

Asset management in the NHS in Scotland

Summary impact report (3 months)

The report findings and recommendations

1. Audit Scotland published *Asset management in the NHS in Scotland* in January 2009 on behalf of the Auditor General. The report examined how the NHS is strategically managing its assets to support effective service delivery and commented in particular on how NHS bodies ensure that they achieve value for money in managing the NHS estate.
2. The report found that significant investment of £3 billion between 2003 and 2011 is allowing NHS bodies to undertake major programmes to redesign and improve assets. NHS bodies are beginning to manage their assets more strategically, however, not all can clearly show how patient care is driving the way they manage their assets. The Scottish Government Health Directorates (SGHD) does not have policies and guidance for all assets and there is limited monitoring of the way NHS bodies are managing their assets. Most NHS bodies have some basic information on their assets but not all actively measure the performance of their assets. In terms of the NHS estate, the report found that the majority of the NHS estate is in satisfactory condition, although around a third will require major upgrading in coming years.
3. There are 21 recommendations for the Scottish Government and NHS bodies. The recommendations cover three categories:
 - improving the strategic role of the Scottish Government in managing assets
 - improving the way NHS bodies manage their assets
 - improving the way NHS bodies manage their estate.

Media interest in the report

4. The report received broad media coverage giving a balanced summary.

Coverage (3 months post publication)	Number of references
Press	12
Radio	11
TV	4
Internet	3
Total	30

5. Web downloads from the Audit Scotland website in the three months following publication were:

	Downloads	Download average for a high profile report
Main report	800	1,147
Key messages	178	239
Podcast	52	117
Total	1,030	1,503

Parliamentary scrutiny

6. Barbara Hurst briefed the Scottish Parliament's Public Audit Committee (PAC) on 25 February 2009. The PAC agreed to write to the Kevin Woods, Accountable Officer of the NHS in Scotland, to establish how Audit Scotland's recommendations would be addressed and to ask for a response to specific questions relating to the condition of medical equipment; post-project evaluation; vacant properties; energy efficiency; and procurement and acquisitions.
7. Kevin Woods stated in his response to the PAC in April 2009, that all of the recommendations contained in parts 2 and 3 of the Audit Scotland report will be addressed in the forthcoming national asset management policy.¹
8. The PAC noted the response from Kevin Woods at its meeting on 29 April 2009.

Significant developments

9. Our report and its recommendations were referenced in the NHS Scotland Estates and Facilities Benchmarking Project Phase One – Final Report published by the Scottish Government in March 2009. The NHS Scotland report specifically addresses a number of Audit Scotland recommendations relating to collection and monitoring of asset information. The NHS Scotland report included its own recommendations and an action plan and timetable for implementing these from 2009 to 2012.

Longer-term impact

10. Monitoring long-term impact will partly rely on whether NHS bodies complete the self-assessment checklist and produce an action plan. During 2009/10, local auditors will inform the study team whether NHS bodies have completed the checklist and produced an action plan. The auditors will provide any action plans.

¹ This policy was scheduled to be ready by May 2009 but has not yet been published.

11. We will also:

- evaluate the updated national asset management policy against the recommendations in our report
- gather updates from the Scottish Government on the progress of the NHS Scotland Estates and Facilities Benchmarking Project Phase One – Final Report action plan and timetable.

12. The asset management best value toolkit is also available to NHS bodies for self-assessment.

13. Appendix 1 lists the recommendations in the report and the anticipated impact against Audit Scotland's impact framework. We will produce another report on the impact of our national report after one year.

Appendix 1 – Summary of anticipated report impact by Audit Scotland’s framework for measuring impact

HOLDING TO ACCOUNT AND HELPING TO IMPROVE					
Recommendations	Assessing impact	Assurance and accountability	Planning and management	Economy and efficiency	Quality and effectiveness
The Scottish Government should ensure that work being undertaken on asset management by different parts of the Scottish Government is coordinated and that good practice is shared across different portfolio areas.	Update from SGHD: - are roles and responsibilities clear? -examples of good practice		•	•	•
The SGHD should provide policies and guidance for all types of assets and update its current policies and guidance to reflect changes in the NHS and the development of new health policies.	Assessment of SGHD asset management policy Update from SGHD: – what policies and guidance are available for each asset and when were these revised?	•	•		•
The SGHD should routinely collect information from NHS bodies on the performance of their assets.	Update from SGHD: - what information is being collected on assets?	•		•	•
The SGHD should ensure that momentum is maintained in the development of the new national estate computer system. Performance measures and targets should be developed in line with the introduction of the new system.	Update from SGHD: -has the national asset management system been put in place?	•	•		

HOLDING TO ACCOUNT AND HELPING TO IMPROVE

Recommendations	Assessing impact	Assurance and accountability	Planning and management	Economy and efficiency	Quality and effectiveness
	-have targets and performance measures been developed?				
The SGHD should monitor the extent to which NHS bodies are undertaking post-project reviews.	Update from the SGHD: -is there a monitoring regime in place?	•			•
The SGHD should ensure that momentum is maintained in developing the hub initiative to support joint working across the public sector. NHS bodies should put in place joint strategies with councils to develop joint working on estates at a local level.	Update from the SGHD: - what progress has been made on the HUB initiative?	•		•	
NHS bodies should develop strategies for each type of asset and then develop a corporate asset management strategy or plan which links with their clinical strategies. NHS bodies should use national guidance where it exists or other sources of good practice such as CIPFA and RICS Public Sector Asset Management Guidelines.	NHS bodies action plans against self-assessment checklist	•	•	•	
NHS bodies should ensure that their estates strategies meet good practice criteria as set out in the NHS Property Management Policy.	NHS bodies action plans against self-assessment checklist	•			•
NHS bodies should establish procedures with CHPs for gathering data on the independent estate (GPs, dentists, pharmacists and opticians).	NHS bodies action plans against self-assessment checklist	•	•		

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Recommendations	Assessing impact	Assurance and accountability	Planning and management	Economy and efficiency	Quality and effectiveness
NHS bodies should ensure they have procedures in place setting out when, and in what way, estate condition, statutory compliance, functional suitability and space utilisation will be assessed.	NHS bodies action plans against self-assessment checklist	•		•	•
NHS bodies should ensure all information held on assets is held electronically.	NHS bodies action plans against self-assessment checklist	•	•	•	•
NHS bodies should review their performance management arrangements and, where required, develop performance measures and targets for their assets.	NHS bodies action plans against self-assessment checklist	•	•	•	•
NHS bodies should work with other NHS bodies and the SGHD to develop standard performance measures and targets for estates that they can use to benchmark performance with each other.	NHS bodies action plans against self-assessment checklist Update from the SGHD: -have targets and performance measures been developed?	•	•	•	•
NHS bodies should develop a strategy for addressing maintenance backlog that is costed and is linked into the long-term financial strategy of the board.	NHS bodies action plans against self-assessment checklist	•	•	•	

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Recommendations	Assessing impact	Assurance and accountability	Planning and management	Economy and efficiency	Quality and effectiveness
NHS bodies should identify the split between planned and reactive maintenance and identify causes where it is weighted towards reactive spend. They should develop a plan to address these causes.	NHS bodies action plans against self-assessment checklist	•	•	•	
NHS bodies should ensure that consideration of whole-life costing is a requirement for investment decisions and that they budget for maintenance throughout the life of the asset.	NHS bodies action plans against self-assessment checklist	•	•	•	
NHS bodies should ensure they have design action plans in place and designated design champions as required by the design policy.	NHS bodies action plans against self-assessment checklist	•	•		
NHS bodies should ensure they have a plan and timetable in place which outlines the level of estate compliance with the DDA, the financial requirements for achieving compliance, and the bodies' approach to achieving compliance.	NHS bodies action plans against self-assessment checklist	•	•		
NHS bodies should integrate equality and diversity issues into estate management practices, ensuring that relevant stakeholders are consulted and involved, where relevant, on projects.	NHS bodies action plans against self-assessment checklist		•		•
NHS bodies should examine their estate workforce profile and start developing strategies to address any future capacity issues.	NHS bodies action plans against self-assessment checklist		•		