



# Strategic public sector property asset management

Global

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# Acknowledgements

## **Technical author**

Brian Thompson MRICS (Real Estate Works)

## **Working group**

Cristina Alvarez Campana Fernandez-Corredor MRICS (SEPES – Entidad Publica Empresarial de Suelo, Spain)

Pal Baross FRICS (Central University European Share Company, Hungary)

Bridget Workman (The Changing Work Company, UK)

James King (CBRE, Australia)

Ronan O'Hara FRICS (Strategic Investment Board Limited, UK)

Deborah Rowland FRICS (Sodexo, UK)

## **RICS Standards Lead**

Paul Bagust

## **Standards Delivery Project Manager**

Helvi Cranfield

## **Editor**

Megan Reed

# Contents

Acknowledgements .....	ii
<b>1 Introduction .....</b>	<b>1</b>
1.1 Asset management .....	1
1.2 Drivers for change within the public sector .....	1
1.3 Aim and scope of these guidelines .....	3
<b>2 Fundamentals of property asset management .....</b>	<b>4</b>
2.1 Asset management terminology .....	6
2.2 The role of an asset manager .....	6
2.3 Key attributes of an asset manager .....	7
2.4 Customer relationship management .....	11
<b>3 The asset management process .....</b>	<b>14</b>
3.1 Defining and responding to the corporate vision .....	15
3.2 Developing strategies and plans .....	16
3.3 Appraising project options and preparing business cases .....	16
3.4 Delivering the strategy .....	17
3.5 Reviewing and evaluating the strategy .....	18
<b>4 Developing an asset management framework .....</b>	<b>19</b>
4.1 Framework options .....	19
4.2 Generic or tailored? .....	23
4.3 What to consider when building a framework .....	24
<b>5 Developing an AMS .....</b>	<b>28</b>
5.1 Writing asset management policies .....	28
5.2 Engaging with stakeholders .....	29
5.3 The content of the AMS .....	30
5.4 Updating the AMS .....	32
5.5 Preparing and updating the asset management plan .....	32
<b>6 Carrying out an asset management health check .....</b>	<b>34</b>
6.1 Indicators of healthy asset management .....	34
6.2 Aspects of an asset management health check .....	35
6.3 The asset management health check process .....	37
<b>7 Improving well-being, creating social value and enabling sustainability</b>	

through asset management .....	39
<b>Appendix A: Further reading .....</b>	<b>43</b>
Useful resources .....	43

# 1 Introduction

## 1.1 Asset management

Strategic asset management can be defined as the activity of aligning property assets with the strategic aims and direction of the organisation and adding both financial and non-financial value to the organisation as a result.

The principal aims of strategic asset management are:

- **The activity of alignment** – the processes, systems, people, finances, culture and data should be working together with a single objective in mind.
- **Whole life perspective** – the entire asset life cycle should be considered through acquisition, operation and management to disposal, optimising use throughout.
- **Strategic objectives** – the organisation should have a clear view on its direction of travel expressed in such a way that the asset manager can respond constructively. In some instances, the asset manager may even help to determine the direction of travel.
- **Adding value** – the asset manager should improve and/or increase the outputs or impact of the organisation in measurable terms (whether those terms are monetary or non-monetary).

## 1.2 Drivers for change within the public sector

Drivers coming from within the public sector or emanating from outside are suggesting that the 'old ways' of managing property assets need to be adapted for several reasons, just as public sector operating models are having to evolve. The forces of change include:

- **Sustainability and climate change** – sustainability has been on the agenda for several decades now and has been a catalyst for asset management transformation. From often being an 'any other business' issue, sustainability is now a strategic issue for many. It raises questions about how and where we work and challenges the rationale for property asset platforms as we know them at present. At the same time, the operational efficiency of buildings and their internal infrastructure continue to be day-to-day imperatives to combat waste. Decarbonising property assets and facing up to climate change through the pursuit of net zero carbon policies are also now strategic issues for the property asset manager. They require short term action to be taken in the context of long-term perspectives.
- **Technology and data** – advancements in technology and data analytics such as artificial intelligence, sensor technologies, the Internet of Things (IoT), building information modelling (BIM) and digital twins are changing the way in which we look at our assets and our demand for capital formation.

- **Constrained resources** – to help alleviate budget constraints, many public sector organisations including central government bodies have sought to reduce public sector spending and, simultaneously, identify opportunities to commercialise their assets. At the same time, other spending in the public sector has been increased to stimulate growth, especially in attempts to recover from the economic shock of a pandemic.
- **Operating models** – to help meet the challenge of austerity and post-COVID recovery, but also to take advantage of new IT-enabled modes of public service delivery, new models of service delivery are being tested. Some models will require radically different property platforms to be effective in terms of, for example, their reduced scale or their wider geographic distribution across the community being served.
- **Collaboration** – historically generated organisational boundaries (and associated funding streams) between local public sector organisations, or between local and central government, have occasionally created unhelpful silos, inefficiencies or an uncoordinated map of service delivery to communities. While barriers are being broken down through more collaborative asset management (perhaps involving the sharing of space, asset management resources or even budgets), there is still much room for improvement.
- **Service transformation** – collaboration on asset management can be a trigger for the streamlining of service delivery. A streamlined service within an organisation or between organisations will inevitably have implications on the shape, scale and location of a new and optimal asset platform.
- **Place-making** – the public sector is often in a position to directly influence the nature and pace of economic development activity. Through investment in the public realm it may be possible to stimulate regeneration and breathe new life into declining town centres and deprived zones within cities.
- **Adaptability** – COVID-19 has shown that public service delivery is not entirely contingent on the real estate platforms that had previously been in place, built up over many decades, or even centuries in some instances. The pandemic has shown that real estate, IT and HR managers can work collaboratively to create more agile modes of public service delivery and to support a hybrid model of working that for many combines remote working with attendance at the workplace. A transition to 100% homeworking may even be appropriate for some. It has highlighted the importance of adaptability across the entire spectrum of asset management, from setting a strategy to redefining spaces in workplaces.

### 1.3 Aim and scope of these guidelines

These guidelines are aimed at those engaged in property asset management activities in the public sector globally. It indicates how an organisation should use data to support organisational objectives and inform the strategic management of assets – rather than specifying which datasets need to be collected within an organisation – because the circumstances facing each organisation are unique. Similarly, these guidelines don't recommend a specific organisational structure to deliver effective asset management; instead, it sets out some of the attributes and characteristics of an effective organisation delivering asset management.



## 2 Fundamentals of property asset management

The delivery of property or real estate services (whether on behalf of public or private sector occupiers) is described in many ways, including:

- property asset management
- strategic asset management
- estate management
- property management
- asset management and
- operational asset management.

In these guidelines, the term 'asset management' will be used to define a broad range of activities undertaken to deliver property or real estate services and the vision for the property asset base. Some people may be involved in asset management activities at the strategic level, whereas others engage at a tactical or operational level. Some may focus their attention on the management of contracts (i.e. leases), while others may be directed more towards the upkeep of physical assets or indeed reconfiguring an entire portfolio. It is helpful to remember that they are all engaged in asset management but from different perspectives.

The following diagram portrays various roles associated with asset management in the public sector. The upper circle broadly defines the asset management activities that can be considered strategic, while the lower circle identifies operational asset management activities. There is a degree of crossover, emphasising that some roles in the area of overlap may be strategic or operational, depending on the level of responsibility and specifics of the role within individual organisations.

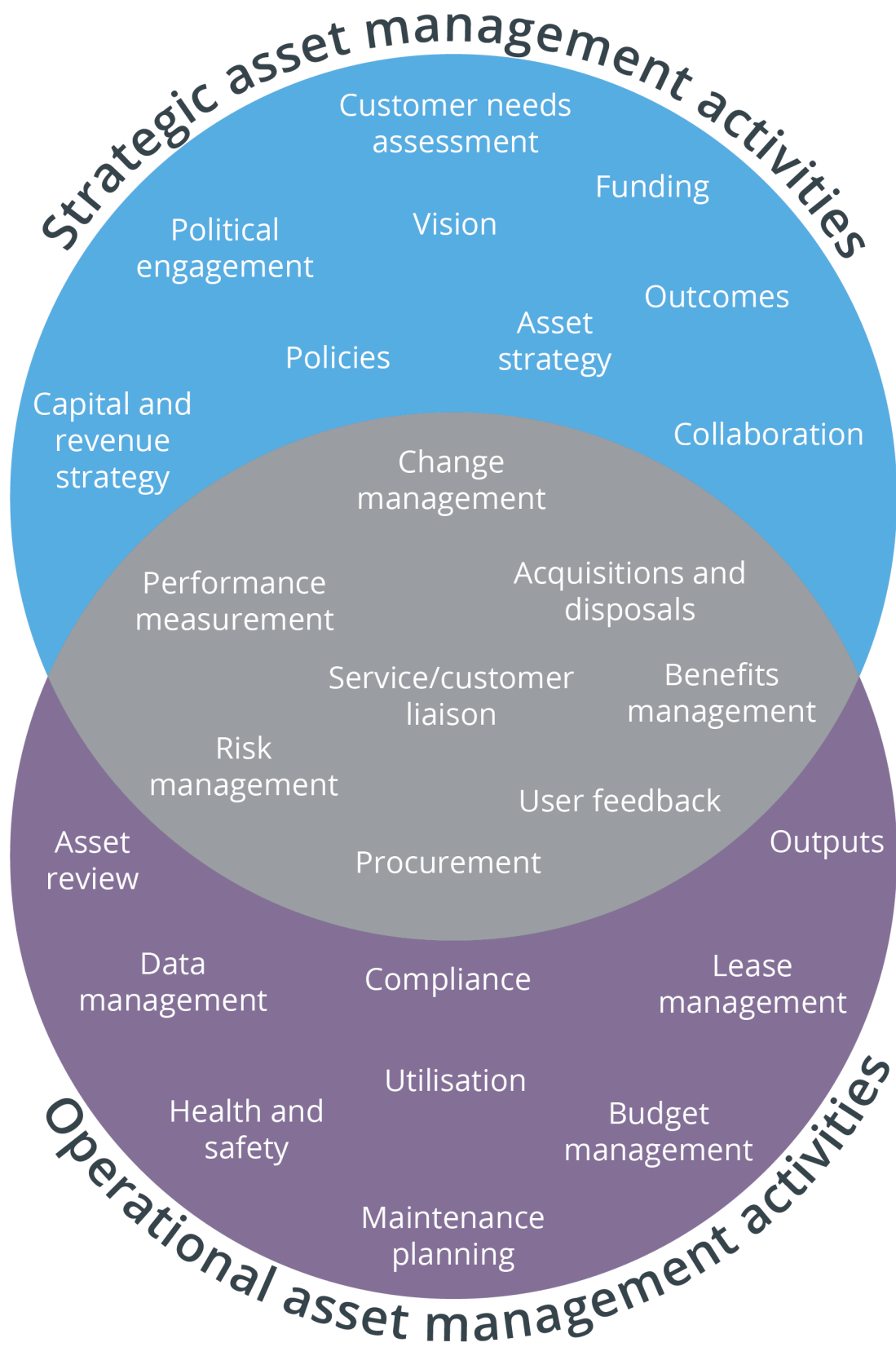


Figure 1: Interface between strategic and operational property asset management

## 2.1 Asset management terminology

Terminology in relation to asset management is not always applied consistently across organisations. It is helpful to distinguish between the following components of a suite of asset management documents, known as the asset management framework:

- **Asset management policy** – the ‘rules’ by which assets are to be deployed and managed. In reality, there is rarely a single policy but a suite of policies covering matters such as:
  - decision-making and governance
  - collaboration within and between organisations
  - acquisition and disposal processes
  - procurement
  - delivering sustainable solutions
  - creating social value and
  - measuring performance.
- **Asset management strategy (AMS)** – a strategic business planning document that indicates the direction of travel for asset management but set clearly in the context of the organisation’s objectives, relevant government policies and other strategic issues that may impact on the nature, location and type of assets required. Business objectives will typically be combined with social, economic and environmental objectives to form the context. The AMS should be prepared in consultation with other support services, such as HR, IT, finance and those delivering transformation projects, and of course in collaboration with front-line service leads
- **Asset management plan** – the delivery plan for property assets giving details such as timescales for action, costs (and revenues), outcomes to be achieved and responsibilities for action. The plan should be refreshed annually.

## 2.2 The role of an asset manager

An effective property asset manager should carry out the following activities, among others:

- work with and support a senior executive to champion the cause of property asset management – or fulfil that role themselves
- prepare an AMS, with a supporting detailed and prioritised asset management plan, ensuring a clear line of sight between these documents and the corporate plan
- align the AMS and asset management plan with the corporate plan of partner organisations where appropriate
- work effectively with stakeholders within and outside the organisation
- assess and balance the cost, risk and performance of assets
- consider a range of options for funding or financing new property assets
- collate, analyse and keep updated all relevant property data

- apply business intelligence tools to sort and analyse unstructured and unrelated datasets to highlight issues and predict events that can be circumvented or avoided through proactive asset management
- adopt a performance management system which enables the assessment of asset performance and evaluates its impact on organisational objectives
- measure and report on customer satisfaction with the services provided
- establish strategic objectives for the utilisation and activation of space, flexible working and colocation with partners
- consider the wider impact of organisational assets on community, environment, and stakeholders and
- work with other support service colleagues and front-line service delivery managers to develop robust business continuity plans that cater for a wide range of scenarios.

Where discreet asset management activities are outsourced, such as data management or tenant management, the asset manager or intelligent client function must be capable of accurately specifying and commissioning the work or services to be undertaken, and monitoring performance.

While the majority of these recommendations are largely the responsibility of the senior property asset management professional, there will be a reliance on other colleagues at a senior level within the organisation to help with delivery, e.g. senior finance and HR professionals together with operational service delivery leads.

## 2.3 Key attributes of an asset manager

### 2.3.1 Leadership and change management

The role the asset manager plays in supporting corporate change in addition to amending the configuration and deployment of the estate is important. The property asset manager should:

- acquire the competencies to be able to lead the property asset management agenda, including:
  - strategy development
  - financial management
  - business/resource planning
  - communicating a clear vision for the future of property assets
  - managing the strategic performance of property assets
  - promoting effective information management
  - leading digital enablement
  - engaging with end users, partners and the general public.
- undertake leadership development training

- keep abreast of external influences, trends and good practice and
- become comfortable with the management of change from whatever direction it comes.

Asset managers should be prepared to engage in debate with senior management colleagues on topics such as the organisation's financial strategy or new delivery models for front-line services. Rather than thinking solely in terms of the asset management as a process to be undertaken efficiently, they should see the asset base as a means to support service delivery and a key enabler of wider organisational goals.

With change being a constant feature of public sector organisational life, the asset manager should be familiar with some of the tools and techniques that can be used to help manage and support change.

For example, the challenge of creating and sustaining a constantly relevant, skilled and agile asset management function does not necessarily require the application of sophisticated software and costly third-party reviews. Instead, it can be aided by the use of relatively simple techniques such as stakeholder analysis, benchmarking, process redesign, maturity assessment, gap analysis and cost benefit analysis.

### 2.3.2 Establishing professional relationships

A property asset manager should establish strong connections across the organisation by:

- engaging within their organisation at the corporate level to translate corporate ambitions into asset strategies and plans
- working closely with those providing financial planning and other central support functions
- using capability assessment tools or similar to measure the organisation's ability to deliver effective asset management and
- building awareness among colleagues, politicians and others outside the asset management sphere of the contribution asset management makes towards corporate and service delivery objectives and at the civic level.

For asset management to function effectively, it is advisable that accountability for property assets resides at board level with an individual possessing a sufficient understanding of asset management and its complexities. There may also be benefit in separating the strategic advisory and day-to-day asset management roles (if resources permit) to help ensure that each receives the focused attention it deserves. Where separation of roles is achievable, there will remain a need for close and collaborative working across the asset management professionals.

### 2.3.3 Data and information management

Irrespective of the size of the organisation, accurate and timely data coupled with effective information management are fundamentals of good practice in property asset management. The reduced cost and increased availability of artificial intelligence (AI) tools and software present a new era of opportunity to integrate property and operational data with rich data

in the way assets are used – instantaneously. There are many property asset management information systems available 'off the shelf' that will now seamlessly link day-to-day asset management tasks with facilities management, project management of works, space management and associated financial management. Asset managers should examine which AI tools, if any, are available to add value to their role with a clear view of the expected costs and benefits.

The following technology, for example, may be worth considering.

- **Sensor technology** can enable the climate, air quality and internal environment to be tailored to the use being made of a room, zone or floor by linking space utilisation data with a building management system. Assembling data that constitutes unchallengeable evidence is a good start on the journey to reconfigure a workplace, improve utilisation levels or improve the working environment.
- **Business intelligence systems** can draw on data from multiple sources to create a new set of metrics that might link, for example, the satisfaction of occupiers within a particular building serving the public and the outputs delivered to the public, e.g. claims processed. When combined with data on the cost of space, this can lead to more informed strategic decisions on the estate – specifically whether to stay, leave or invest in the building – and tactical decisions on repair and maintenance strategies.
- **BIM and digital twins** can create virtual representations of buildings as they are being constructed and, if used for this purpose, should continue to be used while the buildings are in use. Rather than simply being a digital record of a building and its systems, the twin is an expressive real-time representation of how a building is used. The 'smart building' no longer needs to be a modern high-tech facility, it can be created within any building shell using IoT devices, data and machine learning. Digital twins can also be created for towns or smart cities and have already been deployed in Boston, Rotterdam, New York, Stockholm and Jaipur. With many governments across the globe having already mandated the use of BIM for public buildings, it is likely that the cost of implementing it will decrease as the familiarity with its tools and techniques increases among practitioners.

Asset management data can also be combined with other datasets to inform asset management decisions. Asset managers should consider how they can integrate data on assets and their management with wider datasets to inform decision-making at building level and beyond.

It is important to define the required data and the likely reporting structure before embarking on a major project to overhaul the system requirement. A systematic approach is recommended. This should include:

- identifying the key performance indicators (KPIs) or property performance metrics that will be reported, noting where data is more effectively drawn from other pools of data rather than assembled within the asset management function
- establishing which operational datasets should be captured to sit alongside core property data and

- creating a logical data structure based on the asset types.

The asset manager should also consider:

- How to input and update data. These tasks could be outsourced to a third party as part of its remit to deliver certain property asset management services.
- How to manage data effectively, taking into account:
  - information security
  - data standards and
  - audits.

### 2.3.4 Adopting a flexible mindset

Property assets have traditionally been considered illiquid and relatively fixed in nature, but the driving forces of the climate crisis, austerity and the digital revolution have combined to challenge this outlook. In response, asset managers should adopt a flexible mindset with regard to property assets noting the existence of break clauses in leases and the increased availability of flexible space. An appropriate devolution of decision-making to asset managers will be required to support agile behaviour.

The default position of asset managers has been to retain existing assets, as this fits neatly within the traditional annual budget planning process, which favours a short-term time horizon. Instead of costing the works required to bring all assets up to a defined standard, however, alternative and more transformative asset solutions should be explored to meet service delivery challenges. These solutions may take longer to plan and deliver but can provide lower whole life costs and better environmental outcomes. In general, a whole life approach to costing and decision-making should be adopted to help counteract short-termism.

The scope for reimagining the nature and quantum of assets required may be limited, particularly where user or occupier requirements are fixed or inflexible. The legacy that could be left behind should always be addressed as well. However, asset managers may wish to consider the following opportunities:

- property assets may be costly, but they have intrinsic and often hidden value, which does not always take a traditional monetary form – it can manifest as social capital, environmental capital or improved human well-being
- property assets often support a single service, but could become integrated hubs and platforms for multiple services or indeed multiple organisations
- property assets are often old and inflexible and may become outdated in light of a modal shift in service delivery (e.g. from a face-to face working practice to online), but could be repurposed to support workforce transformation and more productive working, or alternative uses such as social housing or community facilities
- property assets may be harmful to the environment but effective management, investment or decommissioning may allow those harmful impacts to be reduced or eliminated and

- property assets may currently exist as a cost centre but might have the potential to generate new income streams from partners, commercial occupiers or other new and alternative uses.

## 2.4 Customer relationship management

Asset managers should be clear about the identity of all of their customers and the value they add to each constituent customer base. Customers may include:

- heads of service or front-line departments
- members of councils or governing bodies
- service users or the public
- tenants
- a local community and
- other users of the assets.

For each customer group, asset managers should be familiar with:

- the services required
- operational requirements
- the optimum way to deliver those services and meet those requirements
- how best to communicate with the customer and
- what is of 'value' to the customer.

The ability to clearly identify and express the value added by asset management can directly improve customer satisfaction. The asset manager should explicitly identify how customer needs and requirements will be understood and fulfilled.

The value added by the asset manager may not be quantifiable in all instances, but there is often a direct or indirect financial benefit to the organisation. The asset management policy, strategy and plan are ideal vehicles through which to frame the value that will be generated through effective asset management – including its source, quantum and timing. Some asset management frameworks such as ISO 55000 (see section 4.1.2) also require the user to address the value that will be generated for the benefit of the organisation and its stakeholders.

The following table identifies several themes around which added value can be identified, and frequently measured. The items identified can also form the basis of a rounded set of KPIs to judge asset management performance.



Value add theme	Demonstrated by
<b>Staff satisfaction</b>	User satisfaction ratings. Sickness and absenteeism levels.
<b>Front-line service delivery</b>	Fitness for purpose of assets. Flexibility of assets to adapt to service requirement changes.
<b>Revenue generation</b>	Increase in revenue streams. Reductions in bad debts and voids as a result of active asset management.
<b>Economic development</b>	Gross value added as a result of projects and programmes. Jobs created. Increases in rental and capital values as a result of economic development activity.
<b>Public sector collaboration</b>	Extent of space shared by partners and personnel involved. Service delivery benefits through integration.
<b>Operating costs</b>	Efficiencies through smarter procurement and contact management. Space reduction by enabling flexible working.
<b>Sustainability</b>	Reductions in whole life CO <sub>2</sub> emissions, commuting times/distances and travel at work. Property running cost savings. Reductions in the cost of dealing with waste.
<b>Social value</b>	Social value generated – in financial, other quantifiable or non-quantifiable terms.
<b>Capital</b>	Value of receipts obtained from surplus assets. Level of investment in assets and the improvements delivered or the risks managed.

Value add theme	Demonstrated by
<b>Community</b>	Improved community outcomes, e.g. health and educational attainment. Satisfaction level with service provision by community.
<b>Risk management</b>	Reduced downtime or loss of service capacity. Reduced asset failures.
<b>Openness and transparency</b>	Increased accessibility to public and other users of space. Use of public sector assets by community groups.
<b>Government policy</b>	Extent of support provided, e.g. surplus land made available for new housing units. Progress towards achievement of net zero carbon commitments.

Table 1: Areas of added value

# 3 The asset management process

The following diagram represents a process for effective property asset management that emphasises the interrelationship of the business planning cycle with a review of assets that come together in the formal asset planning activity.

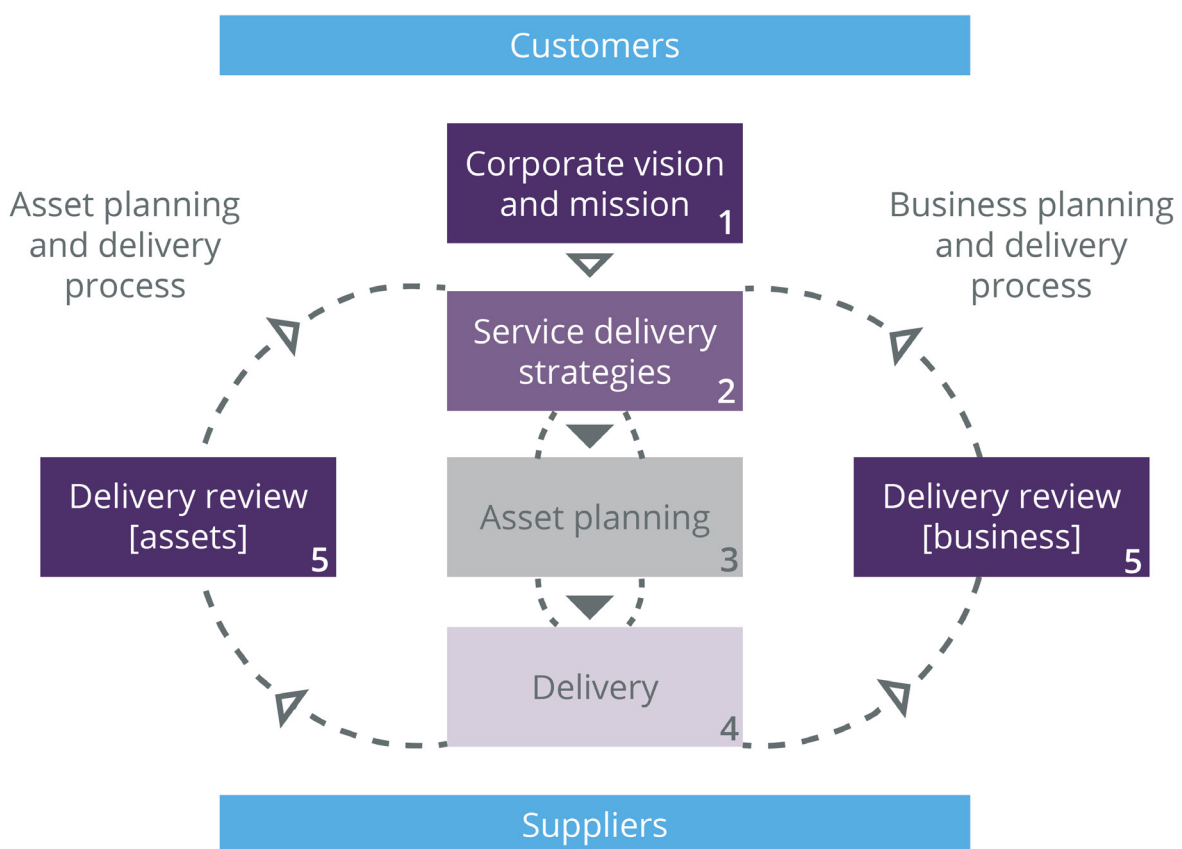


Figure 2: Process for effective property asset management

When starting to develop an asset management framework, asset managers should consider:

- customer service and the centrality of the corporate vision
- reviewing the performance of governance arrangements and capabilities in addition to the portfolio
- the integration of asset strategies and plans with financial and other business plans

- foreseeable change in space requirements, as defined by changing volumes of workforce, operational activity, storage, etc. and their locational logic and
- the importance of effective data management, balancing property data with other datasets to measure performance in a rounded manner.

Asset management planning should be thought of as an ongoing process rather than a one-off exercise given the nature and pace of change impacting on many public sector property asset managers.

### 3.1 Defining and responding to the corporate vision

A vision is a picture of the anticipated future direction of the organisation. It may be encapsulated in its corporate strategy or perhaps even a distinct vision statement. With the support of external consultants, effort to devise a new vision may have been expended over one or two years involving extensive consultation with members of staff, public sector partners and a multitude of stakeholders in the community.

Founded on an assessment of the current way of doing business, and an acceptance that fundamental change is required, the vision may be given added status and weight by aligning it with a model of the expected future state of the organisation including the asset management function – the target operating model (TOM).

Common themes that emerge in the vision and the TOM of various public sector organisations include:

- greater use of information, information technology and data analytics
- widening the channels of delivery of public services to improve accessibility
- commercialisation of capabilities and assets
- streamlining of processes
- reorganisation of front-line and back-office functions
- focusing more on outcomes rather than inputs and outputs
- generation of social value
- sustainability and decarbonisation
- working alongside public sector partners and the private sector to deliver shared outcomes and
- cost reduction in response to known or anticipated budget cuts or scaling up to respond to budget increases.

The vision statement may point towards a range of potential delivery mechanisms to add robustness to the vision, and a TOM is likely to include action plans along with anticipated benefits and their timings.

Asset managers should become actively involved in the preparation of the vision and the TOM by proposing ideas, sharing good practice, highlighting risks or constraints imposed

by existing assets and working closely with operational, corporate and service delivery colleagues to identify and test alternative scenarios.

## 3.2 Developing strategies and plans

The processes involved in developing strategies and supporting plans for property assets should be linked to and embedded in the annual financial, capital and operational planning processes of the organisation.

As a result, the property asset manager should:

- prepare strategies and plans on a cyclical basis, matched to budget cycles or spending reviews
- prepare a hierarchy of documents comprising the asset management policy, AMS and supporting asset management plans
- build the asset management plans on a 'bottom-up' basis that starts with an understanding of the objectives for each individual asset and how that asset will serve or support the delivery of strategic objectives
- adopt an iterative process to asset management plan development, recognising that its accuracy and deliverability will be improved over time
- prioritise projects and initiatives with reference to factors such as corporate and wider governmental priorities, ease and speed of delivery, the expected balance of costs and benefits (financial and non-financial), and the associated risks
- test the deliverability of projects and initiatives identified in the plan with business cases and
- monitor benefits and asset performance through the establishment of baseline performance data, benchmarking and the use of KPIs.

## 3.3 Appraising project options and preparing business cases

There are many ways of evaluating project options. The following is deemed to be good practice:

- project options should be appraised openly and systematically
- both financial and non-financial factors should be taken into account to assess the overall value of each project option
- the calculation of 'whole life' costs of options will help ensure they are appraised consistently and will make any long-term liabilities transparent and
- financial, political, operational, social and other relevant risks, should be identified and assessed – and then both remembered and re-assessed if the project receives approval.

Jurisdictions outside the UK will have their own approved or generally accepted methodologies for project appraisal, typically available on government websites.

Those preparing business cases should avoid identifying their preferred solution too early in the process or using their business case to prove that their preferred solution is in fact the optimum solution. Practitioners should be wary of a solution-led approach to project appraisal and should be advocates of evidence-based decision-making.

In addition, the property asset manager should be comfortable identifying and measuring **outcomes** of projects, in addition to the traditional methods of establishing **outputs** thereby adopting a wider, value-based the measure of success. For example, while a new or refurbished building may be the output of a project, it is the improvement in customer service delivery, operational performance, operational cost performance, well-being, etc. that are the important outcomes and should be taken into account when options are being appraised. This will mean stepping outside of the comfort zone of traditional measures, such as time, cost and quality, by embracing a blend of hard and soft measures of performance and value.

### 3.4 Delivering the strategy

Without the ability to resource, plan and manage the delivery of a strategy, it is of little or no value. Once the strategy and its corresponding delivery plan have been developed, asset managers should:

- determine the resources needed to deliver the strategy and assess the internal team's capacity in relation to the overall requirements
- adopt a bottom-up approach to estimating the financial resources required to effectively manage the property assets by building up FM, life cycle capital expenditure and other revenue costs asset by asset
- decide on a sourcing strategy that may comprise externalisation, the use of in-house resources or a mixed economy
- set performance measures at the outset to help determine the success, or otherwise, of the strategy and
- adopt project management principles to plan, manage and deliver allied projects – and measure the outcomes.

Resourcing options that are increasingly being used today include the sharing of specialists between adjacent or even geographically dispersed public sector bodies. Contracts for the delivery of services to one organisation may be opened up to other public bodies.

### 3.5 Reviewing and evaluating the strategy

Improvement in service delivery and/or efficiency are important measures of success. Asset managers should:

- put in place independent delivery reviews, not just of individual projects but also of the processes and frameworks that form the bedrock of the asset management system
- carry out open and honest reviews of the competencies and capabilities available to the organisation in-house and
- obtain feedback on user and occupier satisfaction to complement the more common property performance indicators relating to items such as cost and utilisation.

Financial constraints within the local government sector in the UK in recent years have driven many councils to invest in property assets solely for their financial return. Some local councils have tried to balance the desire for new income streams with local regeneration and economic development by investing in commercial property assets within their own communities. Both strategies demand a broader approach to performance assessment and risk management than that traditionally taken.

# 4 Developing an asset management framework

## 4.1 Framework options

Various frameworks have been adopted across the public sector to help set the scene for effective asset management. Several frameworks are outlined in this section.

### 4.1.1 PAS 55

[PAS 55](#), issued by the British Standards Institution in 2004, promotes the Plan-Do-Check-Act cycle of interventions in asset management. Although overtaken by the publication of ISO 55000 in 2014, it continues to be used by managers of infrastructure assets in particular.

### 4.1.2 ISO 55000

[This standard](#) promotes the concept of assets being managed to add value to the core business of an organisation by, among other things, systematically translating the core objectives of the organisation into a documented plan for assets.

It defines asset management as 'the coordinated activity of an organisation to realise value from assets'.

[ISO 55001](#), a member of the ISO 55000 family of standards, refers to the requirements of the asset management system to manage, among other things, the life cycle of assets and asset management risks. It highlights seven components of a recommended asset management system: organisational context, leadership, planning, support, operation, performance evaluation and improvement.

[ISO 55002](#) provides a commentary on the tools needed in practice for effective asset management. It refers to asset management policies, strategies and plans, information and risk management, life cycle planning, competence building, performance monitoring and other essential tools in the toolkit of the asset manager.

The following diagram shows the relationship between PAS 55 and the ISO 55000 suite of standards.





Figure 3: Relationship between PAS 55 and the ISO suite of standards

The seven components of asset management are set out in this section, along with a comment on what they could mean in practice for an asset manager in the public sector. A missing, incomplete or inadequate component (or tool in the toolkit) can have serious consequences for the effectiveness of the AMS. For example, the lack of senior level support could create a major blockage to the implementation of a strategy however rational and supportive of corporate objectives it may be.

## Organisational context

The asset manager should have an understanding of:

- the corporate plan or similar and how it facilitates wider public sector objectives
- the evolution of service delivery models
- plans of partner organisations
- key external influences (such as demographic and property market changes) and
- financial challenges.

The asset manager should invest time and energy into understanding the strategy of the organisation and how property assets can best serve current and planned operating models. There will inevitably be proposals to change direction, even if only at the margins. With collaboration on service delivery and asset management now on the agenda of many public sector organisations, the asset manager should understand the organisational context of partners.

## Leadership

The asset manager should promote senior leadership support for asset management, a clarity of roles and responsibilities and an appetite for cross-boundary working, whether public, private or third sector. Because assets are such a key resource within the public sector, it is advisable that their management is 'sponsored' at chief executive or equivalent level. It is also recommended that organisations avoid creating a culture whereby departments or similar feel they 'own' the assets.

## Planning

The asset manager should integrate planning across relevant disciplines such that the AMS, for example, enables transformation projects across HR, IT and front-line services. The concept of integrated planning also suggests that the plans of potentially a large number of occupying departments or teams should be understood, translated into asset requirements and consolidated into a single organisational strategy.

It is easy to understand why the process of preparing an AMS can be drawn out over several months and not repeated for many years. Asset managers should maintain a 'helicopter view' when preparing the AMS in the knowledge that subsidiary or supporting asset management plans will be developed in detail and at their own pace. This approach also enables the necessary agility and adaptability of the strategy.

## Support

The asset manager should factor in adequate investment in people and systems that support the property function and fully document all processes especially spending approvals. In this context, systems include property asset management information systems including, if possible, some measurement and evaluation of benefits. The public sector asset manager should also procure financial support to sustain the asset base, ensuring – where appropriate – that capital receipts from asset disposals are recycled or that there is

an income stream dedicated to maintenance. The asset manager should therefore align the AMS with the organisation's financial strategy.

### Operation

The asset manager should consider:

- the most appropriate delivery mechanisms, e.g. in-house, external or mixed economy
- the day-to-day processes to be followed and
- how change will be managed.

There is no perfect organisational model for delivery, but there are always options. A rational appraisal of options should be carried out (prior to commitments being made) with reference to criteria such as capabilities of the market, appetite for risk transfer, capability and capacity of internal team, cost and required flexibility.

### Performance evaluation

The asset manager should use a feedback model and a clear process for evaluating the outcomes of asset management (which are likely to be both financial and non-financial) and develop a mechanism for communicating outcomes and value added. Standard performance measures related to, for example, the cost of occupancy, utilisation and condition are not enough today – assets should be flexible, support the well-being of their occupants and otherwise create added value.

Benchmarking across 'peer group' organisations locally, nationally or even internationally can add valuable insights providing the benchmarks are robust.

### Improvement

The asset manager should identify and deal with 'poor' performance (however that is measured) but also continually improve the quality of the asset management service. When procuring services from external service providers, asset managers will often insist on a continuous improvement plan from the supplier. It may be appropriate to put a continuous improvement plan in place for the asset management service as well. Any such plan should be informed by dialogue with user representatives, the output from post-project evaluations and any other systematic or ad hoc feedback. Reliance on the output from an annual survey is not enough.

## 4.1.3 International Infrastructure Management Manual

Although published in 2000 to inform and guide those managing infrastructure assets in particular, many of the concepts promoted within the [International Infrastructure Management Manual](#) (IIMM) are very relevant to those managing property assets. The concepts discussed include the preparation of asset management plans, information management and effective leadership and communication.

## 4.2 Generic or tailored?

As standards and guidance, PAS 55, ISO 55000 and IIMM are generic and can be applied to the management of assets ranging from roads, pipelines and vehicles through to land and buildings.

While none of the characteristics of property in isolation make it a unique asset class, the combination of its characteristics come together to create a special set of challenges and opportunities for the property asset manager. For example, the property may:

- be subject to a complex legislative and regulatory framework that governs its use and the flexibility to 'trade' the asset
- be an enabler to support service delivery, rather than an end in itself
- be used by community groups and deliver social value that may be difficult to quantify
- be adapted to serve a variety of purposes
- impact significantly on the performance of its occupiers
- be a status symbol and a reflection of the occupying organisation or
- be both a drain on resources and also a vehicle to generate capital or revenue.

Public sector property assets may exhibit several additional characteristics:

- the property may be entirely incidental to the delivery of a core service and may have no inherent value
- the property may exist solely to provide a service to, or facility for, the local community
- the property may be highly specialised with few if any alternative uses
- the property may have been acquired purely to generate commercial revenue streams
- the property may be heavily used by the public and other stakeholders and
- the funding available to sustain or improve property assets may be subject to forces outside the control of the organisation.

Tailored asset management frameworks have been prepared for a range of public sector property asset portfolios. The frameworks vary in the extent of detail and level of prescription.

### Case study: strategic asset management framework, government of South Australia

This [framework](#) was published in 2017 for those managing property assets and other infrastructure. It is aligned closely to ISO 55000 and makes suggestions on the management of assets throughout their life cycle. Specific guidance on the methods to manage assets or the standards to be adopted are deliberately avoided, leaving organisations to manage assets according to their specific operational circumstances, corporate objectives and the nature of the assets.

### Case study: United States Executive Order 13327

In common with the government of South Australia's framework, the United States government adopted a [framework](#) for asset management that devolved significant freedoms to those with responsibility for asset management.

Although the Executive Order required government agencies to appoint a senior real property officer with a number of explicit responsibilities relating to asset management planning, there was little oversight in practice and no obligation to adhere to a recognised international (or national) standard on asset management.

## 4.3 What to consider when building a framework

The complexity of an asset management system should be proportionate to the risks, monetary and non-monetary values, costs and opportunities inherent in the asset base.

The following questions should be considered.

Theme	Question
<b>Organisation strategy</b>	<p>What is the future vision of the organisation (and those of partner organisations)?</p> <p>What alternative delivery models are under consideration?</p> <p>How can the assets support wider government policies and initiatives?</p>
<b>Asset management policy and strategy</b>	<p>Is there a clear and unambiguous asset management policy?</p> <p>Is there an up-to-date AMS signed off and supported by senior management?</p> <p>Does it clarify the objectives to be met, the criteria to select options, the preferred initiatives to be undertaken, expected outcomes and how the initiatives will be taken forward?</p> <p>Have the demand for assets and the level of services to be delivered from assets been fully defined?</p> <p>Is the strategy fully aligned with strategies for HR, IT, service delivery and investment planning process?</p>
<b>Asset management planning</b>	<p>Have the specific initiatives to meet asset management objectives been fully defined?</p> <p>Do they all have associated timescales, risk assessments, benefits statements and resource allocations and has someone been assigned responsibility for taking forward all aspects of the plans?</p> <p>Do the initiatives make optimum use of partnerships within the public and private sector?</p> <p>Is there a robust process for evaluating initiatives?</p>
<b>Decision-making</b>	<p>Are asset-related decisions made within an integrated planning framework that takes into account service needs, risks, financial and non-financial costs and benefits and strategic objectives?</p> <p>Are life cycle costs and benefits accurately assessed?</p> <p>Does the asset management information system provide outputs that inform tactical and strategic decisions, or is it merely a repository of data?</p>

Theme	Question
<b>Organisation and people</b>	<p>How mature are the organisation and its people?</p> <p>Is there strong (asset management) leadership from the top of the organisation?</p> <p>Has an optimum balance been established between internal and outsourced service provision?</p> <p>Are all those engaged in asset management clear about their responsibilities and accountabilities (including those within service departments)?</p> <p>Does the culture within the organisation support effective asset management?</p>
<b>Performance measurement</b>	<p>Is asset data analysed to produce meaningful performance indicators?</p> <p>Is asset data combined with other datasets to inform decisions on the future of assets?</p> <p>Are the outcomes to be delivered through asset management initiatives clearly defined?</p>
<b>Outcomes</b>	<p>Are there systems in place to audit and review the effectiveness of asset management, including obtaining feedback from occupiers and other users of the service?</p> <p>Is the organisation clear about the value added by the asset management function?</p> <p>Have the wider social, economic and environmental outcomes arising from property asset activity (or disposal) been assessed?</p>

Table 2: Questions that should be asked by an asset manager

An effective asset management framework is contingent on an organisational culture that:

- **is collaborative** – to enable cross-boundary working within the organisation and also between it and external stakeholders
- **is outcome-focused** – to enable all benefits to be captured
- **is based on openness and transparency** – to encourage free thinking and debate on alternative asset solutions to service challenges and
- **has strong leadership** – to drive forward agreed initiatives consistently.

Property asset managers can help in creating the right cultural environment through their behaviours, by their approach to identifying novel asset solutions and by capturing and then communicating the value they add to the core business.



# 5 Developing an AMS

A properly constructed AMS, if subsequently implemented effectively, can:

- bridge the gap between the corporate vision and the asset portfolio
- act as a risk management tool by identifying key asset-related risks and strategies to mitigate those risks
- ensure rational decisions are made by requiring options to be appraised against predetermined criteria (aligned to corporate goals)
- prioritise scarce capital by targeting investment where it matters most
- create a context for operational asset management by highlighting strategies for particular assets from 'retain as is' through to 'dispose of in the short term'
- break down internal barriers by providing a working environment conducive to collaborative working
- support the transition to a low carbon economy
- act as a catalyst for organisational change and
- break down barriers between the organisation and its customers and service users by providing the optimum number and location of physical access points.

## 5.1 Writing asset management policies

A clear set of asset management policies should be established before embarking on the preparation of the AMS. Those wishing to conduct their asset management procedures in line with ISO 55000 will also be directed towards establishing an asset management policy in the first instance.

The policies are high-level guiding principles that set out the role of property assets in an organisation. Being corporate policies, the expectation is that they will be followed by senior management just as corporate HR policies are an important foundation for the more detailed processes and procedures and rules of engagement between the employee and employer. It might be appropriate for the organisation's annual reports to include feedback on policies at this high level.

Asset management policies should not be constructed in abstract. They should be consistent with corporate objectives and lower-level departmental or supporting strategies and plans. In practice, asset management policies may include items such as:

- assets will only be retained where there is a demonstrable need to support service delivery and they are fit for purpose
- assets may be retained or acquired to generate additional revenue providing they support the delivery of other objectives, e.g. economic regeneration

- assets will be used to support collaboration with public sector partners and other stakeholders
- assets will be managed in full compliance with all relevant legislation
- assets will be energy efficient and will facilitate wider plans for adapting to climate change
- space will be optimised in support of service delivery through the adoption of flexible working practices and space standards and
- the procurement and use of assets will deliver social value to the community where appropriate.

The policies should not be vague, since one of their roles is to guide asset management decisions. Once prepared, they should be communicated throughout the organisation. Prior communication and understanding of the policies should make the task of preparing the AMS easier.

## 5.2 Engaging with stakeholders

Once a suite of asset management policies has been established, constructive engagement can take place with senior user representatives, other key support services (e.g. IT and finance) and external stakeholders as required. Within a local and central government environment, there is merit in engaging with appropriate political representatives.

The purpose of the engagement process is to:

- share proposals on the route map to developing the AMS
- build a sense of ownership
- reinforce the policies
- develop a systematic and focused approach to implementation
- gather information on changing patterns of service delivery and aspirations for future operating models
- understand financial constraints and targets
- identify the opportunities afforded by IT and HR policies in terms of enabling the organisation to operate with greater flexibility and from different locations and
- scope out the potential to collaborate with partners on service delivery and the use of space.

The process of engagement is an ideal opportunity to build awareness of the critical role that property assets and their effective management can play in supporting corporate objectives. It presents an opportunity to learn and replay language and terminology that will build confidence that the asset manager understands the dynamics of the markets within which the organisation operates.

## 5.3 The content of the AMS

The AMS should be relatively short, covering only the key issues to be addressed. Background papers that set out the detail of the estate, current governance arrangements, performance indicators and similar contextual factors should be referenced. There is no right or wrong way to present the AMS but, as a guide, it should contain the following sections as a minimum.

### Section 1: Executive summary

This section (on one page) should be capable of being read in isolation, while still delivering the core messages about the strategy for the portfolio. It should confirm leadership endorsement.

### Section 2: Purpose of the AMS

This section should confirm the purpose of the document and emphasise the value to be added to the organisation by its adoption.

### Section 3: Context

Reference should be made to:

- corporate strategies
- service or departmental strategies
- asset management policies, present conditions and issues and
- external factors, e.g. relevant government policies, legislation, activities of partners, and property market trends and initiatives.

### Section 4: Asset management planning process

This section should contain a description of the steps that were followed to arrive at the AMS, highlighting engagement with stakeholders, the identification of potential projects and how they have been filtered and prioritised.

### Section 5: Assets

A summary of assets should be included, highlighting any performing at a particularly good or poor level. Performance can be indicated by, for example, metrics relating to cost in use and space utilisation, or absolute measures relating to fitness for purpose, sustainability and condition grade. The AMS should not be weighed down with extensive descriptions of the assets and their attributes. Detail can be contained within an annex if considered necessary to include.

### Section 6: Risks and opportunities

A summary should be provided of the risks impacting on or arising from the estate, and the opportunities, whether originating from within or externally.

The risks may relate to issues such as the poor fit of the estate to the needs of its occupiers, the high cost of occupation relative to benchmarks or the negative perception of the workforce held by its occupants and visitors.

Opportunities may arise from the high alternative use value of some assets, scope to partner with other public service providers in the locality, joint ventures with the private sector or new operating models enabled by IT.

### Section 7: Objectives

This section should draw together strands to conclude on a number of strategic objectives to be supported or delivered through the estate – as it is at present or in a different configuration.

Each objective should be described together with:

- corporate objective(s) being supported
- financial implications
- risks mitigated and opportunities taken
- expected outcomes or benefits to be delivered
- methods of measuring success and
- a detailed action plan setting out how the existing asset base requires to change.

### Section 8: Resources and governance

This section should focus on the proposals for working together with internal colleagues and external stakeholders to deliver the strategic objectives. Governance arrangements should be set out to oversee progress with identified projects and to respond to opportunities as they arise. This may take the form of an estate projects and programme board or similar with representation from senior leadership in the organisation. Internal capability and capacity to manage projects should be assessed.

#### 5.3.1 Internal and external factors to address

While the appraisal of the asset base is introspective, an assessment of opportunities should take account of a range of external factors such as the state of the property market, scope to enter into joint ventures or the local economic climate. The following diagram indicates the balance of perspectives that should be taken when addressing each core element of the AMS.

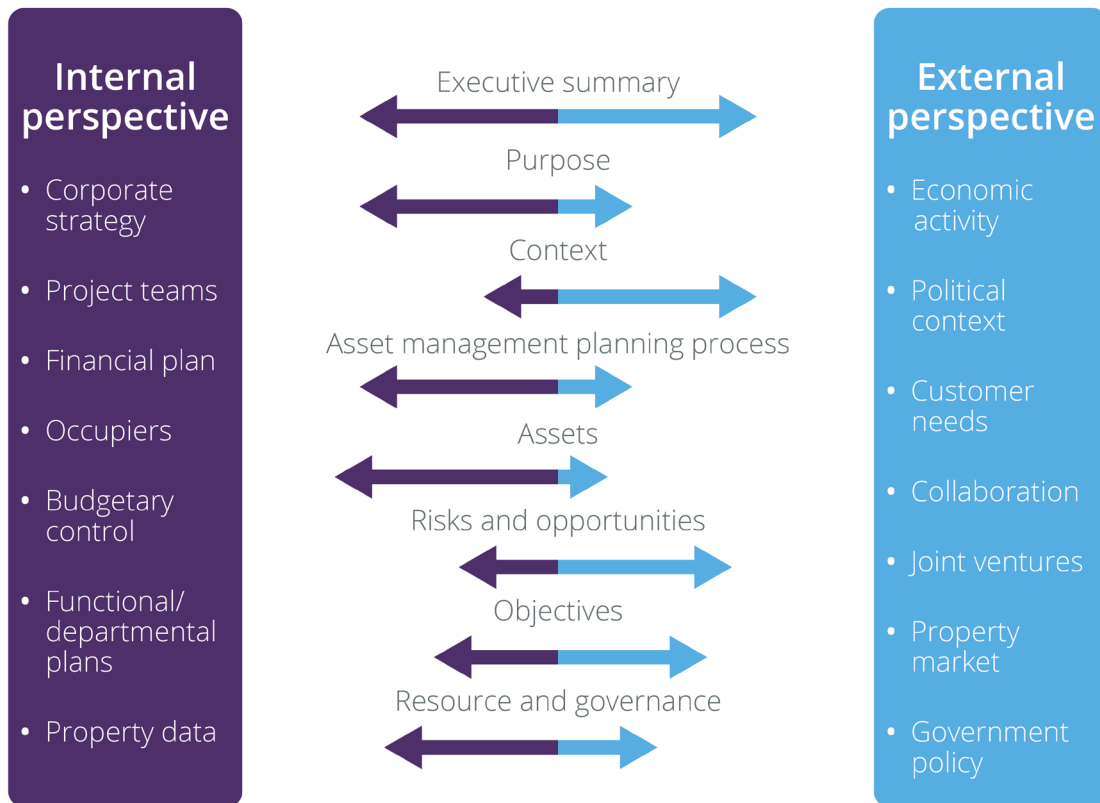


Figure 4: Balance of perspectives to be considered when addressing each element of the AMS

## 5.4 Updating the AMS

The complexity and level of detail embedded in many asset management strategies can act as a deterrent to regular updating. However, the social, economic, technical and political environments facing the public sector are changing rapidly – a strategic document prepared 24 months ago could be overtaken by events and be of historic interest only. For this reason, it may be necessary to refresh the strategy more frequently in response to particular events. However, this should be tempered with the knowledge that property assets require time to reconfigure and redeploy. If the focus of the strategy is erratic or constantly changing, the realisation of tangible benefits is likely to be undermined.

## 5.5 Preparing and updating the asset management plan

The completion of the AMS should be viewed as the catalyst for preparing or updating the asset management plan. Specific plans for each asset should be aligned to the overarching plan and the strategic direction for the whole estate set out in the AMS.

As a minimum, the asset management plan should be updated annually in line with the preparation of capital expenditure plans and budgets. If the internal or external environment changes during the course of the year – requiring or creating the opportunity for a change in direction of the organisation and its asset base – the asset management plan should be flexible enough to adapt. By separating out the strategic context from raw data on the asset base, the refresh need only focus on any changes in strategy.

# 6 Carrying out an asset management health check

Whatever the age and scale of a public sector organisation, asset managers should carry out a health check to establish the extent to which it has the capacity and capability to manage an asset portfolio effectively. This can be undertaken by external specialists or a central body with appropriate expertise.

## 6.1 Indicators of healthy asset management

There are various tools and frameworks available to assess the capacity and capability of an organisation. Generally, the following points should be considered indicators of healthy asset management:

- establishment of an asset management function that can influence and shape strategic decisions
- cross-boundary working within the organisation and between it and its partners
- close alignment between asset management planning and
  - corporate planning
  - workforce planning
  - financial planning
  - infrastructure and technology development and
  - planning for service delivery
- measurement of asset performance, not just in 'traditional' terms (through use of cost and occupancy metrics) but with reference to outcomes and successful service delivery
- appropriate use of IT, bearing in mind the scale and complexity of the estate
- ability and flexibility to change
- a trajectory describing the required change with associated costs, benefits and time implications
- intelligent appraisal systems that assist in prioritisation of expenditure and measure direct and indirect costs and benefits and
- systems that support and encourage continuous improvement and ever closer alignment between assets and the business needs.

Whatever approach is adopted, all asset management health checks should cover sufficiently broad aspects of the organisation affecting capacity and capability, be approached with honesty and openness and be accompanied by a willingness to adapt.

## 6.2 Aspects of an asset management health check

As a minimum, the health check should cover the following subject areas and lines of enquiry. It is no coincidence that there are parallels between the health check questions in the following table and the questions set in section 4.3 recommended for use when building or testing an asset management framework.

Section	Sample questions
<b>Strategy</b>	<p>Is there an up-to-date AMS and supporting asset management plan reflecting business needs?</p> <p>To what extent has the organisation's asset management system (including the asset management plan, policy and strategy) been articulated, approved, communicated and acted upon?</p> <p>Have opportunities been identified for collaboration on the use of space across public sector partners?</p> <p>Does the business strategy encourage improvement in asset management by routinely considering the asset implications of business initiatives, operational drivers and workforce plans?</p>
<b>Planning</b>	<p>Are there clear policies, procedures and governance structures for new projects and programmes?</p> <p>Are property projects subject to sufficient rigour?</p> <p>Is there a prioritised programme of projects to support a move to a target operating model?</p> <p>Are expected outcomes clearly defined and capable of being monitored?</p>
<b>Financial planning</b>	<p>How does the organisation plan for the funding of its future capital and revenue expenditure associated with the assets owned and/or occupied?</p>
<b>Forecasting demand</b>	<p>How robust is the approach the organisation uses to forecast demand for its services and the possible impact on its asset portfolios?</p>
<b>Change</b>	<p>Are there sufficient leadership support and governance arrangements to ensure successful workplace change projects and programmes?</p>



Section	Sample questions
<b>Operations</b>	Has the asset management unit (or similar) defined its customers and stakeholders, and does it communicate effectively with them?
<b>Governance</b>	<p>Is there a pan-organisation property board (or similar) charged with reviewing, challenging and setting the strategic direction for the estate?</p> <p>Are the roles of those involved in providing a property service and user representatives documented and communicated?</p>
<b>Asset management plans</b>	<p>How does the organisation develop, communicate, resource and action its asset management plans?</p> <p>Is the asset management plan integrated with a long-term financial plan that is itself founded on clear resource requirements and strategic objectives?</p>
<b>Intelligent client</b>	<p>Do those with knowledge of the estate have sufficient understanding of the organisation's business objectives?</p> <p>Are there sufficient resources to carry out property, business and financial reviews, e.g. undertake financial appraisals of property projects?</p>
<b>Policies and standards</b>	<p>Does the asset management policy define the vision and service delivery objectives for asset management?</p> <p>Does the policy link to the corporate and financial plans?</p> <p>Does the asset management team liaise with others in the public sector on workplace strategies and portfolio planning?</p>

Section	Sample questions
<b>Data</b>	<p>Does the asset management team produce performance data to inform strategic planning of the estate?</p> <p>Are asset management systems integrated with other corporate knowledge systems, e.g. finance?</p>
<b>Review</b>	<p>Is there a performance management framework for the estate to support the business strategy?</p> <p>Are mechanisms in place to understand the service needs of users regularly?</p> <p>Does the organisation undertake benchmarking of asset management performance improvement against relevant comparators with annual reports on asset management improvement performance against targets?</p>

Table 3: Recommended subject areas for the health check

## 6.3 The asset management health check process

Several tried and tested methodologies exist for conducting an objective self-assessment of asset management capability and capacity (see Appendix A). Some tools are generic, meaning they can be applied to any organisation managing assets – whether that be property, pipelines or roads – whereas other tools are specifically designed for the property asset manager in the public sector. Finally, some tools pose questions and seek affirmation about the organisation’s adherence or compliance with the statement, while other tools define the optimum end state to be achieved or activity to be performed.

The assessment can be undertaken by in-house resources – it is not essential that it be conducted using a third party. However, whoever carries out the assessment should be:

- empowered to carry out a detailed investigation
- fully supported by senior management
- sufficiently knowledgeable of the subject matter to ask the right questions, which may involve challenging existing processes
- aware of what good practice looks like, and ideally able to benchmark the findings against the performance of others in the peer group and
- capable of making recommendations for improvement that can be taken forward bearing in mind the organisation’s financial, political and technical makeup. In other words, the recommendations must be deliverable.

An honest reflection of the organisation's current position, followed by an adequately resourced and prioritised improvement plan capable of being implemented by individuals empowered to make a difference, should be considered by any organisation that:

- is commencing on the journey to create an asset management function or
- wishes to improve its effectiveness in response to threats or opportunities in its market such as downward pressure on budgets or the creation of a new entity through amalgamation or boundary changes.

# 7 Improving well-being, creating social value and enabling sustainability through asset management

There has been a recent and subtle addition to the language of the asset manager. In addition to referencing productivity as a positive outcome of asset management, well-being and social value are now cited as legitimate dividends of effective asset management. Improving productivity implies that the dividend is for the organisation, whereas enhanced well-being and social value are more clearly dividends for employees or citizens.

Many organisations in the public sector have declared a climate emergency and are actively pursuing carbon reduction initiatives within the workplace and by their choice of workplace in terms of its design, use and location.

Asset management can positively influence well-being, social value and sustainability in a number of ways. For example, well-being can be improved by factors including:

- fresh air
- natural light
- attention to acoustics
- controllability of the immediate environment
- access to a variety of work settings
- an open and supportive management style
- opportunities for interpersonal contact
- satisfaction with the workplace
- flexible working
- opportunities for healthy eating
- opportunities for physical activity
- responsiveness of support services
- a sense of fairness and
- hybrid working – combining remote working with time spent in the workplace – learning lessons from changes brought about by the COVID-19 pandemic.

The processes of designing, procuring, operating and then disposing of property assets create enormous opportunities for asset managers within the public sector to generate value and benefits to communities extending well beyond the direct impact on service delivery.

There is a substantial and growing body of evidence, guidance and good practice confirming how sustainability can be integrated into the entire life cycle of property assets. It is also clear now that there is a significant degree of overlap between the concepts of sustainability, well-being and social value. Actions to improve the sustainability performance of an organisation's assets may well deliver positive outcomes in terms of occupier or user well-being, and value to society.

Rather than engaging in ad hoc intervention to enhance well-being, create social value and enable sustainability, planning and implementation should be carried out in a structured manner. The asset manager should consider the following activities.

### Preparation

- Research alternative methods of delivering the desired outcomes through the procurement, design and operation of the workplace.
- Review case studies from the organisation's peer group. It is often simpler to build a case for intervention if it is founded on the direct experiences of similar public sector organisations.
- Understand the range of techniques used to measure well-being in the workplace, create social value and enhance sustainability, and how they are being or could be used within the organisation.
- Review other policies and/or initiatives currently in place along with any indications of their success rate.
- Establish the level of corporate desire to deliver the desired outcomes.

### Developing a strategy – well-being

- Introduce well-being objectives into the asset management policy and AMS.
- Explicitly address well-being alongside other issues regularly addressed in committee reports or similar (such as sustainability and health and safety).
- Ensure that 'impact on well-being' is a criterion used to help appraise options for projects affecting the workplace. The relevant projects could range from the acquisition of premises through to initiatives to change the layout and functionality of space.
- Examine the use of industry standards that aim to enhance well-being, such as the WELL standard.
- Treat the desire to support and enhance well-being as a matter of business as usual rather than a discreet project or programme.

### Developing a strategy – social value

- Identify or establish what the organisation means by social value. This may be encapsulated in a discreet social value policy or it may be implied by corporate and service department strategies and objectives (or it may be absent).
- Develop targeted outcomes related to social value, e.g. creation of space for community groups, training opportunities for school leavers, education, capacity building and improved well-being of employees and citizens.
- Integrate the creation of social value into the decision-making processes of the organisation, including options appraisal techniques. This could include the adoption of techniques such as the calculation of the social return on investment.
- Make explicit reference to social value initiatives in the AMS and plan.

### Developing a strategy – sustainability

- Embed a consideration of sustainability in the decision-making processes, including the preparation of business cases.
- Develop targeted outcomes related to sustainability, e.g. CO<sub>2</sub> emissions, waste, and energy from sustainable sources.
- Prioritise the reuse of existing assets as an alternative to new building.
- Procure goods and services in support of asset management with sustainability in mind.

### Integrated implementation

- Integrate well-being, social value and sustainability policies, plans and initiatives across asset management, HR, IT, finance and operational departments.
- Consider the broad range of initiatives whereby asset management can deliver the desired outcomes, with reference to good practice and the experience of others in the peer group.
- Ensure the creation of social value is explicitly referred to in contracts with suppliers where it makes sense.
- Promote the successes achieved internally and to those affected within the community.
- Ensure the required skills and capacity are available.
- Consider the most appropriate programme of implementation.
- Consider the order in which interventions are implemented.

### Communication

- Avoid jargon and generalisations when communicating any proposals to enhance well-being.
- Obtain the views of occupiers on how they believe property assets and their management can become tools to deliver the required outcomes.

- Demonstrate the impact of property assets and their management on the well-being of the organisation and its sustainability by communicating the added value created through the asset management function.
- Share the outcomes of initiatives with occupiers of space and be honest about both the positive and negative outcomes.
- Share lessons with a peer group and expect reciprocation to build a broad evidence-based perspective on what effective asset management in support of the desired outcomes looks like.

### Measuring the outcome

- Well-being may be expressed in many ways including self-assessment, hard measures of output or other quantifiable proxies such as reduced sickness and absenteeism rates.
- Establish mechanisms to measure the creation of social value.
- Capture hard data on CO<sub>2</sub> emissions, waste and energy use.
- Use a feedback loop to learn from successes (and failures), thereby improving the decision-making process.
- Capture evidence of success and report on the outcomes achieved.

# Appendix A: Further reading

## Useful resources

[Accommodating Change – Measuring Success: Property Asset Management Delivery Plan](#), The Office of Public Works, 2013

[Asset Management – an anatomy \(version 3\)](#), Institute of Asset Management, 2015

[Asset Management in Local Government](#), Audit Scotland, 2009

[Asset Management in the Public Sector](#), National Assembly for Wales, 2013

[The Asset Management Landscape \(2nd edition\)](#), Global Forum on Maintenance and Asset Management, 2014

[Asset Management Maturity Assessment Tool](#), Parsons Brinckerhoff New Zealand Limited, 2011

[Asset Management Policy for the NSW Public Sector](#), NSW Government, 2019

[Commentary on BS ISO 55000/01/02: Standards for asset management](#), CIPFA, 2014

[Executive Order 13327—Federal Real Property Asset Management](#), Presidential document in US Federal Register, Vol. 69, no. 25, pgs. 5897–5900, February 2004

[Federal Real Property Asset Management](#), United States Government Accountability Office, 2018

[Government Functional Standard](#), GovS004 Property, Cabinet Office, 2020

[Government National Property Strategy & Principles](#), Government Property Management Centre of Expertise, 2013

[Government Workplace Design Guide](#), Government Property Agency, 2020

[Guidance for Improved Asset Management](#), Federal Real Property Council, 2004

[Guide to Developing the Project Business Case](#), HM Treasury, 2018

[Improved Asset Management and the Location of Public Sector Organisations](#), Scottish Government, 2009

[Infrastructure Investment Plan for Scotland 2021-22 to 2025-26](#), Scottish Government, 2021

*International Infrastructure Management Manual* (5th edition), Institution of Public Works Engineering Australasia, Sydney 2015

[ISO 55000:2014: Asset management – Overview, principles and terminology](#), BSI, 2014



*Local Government Asset Management: Better Practice Guide*, Local Government Victoria, 2015

[Managing the Central Government Office Estate](#), Northern Ireland Audit Office, 2017

[National Assessment Frameworks For Local Government Asset Management and Financial Planning](#), Australian Centre of Excellence for Local Government, 2012

[Net Zero Carbon Buildings: A Framework Definition](#), UK Green Building Council, 2019

[Net Zero Public Sector Buildings Standard](#), Scottish Futures Trust and Scottish Government, 2021

[New Frontiers for Smarter Working](#), Scottish Futures Trust, 2021

[Office politics: Improving public sector property management](#), Deloitte, 2012

[Owning the Economy: Community Wealth Building 2020](#), Centre for Local Economic Strategies, 2020

[PAS 3000 Smart Working – Code of Practice](#), BSI, 2015

[PAS55: 2008-1: Specification for the optimized management of physical assets](#), BSI, 2008 [title withdrawn, see section 4.1.1]

[Property Asset Management Capability Assessment Model \(version 1.1\)](#), UK Cabinet Office, 2014

[Property Asset Utilisation](#), NSW Audit Office, 2018

*Public sector asset management: a brief history*, Ramidus Consulting Limited, 2010

[Strategic Asset Management Framework: A Guide for Managing South Australian Government Buildings](#), Government of South Australia, 2017

*Strategic Property Asset Management Framework*, CIPFA Property, 2018

[Wellness Matters: A summary roadmap to health and wellbeing](#), BCO, 2018

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## RICS publications

[Cities, health and well-being](#), RICS insight paper, 2018

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[Whole life carbon assessment for the built environment](#), RICS, 2017

## Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

Americas, Europe, Middle East & Africa  
**[aemea@rics.org](mailto:aemea@rics.org)**

Asia Pacific  
**[apac@rics.org](mailto:apac@rics.org)**

United Kingdom & Ireland  
**[contactrics@rics.org](mailto:contactrics@rics.org)**



**[rics.org](https://www.rics.org)**