

Asset Management Plan
Report by Director of Operations and Asset Officer

Summary: This report sets out the progress that officers have made to date in the development of the Asset Management Plan and identifies the budgetary provisions which are required to satisfy the audit recommendations.

1 Background

- 1.1 The Broads Authority adopted its Asset Management Strategy in July 2012, following identification as a key priority for the Broads Authority following an internal audit carried out in 2008/09, and a new post of Asset Officer was created as part of the restructuring in 2011. This Strategy will ensure that the Authority's land, property and other assets are managed and maintained as effectively as possible.
- 1.2 Additionally, procedures have been strengthened to ensure the Authority no longer enters into "gentlemen's agreements" but has a clear record of all its property dealings. Similarly, formalised legal agreements are being put in place where legal documentation was previously lacking at a number of key sites and the Authority has also disposed of a number of sites which do not fulfil a strategic need.
- 1.3 The Authority is currently working towards developing a consolidated asset database with assigned responsibilities. Land and property records have been centralised within a MS Excel spreadsheet and all associated documentation is being scanned and stored within a document management system. The next stage in the process is to extend this system to a multi-user database to provide a more flexible and functional system for managing and viewing land as property asset information.

2 Capital Asset Provision

- 2.1 As a first step in developing the Asset Management Plan, the Authority's needs for a Capital Asset Plan was reported to members in October 2012. This reviewed the existing arrangements which were developed on an ad hoc basis in the past dealing with individual assets owned by the Authority where a renewal programme had been identified as a prudent measure. These have been reviewed and updated as noted in the table below;

Item	Annual recommended budget	Current reserve position	Comments
Premises			
Dockyard maintenance	£30,000 pa, agreed by BA June 2011, therefore £18,000 Navigation budget	Dockyard site maintenance reserve £30,455 @ 31/03/13.	Road repairs scheduled for 2013/14, BA responsible for 49% of the maintenance costs, and Apportioned 60/40 Nav/ NPG into the Operational property revenue budget for immediate use.
Plant, vehicles and vessels			
Vessels and equipment	On-going provision of £92,000 pa recommended for 23 year strategy, therefore £55,200 Nav budget	Vessels and Equip reserve £132,878 @ 30/03/13	£60,000 pa agreed by BA September 2009, however the inventory and condition of vessels and equipment has now been reviewed and updated, which identifies the annual spending plans Appendix 1 Apportioned 60/40 Nav/ NPG
Launch replacement Strategy	on-going provision of £15,000 pa is recommended for remainder of 20 year strategy	Launch replacement fund £29,062 @ 30/09/13	£22,500 pa, agreed by BA June 2011. Following recent procurement exercise this can be reduced, see Appendix 2 Plan is to bring a new launch out once every 3 years. 100% Navigation
Ranger Vehicles	£9,000 pa is required at 60/40, therefore £5,400 Nav budget	No current reserves	Contribution to reserve account for a 10 year replacement strategy, the maximum time recommended. apportioned 60/40 Nav/ NPG
C&M vehicles	£22,000 pa is required at 60/40 therefore £13,200 Nav budget	No current reserves	Contribution to reserve account for a 10 year replacement strategy, the maximum time recommended. apportioned 60/40 Nav/ NPG
Office pool vehicle	£11,000 has been budgeted therefore £3,630 Nav expenditure	Vehicle reserve £11,000 in 13/14 budget	Contribution to reserve account for a 7 year replacement strategy. The maximum time recommended. Apportioned 33/67 Nav/NPG
Property			
Mutford Lock	£25,000 pa as agreed by BA September 2006	Mutford Lock Endowment Fund £301,885 @	The fund was established with an endowment from ABP. Capital costs are estimated at £1m for renewal of lock chamber. Future

		31/03/13	expenditure is difficult to predict as major repairs to the infrastructure may be necessary at any time but a minimum level of £500,000 is recommended. 100% Navigation
24 hr moorings – BA piling responsibility	£425,935 therefore budget increase of £305,935 required	none	Includes re piling of 2,619m and 7825.5m mooring refurbishments – current budget £120,000pa 2013/14 (Appendix 3) 100% Navigation Minimum annual operational budget of £160,000 required, remainder as contribution to reserves to allow longer moorings to be tackled where annual budget is exceeded
Other Navigation furniture	£29,000 pa, current budget £22,000 therefore increase of £7,000	none	Increase to the annual operational revenue budget for the replacement of pontoons/ channel markers/ signs etc (Appendix 3) 100% Navigation
Dredging disposal sites	Previously agreed £60,000 for purchase of disposal sites, but recommended strategy abandoned. nil	Dredging disposal site reserve £124,815 @ 31/03/13	Need to maintain £30,000 in reserve for surrender of Postwick Tip licence 100% Navigation £75,000 committed for purchase of moorings, and long lease of dredging disposal area £49,815 @ 31/03/14 Strategy reviewed and recommend to be abandoned due to lack of success in securing agreements
Total Navigation funding required	£590,365		18+55.2+15+5.4+13.2+3.63+25+42 5.935+29=
Already approved	£243,230		Total of contributions previously approved by Broads Authority
Additional approval required	£347,135		Required to satisfy the District Auditors recommendation
24hr mooring (at risk)	£133,895 p.a.	none	Piling liability EA/ other landowners - £1,000 per metre, 5355.8m over 40 years 100% Navigation

- 2.2 Following the previous report and consideration by the Financial Scrutiny and Audit Committee and Broads Authority, the previous specific reserve accounts have been combined into the three main headings as above: Premises, Plant, Vessels and Equipment and Property. The separate National Park Grant/Navigation Expenditure elements are separately recorded.
- 2.3 As a general principle it is proposed that any underspend on these budgets as a result of securing more favourable prices should be ring fenced and added back into the appropriate reserves. Similarly, the reserve strategies should be regularly reviewed and amended.
- 2.4 It should also be noted that these figures are based on current prices, and will therefore need to be increased annually in line with inflation. Additionally, annual review will be required to identify any new assets acquired throughout each year and note the further budgetary requirement that this generates.

3 Investment Plan

- 3.1 For the first time the Authority has collected a complete data set of all its assets, with the navigation furniture element contributing a significant proportion of the total asset value. Detailed work has been done by the Asset Officer looking at the number and type of structures in the navigation area, the replacement costs and life expectancy of the each of these has been developed by the Rivers Engineer, and an annualised cost has been derived (see Appendix 3).
- 3.2 Additionally, during 2012/13 the work undertaken by JBA Consulting, which looked in detail at Breydon Water has confirmed that previous assumptions for works required to Turn Tide Jetty were overestimated, and the modelling recommended a more minimal replacement approach and also the dredging requirement was modified. Therefore, it is suggested that the separate budget line for Breydon Water can be removed from future budgets and the works can be covered by a marginal increase to the budgets for dredging/ other navigation works as required.
- 3.3 As can be seen from the above recommendations now that a complete assessment has been made of the navigation equipment, property and furniture an amended total for navigation contributions of £590,365 is required. Of this £243,230 has been previously approved by the Broads Authority as part of an ad hoc approach to asset management.
- 3.4 In order to satisfy the recommendation of the District Auditor the Authority will need to demonstrate that it is taking sufficient steps to adopt appropriate financial provision for the long term replacement or renewal of its assets.
- 3.5 Agenda item 7(c) reviews the Expenditure options for navigation income, and identifies the affordability of the asset management requirements alongside other budget needs.

Background papers: None

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Broads Plan Objectives: None

Appendices: APPENDIX 1 – Vessels and Equip strategy
APPENDIX 2 – Launch replacement strategy
APPENDIX 3 - Asset management spread sheet

Appendix 1
Vessel and Equipment replacement Strategy

Item	Condition	Planned works	Comments	Replace date	Budget cost
Wherry Junior	Hull very thin down to 1.5mm, engine old and worn. Requires replacing	Patching and repairs to maintain as she is, not worth huge expenditure.	Not in service due to poor condition	2013	107,000
Wherry Go Forward	Hull very thin down to 1.5mm, engine old and worn. Requires replacing	Patching and repairs to maintain as she is, not worth huge expenditure.	Poor plating and poor condition. In service	2015	107,000
Grab 7	Barge is old and worn but serviceable and maintained. The Grab crane needs attention/ replacement in 2 years	Crane needs slew rollers in 2014/15 and replacement in 15/16	Replacement crane 40-50k	2015	50,000
Linkflotes	15x poor condition	condition to be assessed and works or disposal planned	4x to be repaired or replaced where poss	2015	40,000
Wherry Virtue	Hull condition poor and engine old and tired.	Patching to hull and regular fixes to coax engine along £3,000	Only 3 – 6 years of life left. Not in service	2016	107,000
Linkflotes	6x to be disposed		For disposal, and replacement of 4	2016	40,000
Wherry Onward	Hull very thin down to 1.5mm, engine old and worn. Requires replacing	Patching and repairs to maintain as she is, not worth huge expenditure.	Only 2 – 6 years life with careful cajoling.	2017	107,000
JCB 160	Regular service package	Yearly servicing 2k	lease hire recommended	2018	0
Wherry Senior	Hull very thin down to 1.5mm, engine old and worn. RE-PLATING REQ 2014	With a hull re-plate this wherry will give 5-7 years more service.	Without re-plating only 2 – 4 years life	2019	107,000
Crane RB 22 (66)	In good working order, requires regular servicing and maintenance	Regular servicing and on-going upkeep £1,500 2012/13	A good crane with 5 –10 years of life.	2020	50,000
Weedcutter Horace Miller	work boat base in reasonable condition, engine old but reliable. Harvester cutting head front unit poor, twisted frame, aged and worn drive	General maintenance and servicing 1k pa, maintenance of cutting head, moving floor chains and frame repairs 3k pa	2nd vessel purchased so less wear and tear expected - option would be to scrap or look for a 2nd hand machine	2020	50,000
JCB 180	Regular service package	Yearly servicing 1k	Service package expires 2017, suggest lease hire	2020	0
Linkflotes x31	6 - brand new	paint & general repairs	highly used	2020	60,000

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Crane RB 22	In good working order, requires regular servicing and maintenance	Will need a new grab block £3,000 in 2014/15	A good crane with 5 –10 years of life.	2021	50,000
JCB 180	Regular service package	Yearly servicing 1k	Service package expires 2017, suggest lease hire	2022	0
Work Boat Z1	Major refit undertook in summer 2011, with electrics, deck, paintwork and cabin all replaced and recoated. A new engine was fitted and has proven reliable.	Yearly servicing and safety certification £1,500. Will require a 3 yearly refit & full mechanical service £4,000 Steering and paintwork needs addressing, general servicing and maintenance £6,000.	A seasoned workboat and with regular maintenance & servicing will operate for another 10 – 15 years.	2023	150,000
Grab 10	Barge is 100 yrs old, serviceable but old and worn. Due to size and weight the bottom condition of barge is unknown	Slew roller replaced in 2013/14. Needed for work on Breydon, as a good all round barge & crane	Replacement crane 40-50k with another 40-50K for a barge to sit the crane in.	2023	100,000
Weedcutter Berky	Good general condition	retro fit water cooling planned 13/14	Simple design should reduce running costs	2023	50,000
Yard crane Smith C30	General good repair, but second hand. Is heavily used at the dockyard	Yearly servicing keeps it operational	The Dockyard will always need a mobile crane	2023	70,000
Linkflotes	4x 6yrs old	paint & general repairs	highly used	2023	60,000
Tug Richard	A good tug but aging and in need of a refit.		With regular servicing another 10 -15 years life.	2024	100,000
Work Boat Didler	Undergoing a major refit Summer 2012, with two new engines, deck area, hatches & electrics. A versatile work boat, ideal for work on Breydon due to keel coolers allowing it to sit	Yearly servicing and safety certification £1,500. Will require a 3 yearly refit & full mechanical service £4,000	A seasoned workboat and with regular maintenance/ servicing will operate for another 10 – 15 years.	2025	150,000
Tug Cannonbrook	A 2nd hand vessel purchased from EA at Penton Hook. A good vessel with minor works required. Recently repainted	New gearbox fitted 2013 and operating as expected.	A well used and reliable vessel. 10 -15 years life.	2026	100,000

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Tug Bantum	Major refit summer 2012, lifted, shot blasted and repainted. Serviced and major overhaul of systems	With regular service and maintenance this tug will remain reliable and in operation	A well used and reliable vessel. 10 -15 years life.	2027	100,000
Fen harvester	Unreliable, prone to breakdown	Replacement planned 2014	Replacment on order	2028	120,000
Work Boat Shoveller	A well used and hard working vessel, overdue a refit (Didler was prioritised over Shoveller). Structurally sound, but refit needed	Refit at Richards underway (Sept 2013) additional work to non-slip deck and repair hydraulics also taking place.	With quality paint finish and regular yearly services will operate for 15 -20 years.	2033	150,000
Wherry Tony Hewett	Hull in good condition but engine is worn and stern gear needs attention.	New engine and stern gear planned for 2014/15 £10,000	20 – 25 years of life with regular care and maintenance.	2034	107,000
Wherry John Fox	Hull needs shot blasting and repainting, but in generally good condition.	Shot blasting and painting, plus servicing £3,500 2013/14	20 – 25 years of life with regular care and maintenance	2035	107,000
			23 year strategy		£2,239,000
Wherry Iona	fabricated in Ireland	Delivered June 2013 – in service	Yearly servicing req £500	2053	107,000
Dumb lighter - Colossus	Repainted 2011	no works planned	repainting scheduled 2015	no replacement	0
Dumb lighter - Brown Bob	Moored at Dockyard	no works planned	used as a welfare barge	no replacement	0
Dumb lighter - Cattle barge	Moored at Dockyard	No works planned	used as a welfare barge	no replacement	0

Wherry Blucher	Hull down to 1mm	beyond economic repair	For disposal	2,346,000
Dumb lighter - Regal	Not used by BA for 6 years	No planned useage or maintenance	For disposal	
Dumb lighter - Reaper	Not used by BA for 6 years	No planned useage or maintenance	For disposal	

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Dumb lighter - Aubrey Wherry Monster	Poor hull thickness	No planned useage or maintenance	For disposal Scrapped 2013
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Appendix 2
Launch replacement strategy

Launch Replacement Programme - updated	Estimated costs
Fit out of new hull	£60,000
Cost of 5 new complete launches @ £85,000 each at current prices	£425,000
Total expenditure	£485,000
Launch Replacement Fund as at Oct 2013	£29,062
Income from sale of 8 launches @ £25,000 per independent valuation	£200,000
Total income	£229,062
Funding Gap	-£255,938
Annual contribution over 18 years	-£14,218.78

Appendix 3 Navigation furniture database

List of sites	Ranger area	Countryside/ Navigation	Freehold/ Leasehold	BA piling responsibility	Piling Length(m)	Furniture/ Item	No of units	Unit	Cost	Total	Life expectancy (years)	Annualised costs (£)
Aldeby	Yare	Countryside	Freehold	Yes	Length in metres	24hr Mooringframe		Lin metre	replacem ent cost per unit	Total replacement cost	Exptd life	
Barton Turf 24hr moorings	Waveney	Navigation	Leasehold	No		24hr signs(inc hdr/ftr/main		m2		Calculation		Calculation equals total cost divided by life expectancy
Beccles Marshes	Upper Bure and Ant			EA		alderpole piling		number		equals cost x		
Beccles Marshes North	Thurne and Bure			Others		BA wooden hazard marker post				number of units		
Belaugh 24hr moorings	Breydon			N/A		Barrier						
Berney Arms Reach						Bin Store						The total of annualised costs equates to the necessary budget requirement
Boundary Farm, Oby x1						boardwalk						
Bramerton						Bollards						
Brundall Church Fen						Bridge						
Burgh Castle						bridge gauge boards						
Cantley						Capping&Whaling/Posts						
Catfield Staithe						channel marker buoys						
Chedgrave						channel marker greenheart						
Cockshoot Mooring						Channel marker post						
Coltishall Common						channel marker softwood						
Commissioners Cut						channel marker steel						
Deep Dyke						chestnut paling fence						
Deep Go Dyke						Concrete path						
Dilham Staithe						De-masting mooring pontoons						
Duck Broad Island						dolphins						
Dutch Tea Gardens, Oulton						donation box						
Gayes's Staithe						Easy access mesh path						
Geldeston Moorings						Electric Charging point						
Great Yarmouth Yacht Station Visitor Centre						field gate						
Herringfleet Mooring						flagpole						
Horning Marshes mooring						Foot Path - gravel						
Horning Parish Staithe						Foot path Mesh with						
Hoveton St John moorings						Footpath - Asphalt						
Hoveton Viaduct moorings						Footpath - Asphalt plannings						
How Hill Staithe						Footpath - bark						
Irstead Mooring						Footpath - Breedon gravel						
Langley Dyke						Footpath - Concrete						
Loddon Staithe						Footpath - grass						
Ludham Bridge 24hr (Tubby)						Footpath - Type 1						
Mutford Lock						Gabion baskets						
Neatishead - Lime Kiln Dyke Bas						General Signs						
Neatishead Staithe						geobags						
North Cove						Grit Bin						
Norwich Yacht Station						Interpretation panel						
Paddy's Lane						Interpretation Post						

List of sites	Ranger area	Countryside/ Navigation	Freehold/ Leasehold	BA piling responsibility	Piling Length(m)	Furniture/ Item	No of units	Unit	Cost	Total	Life expectancy (years)	Annualised costs (£)
paddy's Lane boardwalk						ladder						
Percis Island 24hr mooring						Mooring charges Signs						
Polkeys Mill 24hr Mooring						Notice board						
Postwick Wharf						pedestrian gate						
Potter Heigham- Bridge Green						Piling						
Potter Heigham - De masting						Pontoon ramp						
Potter Heigham - Dinghy Park						Pontoon unit (11m)inc piles/ fixings/ handrails/ lights						
Potter Heigham - Repps 24hr mooring						Post & Rail Fence						
Potter heigham - Martham 24hr mooring						Ramp - Type 1						
ranworth staithe						Riding spars						
Reedham Quay						Safety Chain						
Rockland Staithe						Sign (end of navigation)						
Salhouse Spit						sign bridge						
Somerleyton 24hr Moorings x2						sign directional						
St Benets Abbey						sign facilities						
St Olaves 24hr Moorings						sign hazard warning						
Stokesby						sign hazard warning - large						
Sutton Staithe x2						sign informational						
Thurne Mouth Moorings						sign mooring closed						
Thorpe Green						sign navigation end						
Wayford Bridge						sign no fishing						
West Somerton						sign No mooring						
White Slea						sign no turning						
Whitlingham Country Park						sign rowing zone						
Womack Island						sign shallow water						
Womack Dyke						sign waterski times						
Woodbastwick 24hr Mooring						sign waterski zone						
Worlingham						Signpost						
Wroxham Broad Island x2						Signs - large						
Navigation area						Signs - mediuim						
Breydon Water						Signs - small						
Somerleyton bridge						Signs - small						
Reedham bridge						Signs - speed limit repeater						
Bridge Broad						Signs - speed limit starter round						
						Slipway						
						Steel Capping&Whaling/Bollards						
						Steel posts						
						Step Barrier						
						Steps						
						surfacing - gravel						
						Throwing line/Canister						
						Throwing line/Lifebelts						
						tolls boards						
						Turntide Jetty						
						water point						