



ASSET MANAGEMENT STRATEGY

2019-2029



SCOTTISH
FIRE AND RESCUE SERVICE

Working together for a safer Scotland

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1. EXECUTIVE SUMMARY

The Scottish Fire and Rescue Service has an asset portfolio worth around £0.5billion comprising land & buildings, vehicles, operational equipment and ICT equipment/software, which is critical to the effective delivery of services to our communities across Scotland.

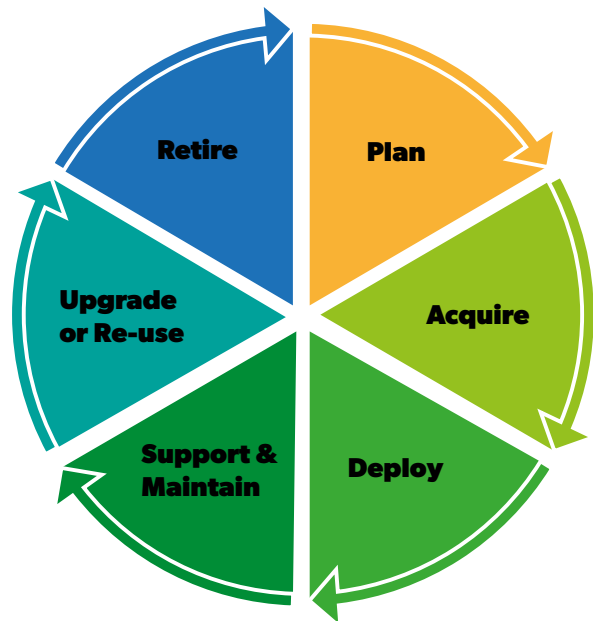
Despite significant investment over the past 6 years, there remains a substantial inherited backlog to enable all assets to achieve satisfactory ratings of condition and suitability; and Audit Scotland has recognised the need for action.

Through the adoption of best practice asset management standards, the Service seeks to make best use of the assets and investment available to achieve its objectives.

We will adopt the following asset management principles;

- We will fully integrate asset management plans with our operational and strategic planning
- We will work with users and communities to design assets that meet their needs
- We will embed health, safety and wellbeing in our asset design and deployment
- We will embrace technological developments
- We will address our environmental responsibilities and reduce harmful impacts
- We will seek best value for taxpayers' investment
- We will collaborate with partners to support communities

We recognise that effective asset management requires interventions at each stage of the asset lifecycle. This strategy sets out how we will manage each of these stages as depicted in the following diagram;



Our Asset Management Liaison Board enables strategic asset plans to be developed in a collaborative manner involving all parts of the organisation; and through both internal and external audit and inspection we can gain assurance regarding the effectiveness of our asset management arrangements.

We will manage the risks associated with our assets, to avoid negatively impacting on our service delivery, safety of the public and employees, financial sustainability, legal compliance, environment, internal control and reputation.

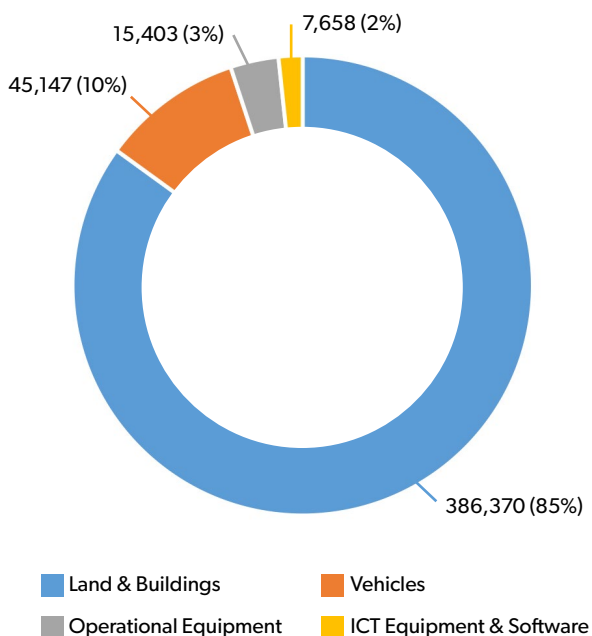
We will ensure our asset information systems provide the data we require to manage performance, and enable continuous improvement.

2. BACKGROUND

The Scottish Fire and Rescue Service (SFRS), established in 2013 with a purpose to improve the safety and wellbeing of people throughout Scotland, is heavily reliant upon its physical asset base to enable our people to successfully protect communities.

At 31 March 2018, these assets were valued at £455million¹, comprising land & buildings, vehicles, operational equipment and ICT equipment/software.

Fixed Assets (£000)



Within this portfolio, we operate 356 fire stations, a vehicle fleet of 1631, over 1 million items of operational equipment and around 25,000 items of ICT kit, from strategic infrastructure to hand-held devices.

Over the 6 years since the inception of SFRS, the Service has invested c.£160million in its asset base, eg an average of c.£27million per annum; however, the Long Term Financial Strategy (LTFS),

published in 2017, recognised that there remains an inherited investment backlog in existing assets of £389million, in relation to both asset condition and suitability. Audit Scotland has described this position as *“insurmountable without transforming [our] current model for delivering services and additional investment”*.

Funding for asset investment is provided by the Scottish Government through Grant in Aid. In the current financial year (2019/20) SFRS has been allocated a capital budget (Departmental Expenditure Limit – DEL) of £32.5million.

Additional funding has been made available from the proceeds of sale of surplus assets arising from the creation of SFRS, which are being released through our Property Estate – Strategic Intent Programme. £21.2million has been reinvested to date.

SFRS spends 23% of its Resource Budget (£61.7million), each year, managing and supporting its assets throughout the lifecycle, including training and maintenance of operating procedures.

The LTFS outlined the Service’s commitment to Modernising our asset base, taking account of the backlog investment and availability of future funding, as well as technological advances and our environmental obligations, with a view to improving operational efficiency while meeting the needs of local communities. It was also recognised that as a public body we do not work in isolation and as such our commitment to *‘Collaborating with partner organisations to maximise the return on public investment’* was highlighted.

¹ Operational Assets

3. ASSET MANAGEMENT

To maximise public value from investment, we must actively manage our assets throughout their lifecycle. Asset management has been defined by The Institute of Asset Management as follows;

The process of balancing **costs**, **opportunities** and **risks** against the desired performance of assets to achieve an organisation's objectives

- It enables an organisation to examine the need for, and performance of, assets and asset systems at different levels
- It enables the application of analytical approaches towards managing an asset over the different stages of its life cycle
- Is the art and science of making the right decisions and optimising the delivery of value

The Institute of Asset Management



3. ASSET MANAGEMENT PRINCIPLES

In managing our assets, SFRS will adopt the following **principles**;

We will fully integrate asset management plans with our operational and strategic planning

The Purpose of the Scottish Fire and Rescue Service is to work in partnership with communities and with others in the public private and third sectors on prevention, protection and response to improve the safety and wellbeing of people throughout Scotland.

Building on earlier work, and taking account of data, as well as the views of staff and communities, SFRS is currently consulting on its draft Strategic Plan 2019 -2022 which sets out four key outcomes that the Service proposes to pursue;

- **Our collaborative and targeted prevention and protection activities improve community safety and wellbeing, and support sustainable economic growth**
- **Our flexible operational model provides an effective emergency response to meet diverse community risks across Scotland**
- **We are a great place to work where our people are safe, supported and empowered to deliver high performing innovative services**
- **We are fully accountable and maximise our public value by delivering a high quality, sustainable fire and rescue service for Scotland.**

In Spring 2018 SFRS launched a public consultation in which it set out a vision to transform the Service through broadening the role of firefighters to meet Scotland’s changing risks, for example fewer fires, coupled with growing challenges from severe weather, international terrorism and an aging population.

The consultation has received a positive response, and the Scottish Government has demonstrated its belief in the vision through increased funding.

Physical assets will play a key role in bringing this vision to life; from applying new technology to support traditional roles eg Rapid Response Units and Ultra High-Pressure Lances, to new equipment in support of new roles eg Emergency Medical Response.

Equally, our information assets are vital in enabling evidence-led decisions about future service delivery, relative to changing demand, as we work collaboratively with partners, both locally and nationally.

We will work with users and communities to design assets that meet their needs

One of the key recommendations of the Christie Commission on the Future Delivery of Public Services was that those individuals and communities receiving public services must be empowered through involvement in design and delivery of the services they use.

The risks facing communities across Scotland are diverse and SFRS must work with them to ensure the services and assets we provide meet their needs.

Typically, our assets will be used by SFRS personnel to deliver services for our communities, however where these can be safely and securely used by the public themselves, for community benefit, this will be facilitated, for example community fire stations, electric charging points.

Similarly, in designing and commissioning assets we must take account of the valuable insights of those who use and maintain them, from operational firefighters, to control staff, to office-based personnel and technicians.

We recognise our responsibilities under the Community Empowerment (Scotland) Act 2015 in relation to asset transfer requests for land and buildings, and are ready to work with communities where they consider our assets can be better used to benefit communities.

We will embed health, safety and wellbeing in our asset design and deployment

Like all employers, SFRS has responsibilities under the Health and Safety at Work etc. Act 1974 and associated legislation, regulations and guidance, to protect our people in carrying out their duties. The Service, through its Health, Safety and Wellbeing Policy, has specifically committed to providing equipment which is suitable for task, fit for purpose and suitably maintained.

We will seek to ensure these commitments are met through early engagement with health and safety professionals from the design phase through the asset lifecycle.

We recognise the impact that the working environment can have on our wellbeing and will work to ensure that all employees have workplaces that are not only safe and secure but that promote dignity and wellbeing.

In an increasingly digital world, the way we manage our information assets impacts on the wellbeing of our employees and service users. Through our role as a Cyber Catalyst within the Scottish Government's Cyber Resilience Strategy, and by the effective application of the General Data Protection Regulations (GDPR) we will ensure we are legally compliant and following best practice in relation to data security.

We will embrace technological developments

As in all walks of life, our service has benefited from technological advances over the years, making the role of firefighters and other staff safer; and enabling faster, better services for our communities. Our Long Term Financial Strategy makes a commitment to enhancing the productivity of our people; we recognise that new technology will play a key role in achieving this.

We will continue to embrace technological development through our Research and Development function, working in collaboration with our colleagues in the National Fire Chiefs Council (NFCC), and other partners, ensuring we get best value from our investment in this field.

We support the Scottish Government's vision that, within Scotland, ***digital technology will provide a foundation for innovative, integrated public services that cross organisational boundaries and deliver to those in most need...***

Through our Digital Strategy 2018-2021 we are committed to providing our workforce with digital solutions that give them the information they require, easily, flexibly and securely; and to working with partners to share information seamlessly that helps to improve the wellbeing of our communities.

Introducing new technology can bring significant benefit, but also carries greater risk. We recognise the benefits to be gained from smaller scale pilot projects to test developments and reduce risk, and will use these where appropriate.

Equally, we take pride in our heritage and celebrate the evolution of our service, from the founding of the world's first municipal fire service in Edinburgh in 1824, through to the present day. We will work with partners to make our heritage accessible, supporting our community safety engagement work, and contributing to Scotland's cultural aspirations.



We will address our environmental responsibilities

Through our Environmental Policy and Objectives 2017-2020, SFRS recognises the potential environmental impact of the delivery of its service on Scotland's ecosystem and the influence this may have on the surrounding environment. We are committed to minimising our environmental impact through the products and services we procure; and in the design, planning and creation of our buildings.

A key area of environmental impact is through our vehicle fleet. We are committed to supporting the Scottish Government's aspiration of an environmentally sustainable economy, and will continue to work with partner organisations to develop low carbon transport solutions, both within the SFRS fleet and for wider community benefit, for example ultra-low emission vehicles and electric charging points

We will seek best value for taxpayers' investment

Through our Long Term Financial Strategy, we recognise the pressure on capital funding across the public sector and as such it is imperative that SFRS leverage the best possible value from the investment it makes.

Additionally, we recognise that we cannot continue to support our current asset portfolio, in particular our property estate, which represents 85% of current asset value, and 72% of assessed backlog investment, within the current and anticipated future funding envelope. We will work towards an asset portfolio that enables the Service to meet the needs of our communities in a more cost-effective manner.

We will ensure that all asset investments are supported by a robust business case, demonstrating need, of volume, scale and quality, and quantifying whole life costs.

As we evolve the SFRS asset portfolio, we will work towards maximising the standardisation of assets, enabling them to be deployed as flexibly as possible, both within our organisation and in working with partners to achieve integrated service delivery. This principle is illustrated in the early implementation of a single design of breathing apparatus across Scotland, through a single strategic contract. Looking forward and externally, the next generation of Emergency Services Network will deliver modernised interoperable communications across the three emergency services within the UK.

Once operational, we will robustly monitor the performance of our assets, ensuring maximum utilisation and efficiency, and seeking continuous improvement.

We will continually review our asset portfolio to identify areas of obsolescence and duplication and take steps to rationalise where necessary.

We will ensure our people are well trained in the use and care of our assets, ensuring they are well looked after, maximising asset lives.

We will collaborate with partners to support our communities

We have committed within the LTFS to ***collaborating with partner organisations to maximise the return on public investment.***

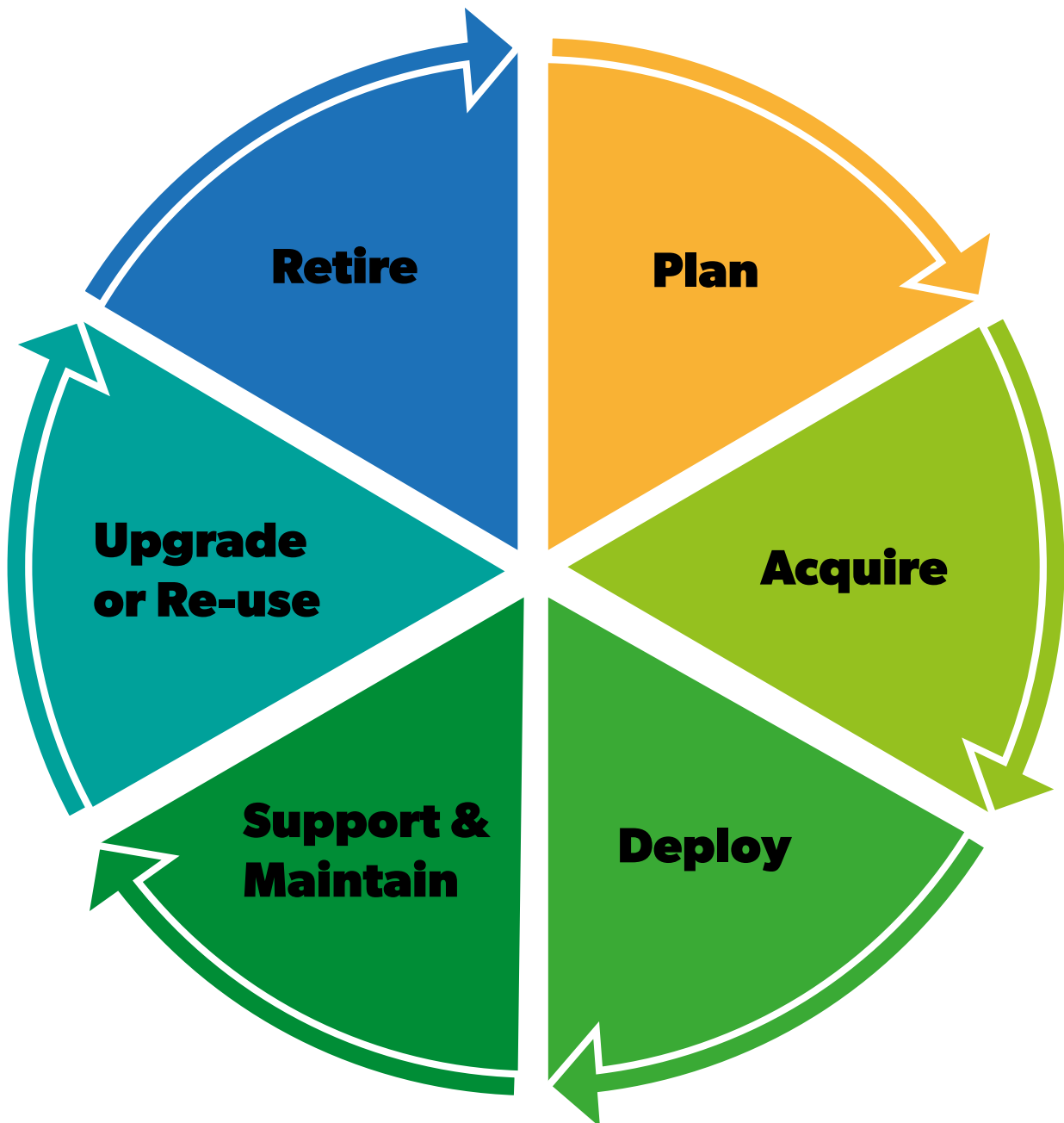
We will continue to support the Scottish Emergency Services National Collaboration Strategy, a key early deliverable of which is co-location. Equally, we will work with other relevant partners, within Scotland, the fire sector, and beyond, to support our objectives.

We will engage in collaborative procurement, both within Scotland and across the UK, to maximise economies of scale.

Through our Community Asset Register we will ensure we understand where specialist resources that are not directly under our control can be accessed to support our service delivery.

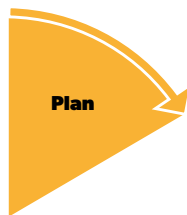
5. ASSET LIFECYCLE

Effective asset management requires appropriate interventions at each stage in the asset lifecycle. The diagram below illustrates the key stages, and the following section explains how we will ensure our approach is robust;



PLAN

Our Service Delivery Directorates are responsible for developing operational policy that supports the delivery of the Service's strategic objectives, and for defining what service will be provided, as set out in Standard Operating Procedures (SOPs).



To enable the corporate functions of the organisation, our support Directorates require a range of technology and other assets.

Our Asset Management and ICT functions have responsibility for making available assets, through applying specialist technical knowledge and expertise, which are fit for purpose to enable the Service to implement its Standard Operating Procedures, and to maintain its corporate functions.

To ensure we continue to provide the most appropriate assets for the job in hand, we will undertake a programme of research and development, as part of the organisation's broader Improvement Strategy, which is generated from scenario planning, external engagement, performance and risk management, audit and inspection activity and other relevant sources, to inform future asset investment decisions.

Within the planning phase we will consult with those who use and those who service/maintain existing assets, taking their views into account in future investment decisions.

Each asset investment project will be supported by a robust business case, which considers the extent of the need, as well as how best that need can be met e.g. collaboration, new technology, alternative financing etc.; and sets out credible estimates of whole life costs.

Business cases will consider the impact of investment both externally, on communities and service delivery, and internally on all parts of the organisation.

Sustainability will be a key consideration in our planning, both financially and environmentally.

We will maintain up to date information on the condition and suitability of our assets that enable us to annually draw down a rolling 3-year investment plan, linked to current Service priorities, and developed through our Asset Management Liaison Board, at which all relevant areas of the organisation are represented.

As the future broader role of the Service develops, and asset requirements become clearer, we will develop detailed medium-long term asset management plans, by asset category.

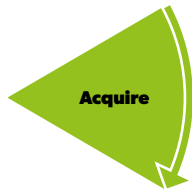
ACQUIRE

We recognise that the acquisition of an asset is not simply the work of a single group but requires a multi-disciplinary team to ensure all needs are met. We will address this through the formation of User Intelligence Groups (UIG), co-ordinated by our procurement professionals.

Through each UIG we will develop a detailed statement of requirements (specification) with which to approach the market, that addresses operational and legal requirements, takes account of lessons from similar previous exercises and other organisations, and achieves an appropriate balance between cost and quality.

We will ensure our planning is realistic to achieve the best possible result, allowing all stages in the process to be undertaken effectively.

We will seek to develop the supply markets in which we operate through appropriate communication and engagement, supporting broader economic development through innovation, regeneration, and fair work; and encouraging small/medium and supported businesses, with a view to ensuring our needs can be sustainably met, driving public value.



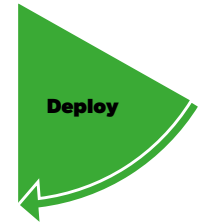
DEPLOY

We will plan for the deployment of our assets through effective project management and rigorous testing, to ensure disruption is minimised for users and communities.

Standardised procedures and safe systems of work will be available for all assets in use, ensuring a consistent approach throughout the Service, taking account of the diverse range of incidents and settings across Scotland.

Where new assets are being commissioned we will support their introduction through timely and appropriate awareness and training for end-users, technicians and other stakeholders, to ensure they can be confidently and competently used, maximising benefit from the investment.

For lower value assets, requiring regular replacement, we will assess and put in place the most appropriate arrangements to ensure they reach the end user when required, taking account of economies of scale in procurement relative to holding and distribution costs.



SUPPORT & MAINTAIN

We recognise the joint responsibilities of users and support technicians during the lifetime of an asset, to ensure it delivers the purpose for which it was obtained, and to ensure it achieves the maximum possible useful life. This relationship is key to a successful asset.



Knowing how critical our assets are in the delivery of our service, it is essential that we have in place tried and tested plans to ensure business continuity in the event of a significant loss, eg power failure, cyber-attack, pandemic illness. We will ensure these are robust, well tested and effectively communicated.

Our Asset Management function will put in place appropriate arrangements for the planned inspection, testing, maintenance, support, and repair of all assets, as well as systems for users to report issues eg faults, accidents; supported by appropriate service standards. These arrangements will be robustly managed to ensure value for money.

Users are responsible for taking good care of assets entrusted to them, ensuring they are fit for purpose before being deployed, and for reporting instances where this is not the case. In addition, statutory inspection regimes in some cases place further responsibilities on users to maintain a record of their inspections eg Personal Protective Equipment. We will ensure that all asset users are aware of their responsibilities and act where these are not being demonstrated.

For every asset within the Service, we aim to maximise its availability in operational use, with the minimum of downtime. As an emergency service, operational response capability must always be maintained and as such surplus asset capacity is required to cover for essential downtime, particularly in fleet. We will work to achieve the correct balance between cost and availability.

UPGRADE OR REUSE

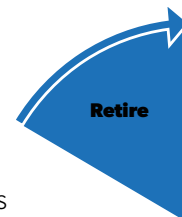
Where a physical asset reaches the end of its useful economic life, and/or where condition/suitability assessments suggest that action needs to be taken, options to upgrade the asset will be considered before a decision is made to dispose of it, to ensure maximum value can be obtained from the initial investment.



In evaluating these options, due consideration will be given to our environmental responsibilities with a view to minimising net carbon emissions as rapidly as possible. Where an asset or its components can be reused or recycled within the Service, without compromising agreed standards, this will be facilitated.

RETIRE

When a decision is reached that an asset will be disposed of this will be undertaken in accordance with the Disposal of Surplus Assets and Inventory Policy, ensuring transparency, and compliance with the Scottish Public Finance Manual (SPFM) as well as environmental and data protection regulations.



6. GOVERNANCE AND AUDIT

At a strategic level, within the Service's Executive Governance arrangements, the Asset Management Liaison Board (AMLB) is tasked with supporting the development and implementation of objectives within the SFRS Strategic Plan as they relate to the organisation's asset base.

The AMLB, comprising Heads of Function/ Deputy Assistant Chief Officers, is jointly led by the Director of Response and Resilience and the Director of Finance and Contractual Services, facilitating an effective interface between those who provide, support and maintain assets and those who use them.

The Service's asset management arrangements fall within the remit of both internal audit and Her Majesty's Fire Service Inspectorate (HMFSI), with both having undertaken reviews within the past 6 years. These arrangements provide independent assurance.

Internally, the Station Audit process provides assurance that policies and procedures are being adhered to at local level; and work is ongoing within Asset Management to develop a system of compliance checking.

7. RISK MANAGEMENT

Risks arise at all stages of the asset lifecycle. Through application of the SFRS Risk Management Policy, these risks will be captured, reported on and managed.

The SFRS Strategic Risk Register identifies 8 strategic risks. The table below analyses the impact of asset management against each of these;

At a strategic level, the Asset Management Liaison Board will continue to monitor relevant risks within the Service's Strategic Risk Register, supporting risk owners in identifying and implementing appropriate actions to address these risks, and ensuring all asset related risks are appropriately identified and assessed.

RISK	IMPACT	MITIGATING ACTION IF REQUIRED
Failure to minimise communities' exposure to risk and harm	There is a risk that assets in poor condition due to age, defect, or poor maintenance fail in operational use resulting in poor service delivery, a pollution event, or injury to a member of the public	Robust procedures for asset use and maintenance, coupled with the monitoring of relevant performance indicators, appropriate business continuity arrangements and reporting of incidents/near misses will mitigate this risk
Failure to ensure the Health, Safety and Wellbeing of firefighters and other employees	There is a risk that assets in poor condition due to age, defect, or poor maintenance fail in operational use or training resulting in injury to an SFRS employee	Robust procedures for asset use and maintenance, coupled with the monitoring of relevant performance indicators, appropriate business continuity arrangements and reporting of incidents/near misses will mitigate this risk
Failure to deliver Service Transformation	There is a risk that through poor planning or lack of affordability assets required to deliver service transformation are not available when required	By ensuring early cross-directorate visibility of organisational priorities through the Asset Management Liaison Board, realistic timelines can be developed and plans put in place

RISK	IMPACT	MITIGATING ACTION IF REQUIRED
Failure to ensure Financial Sustainability	There is a risk that insufficient funding is available to maintain an adequate asset portfolio to deliver our service.	Work will continue with Scottish Government to highlight asset investment requirements
Failure to ensure Legal Compliance	There is a risk that assets are not used or maintained in accordance with legal and regulatory requirements	By maintaining an ongoing review of the legislative environment and ensuring policies and procedures are subject to regular review across all disciplines, this risk will be mitigated
Failure to have in place a suitably skilled, engaged and flexible workforce, ensuring capacity, to deliver service priorities	There is a risk that SFRS cannot attract or retain sufficient skilled staff to support, develop and maintain an adequate asset base	Through follow up engagement arising from the recent Staff Survey and the implementation of identified actions to address concerns raised, this risk can be mitigated
Failure to maintain effective systems of control	There is a risk that procedures for the use, maintenance and support of assets are not adhered to	The Service's Assurance Framework is designed to ensure that effective controls are maintained and any weaknesses are highlighted and addressed
Failure to maintain confidence in the Service	There is a risk that high profile asset-related failure leads to high profile political and media interest	The actions outlined above are intended to ensure such failures are avoided or at least minimised. It is recognised that cyber security is a high-risk area and specific plans are in place to mitigate this through implementing the Scottish Government's Cyber Security Action Plan

8. PERFORMANCE MANAGEMENT

To give assurance that our assets are delivering best value, we will measure and report, through our Asset Management Liaison Board, on five broad performance areas;

Availability

- % availability in operational use relative to agreed standard
- Average time to get back into use when unavailable

Suitability

- User satisfaction
- No of outstanding change requests
- Property suitability assessment

Condition

- % assets beyond useful economic life
- Property condition assessment
- No of equipment failures

Audit and Inspection

- % compliance with statutory and regulatory inspections
- No. of outstanding asset actions from Station Audits

Value for Money

- Annualised asset cost relative to benchmark
- No and value of vehicle accidents
- No of asset losses or breakages within useful economic life

Within the various teams an extended set of performance measures will be kept under review.

We recognise that sound performance management is grounded in timely, relevant and reliable data that can be accessed easily and flexibly. Through the Finance and Asset Systems sub-group of our Digital Steering Group, we will continue to develop modern fit for purpose electronic information systems, supported by consistent policies, procedures and training, that deliver the best asset information to support our objectives.

Where external contractors are involved in the delivery of asset support services, through our Supplier and Contract Management Framework, we will manage these relationships to ensure contract obligations are met and best value is achieved from these arrangements.

SFRS, in asset management as in all other areas of business, seeks to be a learning organisation and as such is committed to using all aspects of performance management, including learning from mistakes, to ensure continuous improvement.

9. REFERENCES

No.	Title
1	Police and Fire Reform (Scotland) Act 2012
2	Annual Report and Accounts, 2017/18, SFRS, December 2018
3	Long Term Financial Strategy 2017-2027, SFRS, December 2017
4	Property Estate – Strategic Intent, SFRS, September 2013
5	The Institute of Asset Management – What is Asset Management https://theiam.org/knowledge/introduction/what-is-asset-management/
6	Fire and Rescue Framework for Scotland 2016, Scottish Government, September 2016
7	Strategic Plan 2016-2019, SFRS, September 2016
8	Your Service, Your Voice, A consultation on the safe and planned future of the Scottish Fire and Rescue Service, SFRS, February 2018
9	Commission on the Future Delivery of Public Services, June 2011
10	Health and Safety at Work etc. Act, 1974
11	Health, Safety and Wellbeing Policy, SFRS, April 2019
12	Scotland’s Digital Future: Delivery of Public Services, Scottish Government, September 2012
13	Digital Strategy 2018-2021, SFRS, December 2017
14	Environmental Policy and Objectives 2017-2020, SFRS, August 2017
15	Scottish Emergency Services National Collaboration Strategy, SFRS/Police Scotland/Scottish Ambulance Service, January 2018
16	Community Asset Register https://www.firescotland.gov.uk/your-safety/community-asset-register.aspx
17	Service Improvement Strategy 2018-2021, SFRS, April 2018
18	Asset Management Liaison Board – Terms of Reference, SFRS iHub, April 2019
19	Disposal of Surplus Assets and Inventory Items, SFRS iHub, August 2014
20	Scottish Public Finance Manual Scottish Public Finance Manual - gov.scot
21	Executive Governance Arrangements, SFRS iHub, February 2019
22	Risk Management Policy, SFRS, October 2018
23	Station Standards, General Information Note, Station Audit and Inspection, SFRS iHub, September 2014
24	Digital Steering Group – Terms of Reference, SFRS iHub, April 2019
25	Supplier and Contract Management Framework, SFRS iHub, May 2016

NOTES



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