Management.....	7
3. Asset Management Planning in Orkney Islands Council	10
3.1. Financial Climate.....	10
3.2. Approach to Asset Management.....	10
3.3. Framework for Asset Management Planning	13
3.4. Links to Best Value	15
3.5. Detailed Asset Management Plans for Each Asset Category.....	15
4. Property	16
4.1. Context.....	16
4.2. Aim.....	20
4.3. Objectives	20
4.4. Strategic Direction and Investment Requirements	23
5. Open Spaces and Heritage	24
5.1. Context.....	24
5.2. Aim.....	24
5.3. Objectives	25
5.4. Strategic Direction and Investment Requirements	27
6. Roads Infrastructure	29
6.1. Context.....	29
6.2. Aim.....	30

6.3. Objectives	30
6.4. Strategic Direction and Investment Requirements	31
7. Marine Infrastructure.....	32
7.1. Context.....	32
7.2. Aim.....	33
7.3. Objectives	33
7.4. Strategic Direction and Investment Requirements	34
8. Airfield Infrastructure.....	37
8.1. Context.....	37
8.2. Aim.....	37
8.3. Objectives	37
8.4. Strategic Direction and Investment Requirements	39
9. Waste Management and Disposal	40
9.1. Context.....	40
9.2. Aim.....	40
9.3. Objectives	40
9.4. Strategic Direction and Investment Requirements	42
10. Burial Grounds.....	43
10.1. Context.....	43
10.2. Aim	43
10.3. Objectives	43
10.4. Strategic Direction and Investment Requirements	44
11. Housing	45
11.1. Context.....	45
11.2. Aim.....	45
11.3. Objectives	45

11.4. Strategic Direction and Investment Requirements	47
12. Fleet and Plant.....	48
12.1. Context.....	48
12.2. Aims	48
12.3. Objectives	48
12.4. Strategic Direction and Investment Requirements	49
13.2. Aim.....	51
13.3. Objectives	51
13.4. Strategic Direction and Investment Requirements	53
14. Capital Investment Strategy and Asset Management.....	55
14.1. Corporate Approach.....	55
14.2. Business Cases to support Capital investment	55
14.3. Option Appraisal and prioritisation process	56
14.4. 2013 - 2018 Capital Programme	56

1. About This Plan

This plan summarises Orkney Islands Council's aims and objectives for our assets to ensure that they are used in an effective and efficient manner. The delivery of the plan supports Orkney Islands Council's corporate priorities in Our Plan 2013 - 2018 and is based on our values. It also provides detail on our future investment strategy and the effect this will have on our assets.

The function of asset management within Orkney Islands Council applies to all types of physical asset held by the Council. Assets are classified in the following six generic categories:

- Property.
- Open Spaces and Heritage.
- Roads and Infrastructure.
- Housing.
- Fleet and Plant.
- Information and Communications Technology (ICT).

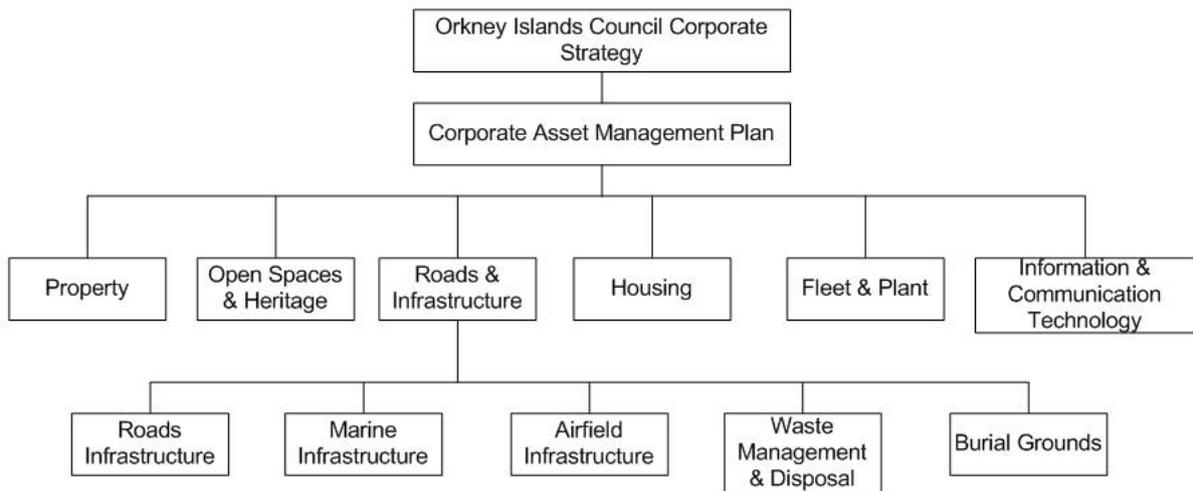
The roads and infrastructure category covers:

- Roads Infrastructure.
- Marine Infrastructure.
- Airfield Infrastructure.
- Waste Management and Disposal.
- Burial grounds.

Our Values

- Promoting survival.
- Promoting sustainability.
- Promoting equality and fairness.
- Working together.
- Working with communities.
- Working to provide better services.

In addition, a separate detailed plan is being developed for each asset type which will set out how we will achieve our asset aims and objectives. The framework is shown in the following diagram.



Each detailed asset management plan will follow a broadly similar structure although, by the very nature of the different types of assets, they will approach asset management in different ways when required. However, they will have a common theme of offering a critical appraisal of existing asset performance and the decision-making requirements that follow such work.

2.0. Background

2.1. The Wider Context

In recent years Councils have risen to the challenge of developing increasingly robust asset management planning frameworks. Most councils in Scotland have started to embrace Asset Management Planning (AMP) as a compulsory requirement for not only the proper management and monitoring of assets but critically as a tool for sound investment decision making.

There have been several key influences in the development of Asset Management Plans.

- The abolition of the S94 capital controls in 2004 and the replacement of this investment system by the Prudential Code. This Code allows Councils the freedom to invest and borrow, provided it takes place within the confines of affordable limits.
- The former Scottish Executive invested heavily in publicising best practice asset management techniques for the schools estate in 2003. This led to increased monies for the schools fund, a set of guides for the preparation of detailed school estate management plans and an annual set of core facts. The progress achieved by asset management planning in schools has created the momentum for best practice procedures in other Council services.
- It was the stated intention of the regulator (Audit Scotland) to allow local authorities some breathing space in the period 2005 - 2008 to put in place proper asset management and capital planning decision making frameworks and for a full audit of such systems to be arranged post 2008. In 2009 a review of Asset Management in Local Government was undertaken by Audit Scotland resulting in the headline "Councils need to improve their asset management". Guidance has been made available to Councils and subsequent audits have focused on the implementation of asset management utilising the Best Value Framework and Toolkits.

An integrated asset management/capital planning system is a critical part of the good management of any organisation and a key principle in ensuring that all investment decisions are considered within an overall systematic appraisal system that includes the use of business cases and option appraisal.

2.2. The "Building Blocks" of Asset Management

Taken in its totality and, especially when linking to the capital planning system, asset management can be a complex subject. The need for Business Cases for all investment bids and the use of option appraisal techniques complicate this even further. However asset management consists ultimately of a few key drivers that when correctly interpreted offer the 'building blocks' for sound decision making. Collecting the data is a time consuming and expensive process but this forms the key database on which well informed decisions and analysis can take place and allows us to reap innumerable future benefits. The information for each of these drivers forms the bedrock of the asset management decision process, monitoring

and reporting on the performance of the assets and the formal basis on which Capital Project Appraisal (CPA) and the capital planning system can be built. The drivers are as follows:

Key Driver	Description
Energy Performance	Energy consumption has social, environmental and economic impacts on the community. The management of existing properties and the provision of new buildings should maximise the social and economic benefits of development whilst minimising the environmental damage resulting from the use of energy and resources. All Authorities are required to comply with the requirements of the Energy Performance of Buildings Directive that places a duty on the authority to investigate and monitor the energy performance of all buildings over 1000m ² . Consideration must be given to the level of energy performance required of new buildings in order to minimise the environmental impact of future building work.
Condition	It is essential there is an understanding of the condition of all assets. Sampled surveys or full 100% surveys are therefore required to form a reliable picture. Usually, a graded system is used to categorise the condition of assets.
Suitability	This is sometimes called the 'fitness for purpose' test. Many organisations find it difficult to assess whether an asset is delivering returns for the purpose for which it was intended. It goes beyond any question of condition and is concerned with how well the asset is suited to its current purpose. An example might be old head office premises that are in good condition but are cramped and full of corridors and small offices that are not suited to 21st century working. This is a suitability issue rather than one of condition.
Sufficiency	This is about current and sustainable demand for the asset. Sufficiency is concerned with asset use both now and in the future. It is critically important because it helps to identify underutilised assets that can be identified for possible disposal or reconfiguration. It is primarily concerned with asset capacity compared to asset use and again taking the example above of the head office premises, it may have a capacity of say 300 people but is currently occupied with say only 100 meaning an occupancy rate of only 33%. In this case this would be the key sufficiency indicator for the asset.
Revenue Costs	The costs of operating the asset are important. The asset management plan needs to include the revenue costs of running the asset in order that maintenance costs and heat and light costs are not

	only controlled but within ranges the Council wishes to pay. In theory these costs should be in line with the condition rating for the asset but information on the two should assist in deciding the relative merits or otherwise of continued, economic asset use.
Accessibility	This can be on two levels. The first is linked to the Equality Act 2010 and how much the asset is accessible to people with disabilities. The second is concerned with accessibility generally. For example, there may be a special piece of computer equipment that can only be used by suitably trained Council personnel. In this case it would be useful to ensure that operatives are correctly identified and appropriate cover is in place (avoiding the situation of reduced usage-sufficiency- because of the unavailability of qualified staff).
Value	Commonly overlooked in asset management plans, but a list of values of assets not only act as a reliable inventory check, but can ensure that an accurate, appropriate valuation is listed. This might not necessarily be the valuation in the accounts but could be one that the responsible asset manager knows is an accurate market value (if the Council wished to dispose of the asset) or of a replacement value if he/she wished to replace the asset.

3. Asset Management Planning in Orkney Islands Council

3.1. Financial Climate

Around £133m of capital investment will have been delivered between 2008 and 2013, an average of over £26m per annum. It is estimated that £58m of this spend will be spent on the Orkney Islands Council's Schools Investment Programme (SIP) with approximately £50m being spent to date. The project will deliver two new schools on Mainland Orkney in addition to a wide range of associated leisure and recreational facilities.

The unprecedented level of investment in the capital programme 2008 - 2013 has also helped the Council realise significant improvements to service delivery and facilities provision, including the secured development of new piers and associated infrastructure in support of the renewables industry sector and a major programme of new house build for the social housing sector. The outlook for 2013 - 2018 however paints a different picture where revenue and capital resources are likely to be significantly lower. The Council faces a challenge of continuing to manage an asset portfolio that supports corporate objectives including commitments to improve or replace assets such as the extension to St Rognvald's House and the Evie School within constrained revenue budgets and a likely capital allocation of approximately £5m per year excluding any agreed capital borrowing.

Effective prioritisation of capital resources and pro-active asset management are crucial in the period ahead.

Although several assets have been declared as surplus to requirements, the economic situation is restricting market interest and communities' ability to utilise assets.

3.2. Approach to Asset Management

Asset management has historically been undertaken by default at a Service level within the Council. This has meant that service areas have naturally built up a good knowledge of their own asset requirements and have managed resources accordingly. Whilst this approach provides a close correlation between asset and service delivery it does not necessarily promote the most efficient and effective use of assets, resources or skills at a corporate level.

It has been widely recognised that effective and efficient use of assets requires corporate visibility of all relevant data, a consistent approach to management, an understanding of all service requirements and an objective means of prioritising investment. Asset management processes have therefore been the subject of audit and best value reviews. To date the Council has been able to report progress with some areas of good practice in asset management, however it has not been able to demonstrate that corporate asset management has been embedded. This process will take time, however this Plan establishes an asset management framework to drive the development of service plans and establish the principles of corporate performance reporting and investment prioritisation.

The Council has established Buildings and Facilities within Corporate Services with responsibility for the planning, management, review and provision of a cost effective and efficient property and assets service.

A Capital Planning and Asset Management Strategy Group has been established to provide co-ordination, direction and operational asset management planning and the Senior Management Team, acting as an Officers' Capital Working Group, provides an oversight of the management of corporate assets within Orkney Islands Council and a decision-making gateway to ensure that management decisions are undertaken in a corporate manner.

Significant work is already underway in each of the sectoral asset categories:

Property

- Operational Property Review – review service needs and consider on a council wide basis all possible opportunities for reducing the number of properties to allow limited resources to be more effectively targeted.
- Commercial Portfolio Review – undertake a review to assess performance with the objective of maximising return and disposing of poorly performing assets.
- Review of Property Revenue Maintenance Budgets.
- Disposal of Surplus Assets – the progression of surplus assets through the asset disposal procedure.
- Joint Working – working with partners on co-location opportunities.
- Data Management – consolidation and review of data sources
- Condition Assessment – independent assessment of operational portfolio
- Energy database system – implementation to monitor and record energy and water usage as part of a carbon emissions reduction programme.

Open Spaces and Heritage

- Review of grounds maintenance specifications in light of biodiversity reviews and budget reductions.
- Place based review of playground provision and investment requirements.

Roads Infrastructure

- Independent high-speed surface condition surveys, condition assessment and backlog maintenance estimate.
- Compilation of Asset Management Plan through the Society of Chief Officers of Transportation in Scotland (SCOTS) workshops and project participation.
- Review of road strengthening options to optimise effectiveness of treatment and minimise future liabilities.

- Risk based inspection regime.
- Quarry resource assessment to establish longevity of quarriable material.

Marine Infrastructure

- Condition assessment of all major assets with options to suspend or increase investment based on inspection results.
- 3 Port strategy for significant infrastructure enhancement.

Airfield Infrastructure

- Condition assessment of all airfields with options to suspend or increase investment based on inspection results.
- Annual Civil Aviation Authority inspection regime.

Waste Management and Disposal

- Implementation of the Orkney Islands Waste Strategy.
- Provision of waste disposal and landfill capacity to 2020 via Shetland Islands Council's Energy Recovery Plant and landfill sites .

Burial Grounds

- Review plot allocations and layouts to make efficient and sensitive use of available areas.
- Condition assessment of all assets to suspend, re-prioritise or increase investment.

Housing

- Review of housing asset management strategy and works programmes completed in 2012.
- On-going works to achieve the Scottish Housing Quality Standard by 2015.

Fleet and Plant

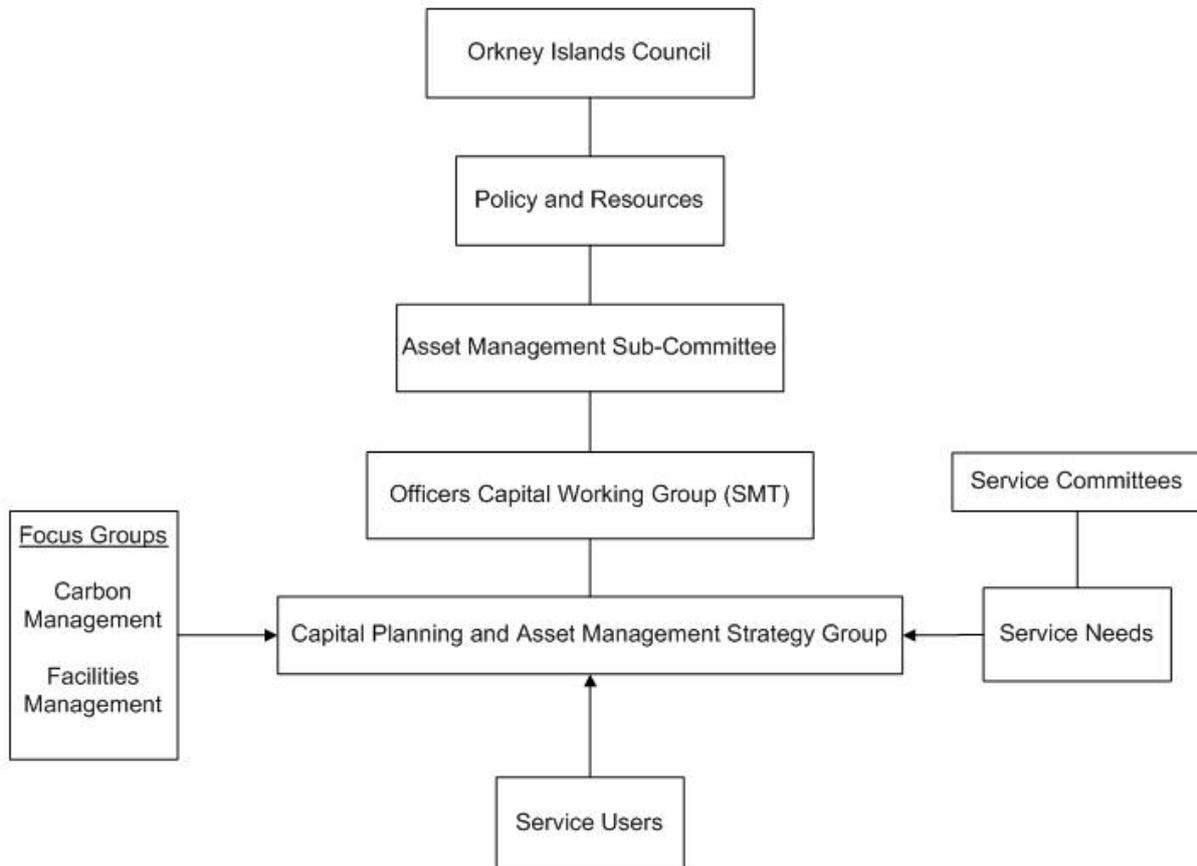
- Asset Register
- Balanced maintenance/replacement strategy

ICT

- Asset Register
- Strategic Plan

3.3. Framework for Asset Management Planning

In order to support the integration of asset management planning and investment decisions, a management framework structure has been established. This framework ensures that asset management planning is dealt with at a sufficiently senior level. This is shown in the following diagram.



Officers' Capital Working Group

The Senior Management Team, acting in its capacity as an Officers' Capital Working Group, is chaired by the Chief Executive. The group provides an oversight of the management of corporate assets within Orkney Islands Council and a decision-making gateway to ensure that management decisions are undertaken in a corporate manner. It is supported by a Capital Planning and Asset Management Strategy Group.

Capital Planning and Asset Management Strategy Group

- The Capital Planning and Asset Management Strategy Group provides coordination, direction and operational asset management planning. It is chaired by the Head of Finance and attended by Heads of Service, as nominated asset managers, and lead officers from the Finance Service. It is responsible for the following:

- Establishing procedures to compile, monitor and report on the capital investment programme over both the medium and long term including whole life costing.
- Ensuring the preparation of a comprehensive range of options as part of the business case for future investment.
- Co-ordinating future options for investment between different asset types to avoid any potential duplication or shortfalls.
- Ensuring the development of the complete Corporate Asset Management Plan to support options for future service delivery.
- Co-ordinating the collation of investment options for those not driven by the asset management plan.
- Co-ordinating the development of Capital Project Appraisals in respect of specific investment proposals for consideration and prioritisation by the Council, and thereafter inclusion in the detailed capital programme, as appropriate.
- Ensuring a consistent approach across Orkney Islands Council in matters relating to the utilisation, management and maintenance, and where appropriate rationalisation, of corporate assets.
- Monitoring and reporting on progress in relation to the development of the Corporate Asset Management Plan.
- Raising corporate asset management issues.
- Disseminating best practice in the management of assets, while acting as a “critical friend”.
- Identifying potential improvement and good practice in the management of the council’s assets.
- Co-ordinating the development of a suite of asset management performance indicators.

Carbon Management Group

A Carbon Management Group was set up in 2007 to develop a Carbon Management Strategy and Implementation Plan which was approved in August 2007 with a target reduction of 11% in CO2 emissions by 2014. Progress is monitored and members are updated by Briefing Notes. Good progress is being made with an underlying reduction of over 8% having already been achieved.

The Carbon Management Group will be reviewed and will consist of lead officers who can influence the progression of Carbon Management initiatives along with member input as appropriate. The remit of the Group is to progress, monitor and report on the Orkney Islands Council’s carbon footprint.

3.4. Links to Best Value

Best Value is a critical driver to the management of our assets. The duty to secure best value has emphasised the need to manage assets effectively. Asset management planning is consistent with the accepted principles to enable the delivery of best value:

- We are accountable to our customers.
- We are transparent and open in the way in which we do business.
- We are committed to continuously improving our services.
- We take ownership of Best Value.

To take forward best value, the Council will utilise the Best Value Toolkit: Asset Management as developed by Audit Scotland. This process will assist the Council in demonstrating Best Value, securing continuous improvement in the services being provided and ensuring that assets continue to support service delivery.

3.5. Detailed Asset Management Plans for Each Asset Category

Each of the asset management plans when fully developed for the ten types of asset will follow a broadly similar structure although by the very nature of the different types of assets, they will approach asset management in different ways when required. However, they will have a common theme of offering a critical appraisal of existing asset performance and the decision making requirements that follow such work.

Sections now follow which cover the key aspects of each of the ten plans, which together form the Corporate Plan. For each asset category, there is a context, an aim and a series of specific goals.

4. Property

4.1. Context

Property assets are essential to the services delivered by Orkney Islands Council. Managing these assets is a structured process that seeks to ensure best value for money from property assets and improved performance in meeting strategic needs. It is recognised that:

- Managing property assets effectively is a key driver of service transformation.
- Properties are at the centre of the public's perception of a local authority.
- The value of property assets and expenditure on construction and running the estate is significant.

Orkney Islands Council currently holds 1879 records on its property database including buildings, associated land, infrastructure, and Council housing. The property portfolio is currently under review and the reviews referred to in paragraph 3.2 above include validation of the data on the database.

The following table summarises the Council's property portfolio based on current data on all ten main asset types which make up the six generic categories referred to at paragraph 1.0. above.

Property Portfolio	Number of Assets
Properties	1495
Infrastructure Assets	113
Parcels of Land	191
Burial Grounds	45
Car Parks	35
Total Council portfolio	1879

Property is one of six generic categories of corporate asset identified by the Council. Although the property database holds the details of all the Council's properties including infrastructure and Council housing only buildings with the exception of Council housing, associated land and surplus properties are reported in this section.

Properties are classified by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Royal Institute of Chartered Surveyors as being either Operational or Non-Operational.

Operational Properties

Operational properties are defined as those assets held and occupied, used or consumed by an organisation in the direct delivery of those services for which it has either a statutory or discretionary responsibility, or for the service objectives of the authority.

Non-Operational Properties

Non-Operational properties are defined as assets being held by an organisation but not directly occupied, used or consumed in the delivery of services, or for the service or strategic objectives of the authority. Non-operational properties are used to stimulate economic development, plan for the future and provide the Council with a stable revenue income stream and surplus assets for disposal.

The list of Operational Property included as “Property assets” is shown on the following page.

Operational Property – Asset Type	Number of Properties
Travel Centre	1
College and Associated Buildings	9
Community Centre	4
Compound	3
Day Care Centre	9
Ferry Terminal Buildings	3
Hostel	1
Industrial Unit	7
Land	47
Leisure Centre	6
Library	2
Museums and Visitor Centres	12
Office	13
Outdoor Centre	3
Pre-School Facility	1
Public Convenience	23
Quarry (Disused)	1
Religious Building	4
Residential Home	9
School	25
Store	34
Waiting Room	1
Waiting Room and Public Convenience	20
Waste Transfer Station	1
Total	239

Over the investment period 2008 - 2013 there has been a significant improvement in the schools property portfolio and associated facilities with approximately £50m of a total estimated investment of £58m having been spent to date through the Schools Investment Programme.

The project is delivering two new schools, a school hostel, a swimming pool, a leisure pool, squash courts, replacement all weather pitches, three new all-weather

playing surfaces and a new arts theatre. The project is programmed for completion in the summer of 2014.

The property investment programme has assisted with progressing some high priority building fabric issues, however there remains a considerable backlog in repairs and maintenance across the estate.

The list of Non-operational Property included as “Property Assets” is shown below.

Non-Operational Property	Number of Properties
Bus Station	1
Community Centre	1
Compound	1
Domestic Garage	6
Dwelling	5
Farm	2
Ferry Terminal Buildings	3
Hangar	1
Hostel Under Construction	1
Industrial Unit	35
Land	134
Leisure Centre	2
Museums and Visitor Centres	4
Office	17
Public Convenience	2
Redevelopment	2
School	1
School House	1
School Under Construction	1
Shop	3
Store	18
Theatre	1
Waiting Room and Public Convenience	2
Total	244

4.2. Aim

To make more effective and efficient use of Orkney Islands Council's property assets.

4.3. Objectives

We will ensure property is managed as a corporate resource by:

- Ensuring the framework and responsibility for the management of operational and non-operational property assets is embedded in the Council's governance and operational procedures.
- Ensuring service management planning identifies the property needed to support service delivery and follows the corporate framework for asset management planning.

We will ensure all property investment and disposal decisions are based on thorough option appraisal by:

- Setting out the framework and responsibility for property investment decisions.
- Using a business case approach to future investment.

We will regularly monitor the performance of property and set out responsibility for securing continuous improvement by:

- Preparing regular property performance reports.
- Benchmarking property performance.
- Valuing land and buildings in accordance with legislation.

We will ensure that property asset management information is collected, maintained and stored effectively by:

- Having an up to date asset register.
- Reviewing Orkney Islands Council's property related information systems.
- Developing a corporate property asset management database.
- Developing a commercial property management system to manage third party tenant leases, rental payments and rent arrears.
- Having current layout and operating plans for all properties.

We will ensure best value in the delivery of property asset management services by:

- Applying the Audit Scotland Best Value Toolkit as the method for measuring and monitoring performance.
- Utilising the "How Good is Our Council" Framework for self-assessment.
- Benchmarking service delivery with other authorities.

We will ensure that only property that meets Orkney Islands Council's corporate objectives is retained by:

- Regularly reviewing and challenging property retention.

We will consider the needs of stakeholders by:

- Participating in local and national stakeholder events.
- Regularly consulting with communities through the Local Development Plan.
- Utilising the established network of Community Councils and the Orkney Community Planning Partnership.

We will ensure our property portfolio is suitable for its current use and supports efficient and effective service delivery both now and in the future by:

- Measuring and reporting the suitability of the property portfolio.
- Measuring and reporting the suitability of the school estate.

We will ensure properties are in an appropriate condition and maintained effectively by:

- Measuring and reporting the condition of the property portfolio.
- Managing property maintenance corporately.
- Ensuring planned maintenance spend is targeted at the areas of greatest need.
- Maximising the amount of revenue planned maintenance.
- Providing a reactive maintenance service to ensure properties remain open and available.
- Providing a regular property inspection regime to identify defects at an early stage.

We will ensure properties are compliant with relevant legislation by:

- Establishing key responsibilities.
- Carrying out all necessary statutory servicing and inspections.

We will ensure properties are accessible for people with disabilities by:

- Measuring and reporting the accessibility of the areas of buildings likely to be used by the public.
- Measuring and reporting the accessibility of the school estate.
- Ensuring all new properties and refurbishment of existing property meet acceptable accessibility standards.

- Ensuring that the routine replacement of building fabric and services elements is consistent with good practice.

We will ensure office space is used efficiently by:

- Undertaking utilisation audits and reporting the office space used per person.
- Identifying areas of best practice in office area utilisation and considering implementation in the Council estate.

We will minimise the number of poorly used properties by:

- Providing visibility of property and space availability internally and externally to the Council.
- Challenging service providers.

We will meet future demand of an aging population by:

- Reviewing the adequacy of the Residential and Care estate.
- Examining the alternative means of procuring care provision.
- Working in partnership with relevant colleagues in other public services to rationalise assets.

We will ensure that cost and consumption of resources in the operation of our properties is minimised by:

- Measuring and reporting the cost and consumption of utilities and consumables in the operation of our properties.
- Ensuring accurate data management.
- Focusing on energy reduction initiatives through the Carbon Management Group.

We will ensure that the commercial portfolio continues to generate sufficient revenue and encourage economic development by:

- Ensuring that the commercial portfolio is well managed.
- Ensuring that properties are held for a clearly defined purpose and that a regular review in terms of service delivery and investment/financial performance is undertaken.

We will manage surplus property effectively by:

- Preparing for disposal process in advance of vacancy.
- Regularly reporting and monitoring progress through the disposal process.

We will ensure efficient procurement and project management of construction projects by:

- Effective monitoring and reporting of construction project performance.
- Developing effective procurement practices that can demonstrate improvements in value for money.
- Carrying out post project reviews.

We will minimise the impact to the environment from the construction and operation of our properties by:

- Aiming for BRE Environmental Assessment Method (BREEAM) “Excellent” standard in capital construction projects.
- Including bio-diversity considerations over the lifecycle of a project.

4.4. Strategic Direction and Investment Requirements

Existing budget arrangements provide approximately £2.387M per annum towards both capital improvements and revenue repairs and maintenance works on Council properties. In addition to this, funding for large scale capital project works are progressed on a case by case basis through the Council’s capital project appraisal process.

These arrangements were established a number of years ago as an interim arrangement pending the completion of a comprehensive needs assessment on the Council’s property estate. The needs assessment has however yet to be completed, and it is currently anticipated that this work stream will be concluded by March 2014 in order to inform this process. Once the results of this exercise have been assessed, it should be possible to quantify and prioritise the requirements of all Council properties more effectively in the future.

A recent high level review of the investment requirements of our diverse property portfolio, utilising national indices as a benchmark, would indicate that a figure nearer £4.5M per annum is required to maintain the condition of our existing property estate. While we await the results of the detailed needs assessment, it is evident that the backlog of outstanding works is increasing.

It is unlikely that the existing capital and revenue funding provision will meet backlog maintenance requirements over this period therefore the proposed strategy for property maintenance is to retain a steady state position with regards to condition and suitability. There are however risks of deterioration, or threat to service availability, which must be accounted for.

Accordingly, it would therefore appear that, either, the size of our property estate needs to be rationalised or alternatively a significant increase on the existing level of investment in Council properties will be required.

5. Open Spaces and Heritage

5.1. Context

The Council owns and maintains a number of parks, playgrounds and open spaces. For definition, a park would be classed as an area outwith school grounds with some form of sports or leisure provision, playgrounds are areas containing children's play equipment and open spaces are areas that are within Council ownership and maintained for general amenity, community or aesthetic reasons.

Although the Bignold Park, Kirkwall and the Market Green, Stromness are the only two areas that would be classed as parks within the Council portfolio, there are many facilities available through school lets or in community ownership. The Council owns and maintains 47 play areas although not all play areas at schools are currently available for public use.

There are a variety of open spaces ranging from the Peedie Sea area and Skate Park to small landscaped areas. These are generally managed through the grounds maintenance contract.

Museum assets are held by the Council at the Orkney Museum in Tankerness House, the Scapa Flow Visitor Centre and Museum at Lyness, the Corrigall Farm Museum in Harray and the Kirbuster Museum in Birsay. The Council also manages the role of St Magnus Cathedral as a visitor attraction, a number of unstaffed sites and monuments, and the arts development service. The Council provides support to the heritage sector in Orkney by participating in key heritage areas such as the steering group with responsibility for the management of the Heart of Neolithic Orkney World Heritage Site and Council led programmes such as the recent Scapa Flow Landscape Partnership.

Access is provided to the museum collections owned by the Council on behalf of the people of Orkney. These include an archaeological collection of Neolithic, Pictish and Viking artefacts from over 70 sites that is recognised as a collection of national significance by the Scottish Government and a social history and fine art collection which includes collections of commerce and industry, domestic and community life, works of art and wartime Orkney.

Orkney Archives is situated within the Orkney Library and Archive building in Kirkwall and holds tangible heritage assets on behalf of the Council and the community. Orkney Archives has 129 collections comprising 29,431 items held under official deposit, agreements with The National Records of Scotland, permanent loan or when gifted to the Council. In addition to the written heritage assets Orkney Archives also holds 2,000 sound and video recordings, approximately 60,000 photographs and 5,869 publications in the Orkney Collection which consists mainly of published books and periodicals relating to the area.

5.2. Aim

“To provide fit for purpose assets that meet the needs of our communities, encouraging lifestyle enhancement, whilst minimising cost and future liability.”

5.3. Objectives

We will ensure parks, playgrounds and open spaces are managed as community resources by:

- Establishing a framework and responsibility for the management of parks, playgrounds and open space assets.
- Ensuring all open space decisions are supported by a robust outline business case with fully costed options.
- Ensure strategy and investment decisions are taken at an appropriate corporate level.
- Regularly consulting with members, public and appropriate user groups on current issues and future aspirations.
- Preparing an annual report detailing what improvements have been possible.
- Continuing to develop and maintain an open space asset management database with accurate and up to date information.

We will maximise opportunities to provide joined up solutions by:

- Regularly consulting with all Planning partners on future changes that may increase or decrease or change the nature of assets.
- Developing the principles of a co-location strategy.
- Ensuring best practice is followed in terms of educational, biodiversity and environmental advice and experience.

We will consider the reasonable needs of stakeholders by:

- Addressing any reasonable changes or improved needs requirement that is brought to our attention and is affordable within available budgets.

We will ensure our assets are suitable for purpose and support the needs of the users where affordable by:

- Regularly measuring and reporting the suitability of the assets.
- Preparing options for future investment that address educational, suitability and sustainability issues.
- Linking future aspirations that are financially practicable to Service Plans.

We will ensure open space assets are in an appropriate condition and maintained effectively, where affordable by:

- Annually measuring and reporting the condition of the assets.
- Managing maintenance corporately.

- Ensuring planned maintenance spend is targeted at the areas of greatest need, whilst maintaining the overall portfolio in balance to avoid increased costs at some later date.
- Providing a maintenance service to ensure assets remain available and functional, within budgetary constraints.
- Providing a regular open space inspection regime to identify defects at an early stage.

We will ensure assets are compliant with relevant legislation by:

- Establishing responsibility for specific areas of operation.
- Cyclical servicing as required.
- Routine inspections.

We will ensure assets are accessible for people with disabilities by:

- Regularly reviewing and reporting the accessibility of the areas of open space likely to be used by the public.
- Ensuring all new or refurbished open space assets meet current accessibility standards.
- Ensuring that the replacement of equipment with specific elements is consistent with good practice (e.g. colour, signs, surfacing access gates etc.).

We will minimise the number of poorly used assets by:

- Annually reviewing the Council portfolio, alongside community assets to assess if any areas could be converted to another function to improve its added value.
- Working at a strategic level with Planners and community groups to identify non-strategic spaces or assets that may form part of an asset rationalisation process.

We will increase public participation in managing parks, playgrounds and open space assets through education, special interest groups and environmental enforcement by:

- Engaging with children at school about the benefits of their assets.
- Engaging with residents and citizens about the benefits of their assets.
- Consulting with all categories of users at one off events and community meetings.

We will ensure the appropriate management of public art and heritage assets owned by or the responsibility of Orkney Islands Council by:

- Developing a strategy to strengthen connections between museums, people and places to inspire greater public participation, learning and wellbeing.

- Regularly reviewing the framework and responsibility for the management of public art and heritage assets owned by, or the responsibility of, the Council.
- Reviewing and maintaining a catalogue of public art and heritage assets owned by, or the responsibility of, the Council.
- Monitoring the performance of public art and heritage assets owned by, or the responsibility of, the Council.
- Developing a strategy for improving the condition of public art and heritage assets owned by or the responsibility of, the Council.

We will seek to collect archives relating to the history of Orkney and its people, whether it is official, social economic, cultural or otherwise and will ensure appropriate management of these assets by:

- Developing a strategy to strengthen connections between the archives, people and places to inspire greater public participation, learning and wellbeing.
- Regularly reviewing the framework and responsibility for the management of the archive assets owned by, or the responsibility of, the Council.
- Reviewing and maintaining a catalogue of the archived assets owned by, or the responsibility of, the Council.
- Monitoring the performance of the archived assets owned by, or the responsibility of, the Council.
- Developing a strategy for improving and increasing storage space for archived assets owned by or the responsibility of, the Council.

5.4. Strategic Direction and Investment Requirements

A significant capital investment would be required to enable all playgrounds to remain open and to upgrade parks facilities. To continue to provide similar equipment attracts annual revenue costs. Officers are aware of good practice nationally and internationally where robust, sustainable and educational playgrounds with low maintenance equipment have been provided. A strategy is therefore being developed where the playground portfolio is gradually changed to these new models, encouraging joint working and rationalisation with school and community assets. It is suggested that some pilot projects are established, whilst maintaining a steady state condition over the remaining playgrounds. It should be highlighted that, without adequate funding, some playgrounds may have to be closed.

A review is being undertaken to establish the conservation requirements and cost implications of conservation of the museums' collection and identifying priorities. Work has already been done to establish the significance and conservation requirements on the wartime collections housed at Lyness as an urgent area of the collection requiring conservation. The conservation of artefacts will be prioritised alongside the major capital works required at Scapa Flow Visitor Centre and Museum. The overall conservation requirements have not been costed yet but as a

priority the Council is in the process of seeking external funding for the Scapa Flow project.

Archive storage and reading rooms currently conform to BS 5454:2000 – Recommendations for the storage and exhibition of archival documents, however, the indications are that there will be a requirement for additional archival storage space within the five year period of this plan.

6. Roads Infrastructure

6.1. Context

The road network is the largest and most visible asset for which the Council is responsible and comprises roads, footpaths, street furniture, lighting, drainage infrastructure and structures such as culverts and bridges. There are 979Km of roads in Orkney consisting of 160Km of A Class roads, 205Km of B Class roads, 160Km of C Class roads and 454Km of unclassified roads.

The whole infrastructure network comprises a number of diverse assets and the principles of asset management are applied to all of these components within the groupings set out in the following table:

Asset Group	Elements
Carriageways	Carriageways, highway drainage, road markings
Footways, Cycleway and Hard verges	Footways, Cycleways (dedicated and shared used), hard paved verges, footway gullies, footpaths
Lighting	Columns, lamps, cabling feeder pillars, illuminated signs, illuminated bollards
Traffic Signals	Pedestrian crossing, school crossing lights
Signs, Barriers and Street Furniture	Advanced direction signs, direction signs, warning signs, information signs, signposts, street nameplates, non-illuminated bollards, road fences, pedestrian barriers, safety barriers, and other street furniture.
Bridges and Other Structures	Bridges, subways, culverts, retaining walls, fixed link barriers, sea walls.
Winter Maintenance	Salt storage areas, gritters and grit bins.
Water-related assets	Flood prevention schemes, ponds, swales, detention basins, watercourses, headwalls and screens, weirs and culverted watercourses including some structures with heritage value.
Quarries	Quarry at Cursiter.

Being such a highly visible part of the Council's asset portfolio, adequate maintenance is essential in order that the existing infrastructure continues to support the communities throughout Orkney.

6.2. Aim

“To provide a road network that is safe and will help to generate and promote growth in business, leisure and everyday living within the community“.

6.3. Objectives

We will ensure compliance with relevant legislation and regulations affecting the assets by:

- Continuing to develop our people and their knowledge.
- Taking a proactive part in the development of new legislation.
- Regularly inspecting our assets and assessing their condition and compliance.
- Assessing activities associated with the asset to ensure a high standard of compliance.
- Networking and monitoring legislative changes.
- Ensuring that necessary repairs are carried out timeously and to a high standard.

We will regularly monitor and report on the performance of the assets and set out responsibilities for securing continuous improvement by:

- Reporting established Key Performance Indicators and regularly publishing details of our performance against established targets.
- Continuing to develop our IT infrastructure to handle detailed asset, condition and maintenance history.
- Regularly inspecting our assets and surveying their condition.
- Regularly reporting to members.
- Taking a proactive part in National Improvement Programmes.

We will ensure comprehensive asset management information to support decision-making is collected, maintained and stored efficiently by:

- Developing our IT infrastructure, data handling detailing asset condition and maintenance history.
- Working with other organisations to gather information on asset condition.
- Participating in National projects in compiling Roads Asset Management Plan (RAMP) documents.

We will ensure ‘best value’ in the delivery of the service to maintain the assets by:

- Establishing a robust process for investment decisions.
- Regularly consulting with members and stakeholders on their perceptions of the asset and the service.

- Networking with similar organisations through established protocols, exchanging information and taking an active role in benchmarking activities.
- Utilising Audit Scotland Best Value Toolkits.
- Utilising the SCOTS road asset audit facility.
- Utilising self-assessment tools such as 'How Good is our Council?'
- Monitoring and controlling the costs associated with maintenance.
- Taking an active part in benchmarking with others.
- Utilising appropriate procurement frameworks and contracts.
- Procuring services and materials in accordance with Contract Standing Orders.
- Seeking greater innovation.
- Improving organisational flexibility by helping our teams to adapt more easily to change.

We will meet the demand of a changing climate by:

- Reducing our usage of raw materials by reuse and recycling.
- Encouraging the use of less damaging products, materials and techniques.
- Working, in a joined-up way with a wide range of other organisations from the public, private, charitable and voluntary sectors
- Keeping inspection routines under review.

6.4. Strategic Direction and Investment Requirements

Independent high-speed surface condition surveys carried out in 2010 indicated a backlog maintenance cost of £9.8M and a steady state figure of £1.6M p.a. for the Orkney Islands Roads network. An audit report prepared by Audit Scotland in September 2012 confirmed that the Council is continuing to make progress in its approach to managing the road network and that the percentage of the road network that should be considered for maintenance treatment had decreased from 27.3% in 2009/10 to 24.2% in 2010/11. The most recent percentage reported was 20.4% in 2012/13 demonstrating a further reduction in the percentage requiring to be considered for maintenance treatment.

The Audit Scotland report estimated that the funding to maintain Orkney's roads in an acceptable state of repair will rise from £0.955M in 2011/12 to £2.422M in 2015/16. The Council will continue to monitor the effect of budget cuts on the road asset condition whilst investigating alternative funding streams and road maintenance strategies to ensure the most effective use of available resources.

7. Marine Infrastructure

7.1. Context

Marine infrastructure is critical to the economy, survival, culture and transport links of the Orkney Islands. The Council owns and maintains 29 piers and harbours, 16 of which have vehicle Ro Ro capability and a further 6 of which have Lift on Lift Off facilities for transportation links. The Marine facilities are managed under two separate accounts namely Miscellaneous Piers and Harbours and the Scapa Flow Oil Port.

The piers and harbours infrastructure comprises a number of diverse assets and the principles of asset management are applied to all of these components within the groupings set out in the following table:

Asset Group	Description
Harbour Area	Sea areas, channels and anchorages, refuge port, marina areas, harbours and surrounding land including navigational aids (Markers and Buoys).
Pier	Fixed Landing structures, including fixed link vehicle ramps, slipways and link spans.
Pontoon	Floating landing structures.
Slipway	Launching/landing structures.
Moorings	Yacht moorings.
Crane and weighbridges	Mechanical loading facilities and weighing systems.
Services	Water, power, data and IT links, fuel offload facilities.
Facilities	WC, showers, waiting rooms, stores, waste oil reception, waste reception, passenger reception, security infrastructure, marshalling areas, parking, lay down areas and lairage.
Fuel	Self-help marine fuel tanks and Road delivery.
VTS	Vessel Traffic Service inclusive of surveillance assets, weather stations, CCTV and communications links.

Being such a critical element of Orkney Islands Council's asset portfolio, adequate maintenance is essential in order that the existing infrastructure continues to support the economy of Orkney.

7.2. Aim

“To provide a marine infrastructure that is safe and will help to generate and promote growth in business, leisure and everyday living within the community whilst enhancing the mobility of islands residents, visitors and businesses.”

7.3. Objectives

We will ensure compliance with relevant legislation and regulations affecting the assets by:

- Continuing to develop our people and their knowledge.
- Taking a proactive part in the development of new legislation.
- Regularly inspecting our assets and assessing their condition and compliance.
- Assessing activities associated with the asset to ensure a high standard of compliance.
- Networking and monitoring legislative changes.
- Ensuring compliance through external audit.
- Ensuring that necessary repairs are carried out timeously and to a high standard.

We will regularly monitor and report on the performance of the assets and set out responsibilities for securing continuous improvement by:

- Developing Key Performance Indicators and regularly publishing details of our performance.
- Regularly assessing usage and establishing income vs expenditure for each asset.
- Regularly reporting to members.
- Developing and implementing affordable planned maintenance schedules both long term and near term.

We will ensure comprehensive asset management information to support decision-making is collected, maintained and stored efficiently by:

- Developing our IT infrastructure, data handling detailing asset condition and maintenance history.
- Regularly inspecting our assets and surveying their condition.

We will ensure ‘best value’ in the delivery of the service to maintain the assets by:

- Regularly reviewing future business opportunities.
- Establishing a robust process for investment decisions to meet current demand and to develop future business opportunities.

- Regularly consulting with members and customers on their perceptions of the asset and the service.
- Networking with similar organisations and key partners through established protocols, exchanging information and taking an active role in benchmarking activities.
- Utilising Audit Scotland Best Value Toolkits.
- Producing an annual report.
- Utilising self-assessment tools such as How Good is our Council?
- Monitoring and controlling the costs associated with maintenance.
- Utilising appropriate procurement frameworks and contracts.
- Procuring services and materials in accordance with Contract Standing Orders.
- Seeking greater innovation.
- Improving organisational flexibility by helping our teams to adapt more easily to change.

We will meet the demand of a changing climate by:

- Providing facilities for the marine renewables sector to encourage developments in the Orkney and Pentland Firth area.
- Reducing our usage of raw materials by reuse and recycling.
- Encouraging the use of less damaging products, materials and techniques.
- Working, in a joined-up way with a wide range of other organisations from the public, private, charitable and voluntary sectors.
- Investigating future fuel and energy needs for Orkney harbour users.
- Keeping inspection routines under review.

7.4. Strategic Direction and Investment Requirements

Income is received from pier dues and rental which assists with the operation and maintenance of the piers and harbours. The assets are however in a particularly corrosive and damaging environment and income streams are vulnerable due to economic variables in fishing and tourism.

Conditions assessments have indicated the following areas for concern over the next five years which require capital funding to be identified.

Location	Description	Cost £K
Lyness	Fender Replacement	90
	West Pier development	300
	Link Span stabilisation	500
Various	Navigational Aids	100
	VTS improvements	250
Moaness	Improved shelter and minor dredging	200
Graemsay	Hard tidal limited ramp	350
Hatston	Water	358
	Fuel	TBC
	Lay down	TBC
	Marshalling improvements	TBC
	Additional Wharfage	TBC
	Improved security	50
Kirkwall	Linkspan refurbishment	200
	Storage and lairage rationalisation	TBC
	Improved security	50
	Road redesign	50
Rapness	Linkspan improvements/maintenance(depends on ferry replacement)	TBC
Loth	Linkspan improvements/maintenance (depends on ferry Replacement)	TBC
Backaland	Linkspan improvements/maintenance (depends on Ferry Replacement)	TBC
Whitehall	Linkspan improvements/maintenance (depends on ferry replacement)	TBC
Pierowall	Major refurbishment/replacement of corroded shuttering	2000
	Provision of hard ramp for Papa Westray RoRo	500
Papa Westray	Provision of hard ramp	1000
North Ronaldsay	Linkspan for Ro Ro	5000
Shapinsay	Improved shelter	3000
Flotta	Improved waiting facilities	150
	links span maintenance	TBC

The total capital risk for the portfolio stretches into millions as a result of under investment in the maintenance of current facilities and due to the future costs associated with future ferry decisions. Legislative requirements could also place a heavy burden on the Council.

Further work is required on the piers and harbours strategy which will require consultation with the key industry partners in ensuring that the infrastructure is fit for purpose and sustainable for the future.

8. Airfield Infrastructure

8.1. Context

The isles aerodrome infrastructure is critical to the economy, culture, transport links and access to education and health for the north isles communities. The Council owns and maintains 6 operational isles aerodromes, one non-operational airfield and one hangar. All operational assets are fundamental to transport links.

The airfield infrastructure comprises a number of diverse assets and the principles of asset management are applied to all of these components within the groupings set out in the following table:

Asset Group	Description
Aerodromes	Hard and grass landing strips, associated markers and lighting, terminal buildings, fire facility garaging, airfield aprons, parking and communications facilities.
North Ronaldsay	As for aerodromes plus night landing equipment.
Hangar	Kirkwall airport hangar for the use of the Public Sector Obligation (PSO) contract holder.
Plant	6 fire tender trailers (one fire engine on order) plus fire training mock up.
Services	Power, water and communications at all aerodromes.
Fuel	None.
Facilities	WC, waiting rooms and store at each aerodrome.

Being such a critical element of Orkney Islands Council's asset portfolio, adequate maintenance is essential in order that the existing infrastructure continues to support the economy of Orkney.

8.2. Aim

“To provide a safe aerodrome infrastructure that will help to generate and promote growth in business, leisure and everyday living within the north isles communities whilst enabling mobility and ease of access to education and health provision.”

8.3. Objectives

We will ensure compliance with relevant legislation and regulations affecting the assets by:

- Continuing to develop and continuously train our people and their knowledge.
- Taking a proactive part in the development of new legislation.

- Regularly inspecting our assets and assessing their condition and compliance.
- Assessing activities associated with the asset to ensure a high standard of compliance.
- Networking and monitoring legislative changes.
- Ensuring that necessary repairs are carried out timeously and to a high standard.

We will regularly monitor and report on the performance of the assets and set out responsibilities for securing continuous improvement by:

- Developing Key Performance Indicators and regularly publishing details of our performance.
- Regularly reporting to members.
- Developing and implementing affordable planned maintenance schedules.

We will ensure comprehensive asset management information to support decision-making is collected, maintained and stored efficiently by:

- Developing our IT infrastructure, data handling detailing asset condition and maintenance history.
- Regularly inspecting our assets and surveying their condition.
- Working with the Civil Aviation Authority to undertake annual audit inspections.

We will ensure 'best value' in the delivery of the service to maintain the assets by:

- Establishing a robust process for investment decisions.
- Regularly consulting with members and customers on their perceptions of the asset and the service.
- Networking with similar organisations and key partners through established protocols, exchanging information and taking an active role in benchmarking activities.
- Utilising Audit Scotland Best Value Toolkits.
- Utilising self-assessment tools such as How Good is our Council?
- Monitoring and controlling the costs associated with maintenance.
- Utilising appropriate procurement frameworks and contracts.
- Procuring services and materials in accordance with Contract Standing Orders.
- Seeking greater innovation.
- Improving organisational flexibility by helping our teams to adapt more easily to change.

- Working with the local communities to ensure the best care of the assets.

We will meet the demand of a changing climate by:

- Reducing our usage of raw materials by reuse and recycling.
- Encouraging the use of less damaging products, materials and techniques.
- Working, in a joined-up way with a wide range of other organisations from the public, private, charitable and voluntary sectors.
- Keeping inspection routines under review.

8.4. Strategic Direction and Investment Requirements

Limited income is received from landing fees for non PSO flights. PSO flights do not generate additional income for the airfields budget. Budgeted funding is therefore essential for the maintenance of the aerodromes.

Conditions assessments have indicated some areas for concern over the next five years for which the risk of capital.

Location	Description	Cost (£K)
All aerodromes	The hard runway surfaces will require major refurbishment/relaying within 5 years.	6000
All aerodromes	The grass runways require re-rolling and drainage (particularly Eday).	500
All aerodromes	The terminal buildings are in a poor state of repair and require replacement inclusive of proper garaging for fire-fighting equipment.	1200
North Ronaldsay	A new garage is required for the new fire tender.	80
North Ronaldsay	Potential to hard surface the cross runway.	1000

The total capital risk for the portfolio stretches into millions. Legislative requirements could also place a heavy burden on the Council (as happened in 2012 re the extending of each runway for the turning area).

Further work is required on the strategy which will require consultation with the key industry partners in ensuring that the infrastructure is fit for purpose and sustainable for the future.

9. Waste Management and Disposal

9.1. Context

Waste Management is in some ways a very visible service in terms of being on everyone's doorstep, however what happens thereafter is rarely thought about by the general public. The disposal of waste is a highly regulated industry with increasing levels of taxation. Orkney has some specific challenges in collection, disposal and recycling due to geography and logistics.

Although the property assets located at the Waste Transfer Station at Chinglebraes are reported in section 4 of this plan, other assets are utilised in the management and treatment of waste including the bio-treatment reed beds at Chinglebraes and the hard standings at Bossack for windrowing of green waste.

There are several recycling centres and transfer stations throughout Orkney, however all of the residual waste is ultimately transferred to Shetland for landfill, processing (heat from waste) or recycling. Recycling centres in Orkney provide a range of facilities for the public to dispose of organic material, plastic bottles, glass, metals, waste electronic and electrical equipment, cardboard and paper. The glass is crushed in Orkney and used as an aggregate substitute. Plastic bottles, paper and cardboard are baled and transported to Scottish mainland centres where there are suitable outlets.

9.2. Aim

"To manage waste in Orkney in a manner that is efficient and sustainable, whilst being sensitive to environmental and biodiversity considerations in the Northern Isles"

9.3. Objectives

We will maximise community and business participation in waste management by:

- Consultation with public and businesses on requirements and acceptable options.
- Ensuring waste recycling targets and taxation implications, along with current performance is communicated to businesses and public alike.
- Providing adequate facilities to enable efficient separation, storage and collection.

We will ensure all investment and operational decisions are based on thorough option appraisal by:

- Setting out the framework and responsibility for investment decisions relating to the Scotland's Zero Waste Plan.
- Using a business case approach to future investment.
- Ensuring that technical and operational requirements are clearly understood by decision makers.

We will regularly monitor the waste operations and set out responsibility for securing continuous improvement by:

- Preparing regular property performance reports.
- Benchmarking waste management performance.

We will ensure best value in the delivery of waste management services by:

- Applying the Audit Scotland Best Value Toolkit as the method for measuring and monitoring performance.
- Utilising the “How Good is Our Council?” Framework for self-assessment.
- Benchmarking service delivery with other authorities.

We will consider the needs of stakeholders by:

- Establishing and participating in local and national stakeholder events.
- Regularly consulting with communities.
- Utilising the established Orkney Community Planning Partnership.

We will ensure assets are in an appropriate condition and maintained effectively by:

- Measuring and reporting the condition of the assets.
- Ensuring planned maintenance schedules are in place and undertaken.
- Providing a regular asset inspection regime to identify defects at an early stage.
- Ensuring that regular safety inspections are undertaken and acted upon.

We will ensure compliance with relevant legislation by:

- Establishing key responsibilities
- Participating in industry network groups and Government consultations
- Carrying out all necessary statutory servicing and inspections.

We will ensure that cost and consumption of resources in the operation of our properties is minimised by:

- Measuring and reporting the cost and consumption of resources in the operation of our properties.
- Ensuring accurate data management.
- Focusing on energy reduction initiatives through the Carbon Management Group.
- Considering renewable and energy from waste initiatives.

We will minimise the impact to the environment from the construction and operation of our operations by:

- Aiming for BREEAM excellent standard in capital construction projects.
- Including bio-diversity considerations over the lifecycle of a project.
- Maintaining and regulating the treatment processes and effluent streams from our sites.

9.4. Strategic Direction and Investment Requirements

There has been limited investment over the past ten years in property, plant and infrastructure. It is likely that this lack of investment will be insufficient to deal with demands for the next five years; additionally, the very nature of the plant requires a certain contingency to cover replacement and failure.

Asset	Description	Cost (£k)
Chinglebraes	Major modernisation to meet safety, efficiency and legislative requirements	TBC
Bossack	Modernisation to enable proper recycling of organic waste	TBC
Amenity sites at Garson, Cursiter and St Margaret's Hope	Modernisation to enable more efficient operation and longer opening.	

A review of current assets will be undertaken to identify future needs taking into account the composition of waste following the introduction of the Alternate Weekly Collection (AWC) and the segregation at source of trade waste required by legislation. The provision of a safe working environment is also crucial and both Chinglebraes and Bossack present challenges in this regard.

10. Burial Grounds

10.1. Context

The Council administers 45 burial grounds throughout Orkney. The Council is not the only provider of this service as there are other community owned and operated burial grounds.

Burial is the traditional practice in Orkney. As funeral services utilise churches or community halls, the only buildings associated with burial grounds are small equipment stores. The main asset is therefore the land.

Most of the burial grounds are located in sandy coastal areas, however there are “constructed” grounds, where the local area is of peat or rock terrain. It is extremely important that good records are maintained both from a sensitive nature and also to enable appropriate utilisation of the space available.

Considerable work has recently been undertaken to update record systems and to ensure that income is recovered to meet the maintenance and operational costs of the service.

An asset management plan is being developed which will map out the predicted lifespan of each individual burial ground highlighting the options to deal with capacity and maintenance issues.

10.2. Aim

“To provide a high quality facility and sensitive management service to support communities through bereavement”.

10.3. Objectives

We will ensure corporate visibility of investment requirements, taking account of aging population profile by:

- Ensuring service requirements are reviewed annually and reported through the asset management framework.
- Ensuring that comprehensive asset management information and data is collected and stored effectively.
- Ensuring all investment decisions are supported by a robust outline business case with fully costed options.
- Ensure strategy and investment decisions are taken at an appropriate corporate level.

We will ensure that service provision is providing best value and is financially robust by:

- Monitoring income and expenditure by area on a quarterly basis.

- Considering alternative strategies for delivery of the service where appropriate.
- Regularly consulting with appropriate user groups on burial ground issues.

We will ensure that burial grounds are in an appropriate condition and maintained effectively by:

- Ensuring adequate financial provision is collected and used effectively.
- Consulting with appropriate user groups.
- Taking account of environmental and bio-diversity considerations.

We will ensure compliance with relevant legislation by:

- Monitoring requirements and undertaking regular inspections of sites.
- Providing, where practical, access for people with disabilities.

We will consider the reasonable needs of service users and stakeholders by:

- Addressing any reasonable changes or improved needs requirement that is brought to our attention.

10.4. Strategic Direction and Investment Requirements

In terms of the Burial Grounds (Scotland) Act 1855, the Council is responsible for burial grounds in Orkney. The Council has recognised that there are a number of burial grounds which require upgrading by additional land acquisition, development of land previously purchased or additional maintenance. In particular land acquisition will be required to allow continuing use of the graveyards at Holm; Sanday; Orphir; St Peter's, South Ronaldsay; Stronsay; and St Olaf's. Non-routine maintenance to protect and improve the asset is required at Flaws, South Ronaldsay, Stronsay, Deerness and St Peter's Sandwick.

Asset	Description	Cost (£K)
Holm, Sanday, St Peter's, South Ronaldsay, Stronsay.	Land acquisition.	TBC
St Ola, Orphir.	Development of land already owned.	TBC
Flaws, Deerness, Stronsay.	Protection/walls repairs.	TBC
St Peter's, Sandwick.	Drainage.	TBC

A detailed feasibility analysis of options to address the asset needs identified above is being undertaken the outcome of which will inform future bids for funding through the Council's Capital Project Appraisal process.

11. Housing

11.1. Context

The Council owns and maintains 899 Council houses and flats in 13 separate areas of Orkney mainland and 8 additional island communities. It provides services to a range of households including those seeking to access social rented housing and households who are homeless or threatened with homelessness. In addition social rented housing is provided by Orkney Housing Association Ltd and both organisations work closely together, operating a common housing register.

In addition to Council housing, the Council leases 274 garages across Orkney and 17 garage plots in Kirkwall.

The Council stock is in good condition and sound stock management strategies are followed to endeavour to ensure the houses are in demand, maintained, modernised and adapted as people's needs change.

Significant investment has been made in Orkney's housing stock and currently the Council is building additional properties in order to increase its ability to meet housing need.

11.2. Aim

“Orkney Islands Council is committed to ensuring that every citizen has access to a warm, dry, secure, and affordable home, suited to their particular needs and, wherever possible, in a community of their choice.”

11.3. Objectives

We will ensure compliance with relevant legislation and good practice by:

- Ensuring services offered meet the requirements of the Scottish Social Housing Charter in respect of Housing Quality and Maintenance.
- Ensuring that we achieve appropriately high standards in respect of self-assessment, including meeting the National Standard for Advice and Information Providers and regulation by the Scottish Housing Regulator.
- Utilising the “How Good is Our Council?” Framework for self-assessment.
- Ensuring that we compare service provision with good practice initiatives elsewhere.
- Monitoring requirements and undertaking regular inspections of properties in line with normal practices.

We will ensure that service provision is providing best value and is financially robust by:

- Continually reviewing our services to ensure their efficiency, effectiveness and that they meet agreed targets.

- Providing services competitively to ensure value for money by developing effective procurement and partnership arrangements
- Maximising the importance of planned maintenance programmes to reduce the incidence of responsive repairs
- Benchmarking against other Councils and maintaining membership of the Scottish Housing Best Value Network.
- Consulting with our tenants as relevant and in line with our responsibilities in respect of tenant participation.

We will ensure that Housing is in a good condition and maintained effectively by:

- Aiming to achieve the Scottish Housing Quality Standard across our stock by 2015.
- Ensuring that planned maintenance schedules are in place and are appropriately implemented and monitored.
- Continuing to operate an appropriate void (empty property) inspection process.
- Ensuring adequate financial provision is collected through rents and used effectively.
- Consulting with tenants and analysing customer satisfaction feedback.
- Continuing to expand stock levels through new build as funding allows.

We will consider the needs of service users and stakeholders by:

- Offering comprehensive services which are responsive, person centred, efficient and effective.
- Implementing key changes to our services inside a realistic timescale to ensure our services continue to grow, develop and respond to the needs of service users.
- Promoting equalities and accessibility of services.
- Maximising the effective use of our stock to ensure it remains a valuable asset for the future.

We will ensure corporate visibility of investment requirements, taking account of a changing population profile by:

- Ensuring service requirements are reviewed annually and reported through the asset management framework.
- Ensuring that comprehensive asset management information and data is collected and stored effectively.
- Ensuring all investment decisions are supported by a robust outline business case with fully costed options.

- Ensure strategy and investment decisions are taken at an appropriate corporate level.

11.4. Strategic Direction and Investment Requirements

Over the investment period 2013 - 2018 it is anticipated that there will be a requirement to significantly improve IT systems relating to property maintenance and improvement. In addition significant investment will be required in order to meet the SHQS and continue to build new stock.

12. Fleet and Plant

12.1. Context

The Council has a fleet of vehicles and plant that support in the delivery of services. They include:

- 67 vehicles over 3,500kg.
- 58 cars and vans up to 3,500kg.
- 43 pickups and minibuses up to 3,500kg.
- 11 Disabled access buses.
- 2 Zero Emission Vehicles (Electric)
- 73 registered and licenced items of plant including tractors and paving machines
- 134 non registered items of plant including excavators, forklifts and compressors
- Various fixed plant items including waste balers and a bitumen mixing plant

Plant items and fleet stock currently has a replacement value of £14M.

The Council provides fleet maintenance services for all its fleet from garages at Hatston Industrial Estate, Kirkwall augmented by agreements with private sector providers.

12.2. Aims

“To provide an efficient and effective Fleet Management and Vehicle Maintenance Service to support service delivery.”

12.3. Objectives

We will ensure Council Services have the appropriate vehicles to carry out their responsibilities and duties by:

Advising Service Users on economic maintenance and replacement periods for vehicles.

- Holding regular meetings with Service users.
- Offering 24 hour workshop support on call-out basis.

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

- Regular safety inspections (currently every 12 weeks for vehicles under 3500kg and 6 weeks for vehicles over 3500kg as defined by the terms and conditions applicable to our Operators Licence OM).

- Ensuring vehicles are fit for purpose and kept roadworthy and comply with Construction and Use (C and U) Regulations.
- Undertaking pre-MOT checks prior to presenting vehicles to VOSA for Class IV, V and VII MOT tests.
- Providing refresher training for mechanics.
- Using approved and calibrated inspection equipment.

We will ensure Fleet Asset Management information and data is collected and stored effectively by:

- Ensuring asset register is updated as and when new vehicles arrive and are disposed of.
- Updating of individual files and service records.
- Ensuring fuel providers provide electronic consumption data by vehicle registration number.

We will demonstrate Best Value by:

- Benchmarking with other authorities.
- Benchmarking with Private Sector.
- Self-evaluation using “How Good is Our Council?” format.

We will consider the needs of Stakeholders by:

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

We will ensure vehicles are environmentally friendly by:

- Using the latest engine technology available to comply with emissions standards.
- Monitoring fuel consumption and carbon emissions.
- Promoting and organising driver training courses.
- Carrying out a Green Fleet review with assistance from the Energy Savings Trust
- Evaluating alternative fuels.
- Trialling Low Emission Vehicles (LEV) and Zero Emission Vehicles (ZEV)

12.4. Strategic Direction and Investment Requirements

A budget allowance of £1m per annum has been established for the replacement of plant, equipment and vehicles identified from the existing asset register on the basis

of “need” and scored against pre-set criteria including delivery of statutory services and meeting the Council’s corporate priorities/community planning goals.

Current projections for a ten year period based on replacing the existing assets at the end of their useful life indicate that an annual budget of £1.8m would be required. Service needs post restructuring in 2012 - 2013 are being reviewed and consideration is being given to funding the replacement of large value assets such as the bitumen mixing plant individually through the Capital Project Appraisal process.

The potential for and feasibility of working in partnership with VOSA in the provision of facilities is currently being investigated. This would require additional investment but would also provide an additional income stream. It is anticipated that the income stream would not be large and that the initiative may even only be cost neutral however it would secure the provision of a VOSA testing station on Orkney and avoid all commercial vehicles having to travel outwith Orkney in the future for annual testing.

13. Information and Communication Technology (ICT)

13.1. Context

Within the Council, Information and Communication Technology (ICT) is managed on a corporate level within the Chief Executive's Service.

The assets owned and maintained by the Council include:

- Data centre facilities (data rooms, server racks, air conditioning, UPS).
- Communication Lines and network equipment (including cabling, switches, hubs etc.).
- Servers (applications, storage etc.).
- PCs, laptops, handheld devices, printers, scanners etc.
- Software licences - application e.g. MS Office, etc.
- Specialist software and interfaces.
- Video conferencing facilities.
- Electronic whiteboards.
- Telephony equipment.
- Mobile devices including phones, BlackBerrys and iPads.
- Data and Information.

In general Services should purchase hardware and software dependent on service needs with the assistance of the IT and Procurement specialists. Equipment is serviced by IT technicians or through specialist contracts.

13.2. Aim

“To make effective, efficient, economical and ethical use of Orkney Islands Council's ICT assets in support of its strategies, plans and service delivery.”

13.3. Objectives

We will ensure effective and efficient identification, management and operation of ICT Assets by:

- Ensuring that comprehensive asset management information is collected, maintained, readily available and stored efficiently.
- Ensuring efficient and consistent information relating to lifecycles and replacement plans.
- Ensuring detailed information is maintained in relation to contractual obligations, leasing, warranties and software.

- Ensure asset management information is in line with all other Council processes and procedures e.g. financial planning, service planning and project management.
- Ensure asset management procedures inform, prioritise and direct ICT operations management.

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

- Informing ICT Capital and Revenue budget planning, ICT service and workload planning.
- Managing the deployment of ICT assets.
- 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 Council strategies, security and legal requirements and framework agreements for hardware and software.
- Ensuring a corporate approach to the use of shared service/ infrastructure/ hardware/ systems opportunities.
- Ensuring 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 by:

- Challenging the need for ownership/retention of under-performing assets.
- Adopting a corporate approach to ownership in a shared infrastructure.
- Minimising operational overheads and annual running costs.
- Co-ordination of assets, management and budgets.
- Ensuring effective capacity planning is undertaken.
- Ensuring regular monitoring and report on the performance of ICT assets.
- The identification of redundant hardware and software.
- Ensuring backup/recovery of systems.
- Ensuring disaster recovery of critical systems.

- Maximising interoperability opportunities between hardware, applications, systems and networks.
- Ensuring appropriate ICT and information security (Availability, Integrity and Confidentiality).
- Ensuring compliance with Network Management, Audit and security IT systems.

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

- The identification of operational sustainability systems including storage, space and cooling.
- Ensuring all new hardware is energy efficient in line with Government and Council targets.
- Extending 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 replacement plans for all ICT assets integrating opportunities for consolidation and the application of new, budget saving technologies.
- Ensuring operational efficiency with all other assets i.e. hardware, software, applications and networks.

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

- Complying with the EC Directive on Waste Electrical and Electronic Equipment (WEEE).
- Ensuring an Information Storage, Retention and Archive framework fulfils the statutory obligation of the Council in relation to Freedom of Information etc.
- Ensuring replacement plans for hardware, systems and networks are in place.
- Ensuring the efficient and safe removal of electronic data.

13.4. Strategic Direction and Investment Requirements

Effective Information and Communications Technology (ICT) is essential to allow the Council to provide customer-focused government. Telephone and computer systems underpin the efficient and effective delivery of all Council services.

There are a number of different and competing drivers for the strategic use of ICT in the Council including:

- The Council's Corporate Strategic Plan for 2013 - 2018 which sets out the areas of priority and aspirations for the future. It is expected that the Council's information technology function will support, enable and facilitate the objectives of this Plan.

- External influences such as the national local government ICT strategy currently under development and the June 2011 report on the McClelland Review of ICT Infrastructure in the Public Sector in Scotland as well as increasing scrutiny by the Information Commissioner's Office on data protection and data loss events.
- Business areas' needs for "business as usual;" information technology services should also be kept in view.
- Recent developments and innovation in technology.

The current ICT strategy is being updated to reflect the drivers and developments noted above and to ensure that investment in ICT projects and services is targeted on achieving corporate and service objectives, and that the benefits, costs and risks of using ICT are understood and managed appropriately.

14. Capital Investment Strategy and Asset Management

The corporate asset management plan sets out Orkney Islands Council's aims and objectives for our assets to ensure that they are used in an effective and efficient manner. This section deals with the links between asset management planning and capital investment strategy.

14.1. Corporate Approach

The Prudential Code places a formal requirement on local authorities to take account of asset management planning and option appraisals when agreeing capital investment proposals. Outputs from the asset management plans should therefore be used to assist in preparing ten year capital investment options, as well as options for areas not directly linked to Council assets, such as town centre improvements. It is however recognised that both internal and external influences can have a significant effect on capital planning and it is therefore important for these processes to be dynamic and for asset management plans to be regularly reviewed.

14.2. Business Cases to support Capital investment

In setting the 2008 - 2013 Capital Programme, Outline Project Briefs were used as a basis to prepare capital project appraisals that were then scored against set criteria. This had the desired effect, whereby a capital programme was duly approved having first prioritised competing capital investment opportunities against each other in a consistent manner and recognising factors such as the availability of external funding. However, these projects were rarely developed to a sufficiently detailed stage, with for example a Project Initiation Document (PID) and costings based on a detailed design, until after the capital programme was approved. As a result, for many projects, the original approved budgets and timescales for delivery were simply unrealistic and therefore not achievable.

It is therefore intended that a revised capital planning and option appraisal framework should be developed for the 2013 - 2018 programme period to support and inform future capital investment decisions by the Capital Planning and Asset Management Strategy Group for consideration in the first place by the Senior Management Team as a decision making gateway and by members. The framework should ensure that the outputs of the asset management plan are used to prepare options for capital investment, and will consist of a gateway process to ensure corporate consistency.

The Council is mindful of the significant reduction in both revenue and capital funding for this period, against the picture of significant maintenance backlogs in asset portfolios, and the requirement to deliver on key strategic objectives. The developing framework will therefore require an initial business case to be prepared for potential projects in the five to ten year period 2019 - 2024, a detailed business case in the form of a Stage 1 CPA for all bids for capital investment in assets for the three year period 2015 - 2018, and a detailed business case in the form of a Stage 2 CPA for projects in the two year period 2013 - 2014.

Each business case should contain the following information on the proposed investment area:

- Strategic Context for investment.
- Investment options for consideration, including a do nothing option.
- Financial information for each option containing both capital cost and revenue implications.
- Supporting information for each option e.g. impact on asset and/or service delivery.
- Impact on outcome agreement targets.

A key improvement from previous capital planning processes is that each business case will contain a range of options, which allows a far greater degree of flexibility in decision making, as there are various costed solutions that achieve the investment objectives.

14.3. Option Appraisal and prioritisation process

In the course of developing this process alongside asset management planning, it should be recognised that there will be an essential core level of investment required to meet statutory needs and backlog/lifecycle investment requirements in Orkney Islands Council's current asset infrastructure. Taking this into account, it is important to agree a transparent and robust process to assist in the evaluation and prioritisation of capital investment opportunities, while avoiding duplication.

It is recognised that the process should be an aid to decision making for officers and Members, rather than as a definitive method of arriving at investment decisions. In summary, the stages of the process are as follows:

- Identify essential core statutory investment.
- Identify essential core backlog/lifecycle investment.
- Assess and prioritise remaining options for statutory, backlog and lifecycle investment and new capital projects.
- Consider capital investment priorities based on these information factors.

14.4. 2013 - 2018 Capital Programme

The production of the capital investment strategy for 2013 - 2018 will involve:

- Quantifying available resources.
- Identifying essential core statutory investment.
- Noting existing approved capital commitments.
- Prioritising investment for the remaining resources.

In producing a capital investment strategy for assets, it will be important to quantify at an early stage an estimate of the probable level of available resources in order to help inform the planning process and avoid the creation of unnecessary and abortive work streams.

The Council's capital project appraisal process will be used to assess all bids from competing investment opportunities for prioritisation and inclusion in the Council's approved capital.