



Northern  
Ireland  
Office

# NIO CSR07 – Asset Management Strategy

February 2008

## A. CAPITAL STOCK SURVEY

1. As at 31 March 2007, the NIO's capital asset base, excluding Hillsborough Castle, had a net book value (NBV) of £909.97m. This was split as follows:

Table 1: Capital Asset Base

Organisation	NBV @ 31 March 2007 £m	%
Police Service of NI (PSNI)	646	71
NI Prison Service (NIPS)	211	23
Core Department	31	3
Youth Justice Agency	20	2
Other NDPBs/Agencies	2	1
<b>Total</b>	<b>910</b>	<b>100</b>

2. Given the split of assets by organisation, the Asset Management Strategy focuses on the **PSNI, NIPS, the Core Department and the Youth Justice Agency**; combined, these represent 97% of the Department's asset base.

3. The split of the Department's asset base by asset category is as follows:

Table 2: Capital Asset Category

	NBV @ 31 March 2007 £m	%
Land and buildings	776	85
Vehicles, plant and machinery	52	6
IT	51	6
Assets under construction	31	3
<b>Total</b>	<b>910</b>	<b>100</b>

4. As this table shows, the majority of the Department's capital assets (85%) are land and buildings, with 73% (£563m) of this total relating to the PSNI estate and 23% (£180m) to the NIPS estate.

## **Police Service Northern Ireland (PSNI)**

### ***Estate***

5. The Police Estate covers a total gross floor area of 340,000m<sup>2</sup> with an open market valuation of £537m as of 31st March 2007.
6. The facilities range from standard police stations, headquarter sites, limited opening stations, hill top sites and logistics/transport bases. A number of sites are joint occupancy with the Ministry of Defence and a variety of leases and licenses exist with third parties.
7. The Estate consists of 128 police stations, 11 Headquarter locations, 39 Hilltop/Portal sites and 6 Training/Admin sites. Fifty-seven stations are open 24 hours, 71 stations are limited opening and 7 stations are lock and leave.
8. Thirteen stations are now over 100 years old with 54 further stations greater than 50 years old. This age profile requires increasing maintenance expenditure year-on-year to upkeep and replace the fabric and assets contained within the ageing building stock.
9. Whilst the PSNI Estate includes some modern high quality accommodation providing standards of space and facilities comparable to other Police Services, Estates Condition Surveys previously identified approximately £65m-£70m of outstanding maintenance work within which £8.5m was associated with Categories 1 and 2 Health & Safety works. This is a reflection of the lack of maintenance investment during the period 1980-1998 during which funding was channelled into the construction of secure new build stations and fortification of the existing building stock.

### ***Information Technology***

10. In November 2001, as a result of the Patten Report, the RUC became the Police Service of Northern Ireland (PSNI). The Patten Report recommended “an urgent, independent, and in-depth strategic review of the use of information technology (IT) in policing”. It also recommended that the PSNI should develop a “properly resourced strategy that places them at the forefront of law enforcement technology within 3 to 5 years’.
11. In order to implement Recommendation 93 above the ICS department drew up two strategy documents:

- IS Strategy 2001-04; and
- IS Strategy 2004-08

12. The IS Strategy 2001-04 aimed to deliver the future Information Technology needs of the organisation to support its business objectives in order to place the Police at the forefront of law enforcement technology. Most of the investment of the IS Strategy 2001-04 focused upon the provision of IT infrastructure, with initiatives such as Project Barracuda, Common Terminal, Administrative Information Systems (AIS), Data Network Infrastructure Upgrade (DNIU) and AccessMaster consuming the majority of resources. This focus on infrastructure development has provided the essential foundation on which new business applications can be delivered.
13. The focus of the revised Strategy (IS Strategy 2004-08) is on building on these initiatives to implement technologies and applications that support business process change, provide a robust technology infrastructure that supports new business applications and, in particular, to provide improved support for the work of operational police officers.

## Northern Ireland Prison Service (NIPS)

### *Estate*

14. The prison estate consists of three establishments, a separate prisoner assessment unit and a training college.
15. The current net book values of each site at 31 March 2007:

Table 3: NIPS Estate Net Book Value

Assets	£m	Maghaberry	Magilligan	Belfast	Hydebank	PSC <sup>(1)</sup>
Land	6.5	1.2	0.6	0.7	1.1	2.9
Building	170.5	90.1	28.9	1.9	47.8	1.8
Dwellings	2.5					2.5
<b>Sub Total</b>	<b>179.5</b>	<b>91.3</b>	<b>29.5</b>	<b>2.6</b>	<b>48.9</b>	<b>7.2</b>
Assets (Awaiting Disposal)	0.3					
IT	3.4					
Assets (Under Construction)	8.5					
Vehicles; F&F; P&E	18.7					
<b>Total Assets</b>	<b>210.4</b>	<b>91.3</b>	<b>29.5</b>	<b>2.6</b>	<b>48.9</b>	<b>7.2</b>

Notes

(1) PSC - Prison Service College

16. Each of the three establishments have been reconfigured during their lifespan altering the configuration and category of inmate on which they were originally envisaged and in some instances the population they were designed to house. This has been due to both the ebb and flow of the prisoner population during recent years but also the closure in 1996 of Belfast Prison (accommodation for around 640 within a single Radial block) and the Maze in 2000 (accommodation for around 800 within eight H-blocks).
17. As a consequence of the closures and the contraction of the estate the remaining establishments have had to accommodate all categories of prisoners. This has seen an unprecedented level of complexity introduced to the two adult male sites and the movement of females to accommodation within the male Young Offenders Centre. The result is an uneasy mix of prisoner categories housed in close proximity with each other in accommodation that is not best suited to meeting modern needs.

## Forensic Science Northern Ireland (FSNI)

### *Estate*

18. The FSNI currently operates from leased PSNI accommodation at Seapark, Carrickfergus.

### **Current Asset base at 31 March 2007**

19. The current net book values of assets held by FSNI at 31 March 2007 are as follows:

Table 4: FSNI Assets Net Book Value

Net Book Value @	Computers £k	Temporary Buildings £k	Plant & Equipment £k	Motor Vehicle £k	Intangible Assets £k	Total £k
<b>31/03/07</b>	559	801	1,159	11	44	2,574

## Youth Justice Agency (YJA)

### **Estate**

20. The YJA estate currently consists of two operational sites – the Juvenile Justice Centre (JJC) at Woodlands in Bangor and a Community Services Regional Office located at Whitefield House in South Belfast.
21. The construction of a new purpose built replacement Juvenile Justice Centre adjacent to the old Centre on the Woodlands site was completed in December 2006 and has been operational from January 2007. The new Centre has capacity to house 48 young people in six eight bedded accommodation units and also includes catering, educational, vocational training and gym facilities. The Centre was delivered and opened on time and on budget with construction and development costs having been met from the £65m proceeds from the sale, in April 2007, of land occupied by the old Centre.
22. Whitefield House is an old building constructed in the 1950s measuring 7966 square feet and is currently used to accommodate two Community Services projects in addition to its Community Services Transport and Outdoor Pursuits Sections. It accommodates 11 Youth Justice Agency staff and provides educational and craft facilities for young children who attend Community Services Projects located at the building. It is also a base for 3 members of staff of the voluntary sector body, Extern, which run the Inside Out Project and which is funded by the Agency.
23. A condition report on Whitefield House undertaken by Construction Service in September 2000 highlighted the need to upgrade the condition of the building. The estimated current costs of this as well as ensuring DDA compliance is approximately £600k. In light of its deteriorating physical condition and the significant investment required to upgrade the premises, the Management Board of the Agency has given its approval to dispose of the site and relocate the Community Services Projects.
24. The current net book values of each site at 31 March 2007 are:

Table 5: YJA Estate Net Book Value

Property	Land (£m)	Buildings (£m)
JJC, Woodlands	0.20	17.51
Whitfield House	0.53	0.47
<b>Total</b>	<b>0.73</b>	<b>17.98</b>

### ***Information Technology***

25. YJA's IT assets consist of OASIS networked servers, PCs and printers located at the Agency's Headquarters in Waring Street and at the new Juvenile Justice Centre (JJC) at Woodlands. There are also a number of standalone PCs and laptop computers, located at regional and local Community Services and Youth Conference Service offices. The total NBV of the Agency's IT assets at 31 March 2007 is £410k which includes the capitalised costs of the Agency's accounting, payroll and personnel systems and their associated software licenses.

### ***Other Assets***

26. YJA's remaining asset base consists of vehicles, plant & equipment and fixtures and fittings, and assets awaiting disposal, the total NBV of which was £1,027k at 31 March 2007.

### ***Core NIO Department***

#### ***Estate***

27. The core NIO's asset base consists largely of residential housing stock and IT assets. All residential housing stock is planned to be disposed of as part of the Department's asset management strategy by 2010-11.

### ***Information Technology***

28. IT assets largely consist of the Department's OASIS IT network. This due to be refreshed over the CSR07 period and forms part of the capital bid.

## B. ASSET DISPOSAL PLAN

29. The Department is committed to assets disposal totalling £75m in the period April 2004 to March 2011. A total of £27m of these disposals will be in the CSR07 period as shown in the table below. Throughout the CSR07 period, the potential to increase asset disposals will be examined.

Table 6: Asset Disposal Plan

	2008/09 £k	2009/10 £k	2010/11 £k	Total £k
PSNI	4,000	5,000	7,000	<b>16,000</b>
Core Department	1,300	2,400	2,600	<b>6,300</b>
Probation Board	800	650	1,400	<b>2,850</b>
Youth Justice Agency	1,500	0	0	<b>1,500</b>
<b>Total</b>	<b>7,600</b>	<b>8,050</b>	<b>11,000</b>	<b>26,650</b>

### Police Service Northern Ireland (PSNI)

30. DCU Commanders have reviewed the operational stations as part of the preparation of the 2005 Estate Strategy. As a consequence, the Estate Strategy lists 61 stations for potential review and possible closure. DCU Commanders are required to expedite a community consultation process and obtain agreement with the local District Policing Partnership Board regarding closure.
31. The new build programme contained within the Estate Strategy will allow for the closure and disposal of a number of existing stations such as Omagh, Ballymoney and Downpatrick.
32. The PSNI completed a Headquarters and Support Sites Estate Review in 2006 which resulted in the identification of potential Headquarter sites for disposal e.g. Gough Barracks and Sprucefield.
33. The PSNI utilises the Valuation and Lands Agency to manage the disposal process in accordance with HM Treasury and OGC Guidelines.

### Northern Ireland Prison Service (NIPS)

34. NIPS have agreed to participate in the Integrated Training College at Desertcreat in conjunction with the PSNI and the Fire Service. NIPS will contribute £10m to the costs raised through the disposal of its current training facility, the Prison Service College (PSC) at

Millisle but cannot dispose of this site until it relocates to the new training facilities at Desertcreat. At this time it is not expected to do so until 2011/12.

#### **Forensic Science Northern Ireland (FSNI)**

35. There are no significant disposal plans within the CSR period. The Agency intends to dispose of temporary buildings when it moves to new accommodation.

#### **Youth Justice Agency (YJA)**

36. Assets Awaiting Disposal comprising surplus plant & equipment and fixtures and fittings from the old JJC are in the process of being sold at auction, with a NBV at 31 March 2007 of £104k.
37. The disposal of Whitefield House has been approved by the Agency's Management Board and is being taken forward by the Department along with the disposal of other Departmental sites.

#### **Core NIO Department**

38. The core NIO's asset base consists largely of residential housing stock and IT assets. All residential housing stock and office accommodation is planned to be disposed of as part of the Department's asset management strategy by 2010-11.

## C. FORWARD INVESTMENT PLANS

39. The Department capital baseline for CSR07 period is £72m per annum. This, together with the proceeds of capital disposals and capital end-of-year-flexibility brought forward from the SR04 period will allow the Department to undertake a significant capital investment programme. As part of the business planning process, all procurement options for capital investment are considered, for example PPP.
40. The Department's capital investment over the CSR07 period will focus on three key projects:
- a new police training college (in conjunction with the NI Prison Service and the Fire and Rescue Service);
  - new Forensic Science accommodation; and
  - a new/replacement prison.
41. The Department is working with the Northern Ireland Strategic Investment Board (SIB) on these projects.

### Police Service Northern Ireland (PSNI)

42. The PSNI contributes directly to the Department's Strategic Objective 4 – "To work with PSNI and other policing partners to deliver effective and accountable policing services that can secure the confidence of the whole community."
43. The plans for a new *Police College* in conjunction with the Northern Ireland Fire Service, Prison Service and Rescue Service were announced by the Secretary of State February 2007. Current forecasts estimate that the Department will contribute £52m to this project in the CSR07 period.
44. Other investments in the following categories:
- *Supplies*  
Projected spend is to maintain minimum standard in uniform and equipment across the period.
  - *Transport*  
Capital spend on vehicles reflects the changing needs of local policing, whilst the cost of armouring vehicles is expected to decrease across the CSR period. In

addition it is planned to replace the fixed wing aircraft in 2008/09, as the current Islander is nearing the end of its operational life.

- *Telecom & Information Technology*

Spend within Telecommunications and Information Technology is in accordance with the programmes of work associated with the approved IT Strategy.

- *Estates - Land and Buildings*

Across the CSR period, the Police Service plan to develop and construct new build police station projects at Omagh, Downpatrick, Ballymena, and Musgrave Street. In addition, extensions at Castlereagh and Armagh will be completed. Work on upgrading custody facilities will take place.

45. The CSR2007 period will cover the three critical years identified within the Police Service 2005 Estate Strategy. Major Works will focus on new buildings at Omagh, Musgrave Street, and Downpatrick. Possible additional new build projects at Ballymena, Crossmaglen and Newtownhamilton will be developed and may be commenced on site, subject to available funding. In addition, a number of significant maintenance upgrade projects at existing DCU Headquarters will be implemented and will be capitalized due to the significant scale of works.
46. The Property Management Strategy continues to address the backlog of maintenance identified in the Annual Condition Surveys. The objective is to achieve Accommodation Standards compliant with Home Office requirements within the building stock, which will be fit for purpose for the next thirty years. Reactive and Cyclical Maintenance continue to be required each financial year due to legislative and Health & Safety issues. Minor Works will be required during the CSR07 period in order to satisfy minor accommodation needs within the existing building stock such as small extensions, additional office provision, security and ICS requirements.
47. The Northern Ireland Policing Board owns the Estate and the Terms of Reference of the Police Act 2000 combined with the Conditions of Grant, 2002, define the scope of involvement of the Northern Ireland Policing Board in the business of the Estate Services Business Unit.
48. The Estate Strategy of 2005, endorsed by the NIPB and the subject of discussion with District Policing Partnership Boards, Oversight Commissioner, provides the foundation for the Estates work programmes. The key elements of this Strategy will support the

development of building stock required to deliver operational policing plans and Headquarter Departmental services during the next 35-50 year period. The objective is to develop a fit for purpose Estate supporting policing initiatives throughout Northern Ireland in the medium and long term, addressing maintenance backlog issues, Health & Safety issues and achieving the Home Office Accommodation Standards in relation to police facilities.

### **Northern Ireland Prison Service (NIPS)**

49. The NI Prison Service contributes directly to the Department's Strategic Objective 2 – "To manage offenders securely, safely and humanely."
50. In December 2007 Prisons' Minister Paul Goggins announced a comprehensive plan for the provision of prison places in Northern Ireland over the next ten years for the adult male estate. HMP Magilligan is to be redeveloped on a phased basis as a maximum 800 bed facility for sentenced prisoners. Planning is to begin as soon as possible with construction due to commence in 2011/12. At this early stage it is anticipated that overall costs will be in the region of £200m. The Minister further announced that additional accommodation to meet continuing population needs would be provided at Maghaberry Prison with the development of Mourne House as a 300 bed facility by 2011. This work is already under way.
51. The option chosen requires the addition, refurbishment and/or replacement of existing cellular and support facilities until such times as the growth in prisoner numbers reaches a level requiring a final decision on a potential third adult male location. On current trends the prison population for adult males would double by 2022, having increased by over 50% in the last seven years. NIPS has committed to monitoring the population trends on an annual basis given the draft Criminal Justice (NI) Order 2007, the potential for diversion, and the uncertainty over future population numbers. Major accommodation pressures remain in the short term to meet population rises and reduce the level of doubling within the adult male estate, particularly at Maghaberry.

### **Forensic Science Northern Ireland (FSNI)**

52. FSNI provides essential services to the Northern Ireland criminal justice system, services which are increasingly threatened by the disbenefits arising from the inadequate accommodation at Seapark.

53. FSNI has been progressing a modernisation programme to re-engineer many of its services and to increase their robustness and overall efficiency. This programme has delivered much, but many of the potential gains from that work are dependent on the Agency being able to move to modern accommodation which would enable some of the real gains, in terms of efficiency and increased quality of service, to be realised and delivered to customers. An outline business case for new accommodation is currently being prepared.

#### **D. ASSET MANAGEMENT PRACTICE**

##### **The Maintenance of Assets**

54. All substantial refurbishment projects and new build projects are the subject of full Investment Appraisal incorporating project justification, scoping, end user involvement, risk and qualitative assessment. Post project evaluation applies to all major new builds and significant refurbishments. The project management process is milestone based and incorporate OGC Gateway Reviews where required.

##### *Examples of good practice:*

###### *Youth Justice Agency*

55. Maintenance of the new Juvenile Justice Centre in the first few years is likely to be low, however both planned and reactive maintenance contracts have been set up and extended warranties are in place to cover the second and third years of the building's life.
56. For the future, as part of the operation of the new Centre, a new computerised (bar-coded) inventory and maintenance management system has been installed which will aid planned maintenance of all equipment (not just capitalised equipment) and will also enable assets approaching the end of their estimated useful lives to be identified and their use to the business and potential for disposal assessed. This system will also assist in profiling investment plans for replacement equipment / assets.

###### *Police Service Northern Ireland*

57. PSNI develops a 5-year Forward Maintenance Plan, each year of which is reflected within the Annual Business Plan, the subject of endorsement by the PSNI Chief Officers via the Supplies, Estates and Transport Governance Committee.

## **Corporate Governance**

58. Business cases must be developed for all major capital projects. These are reviewed by the Department's Financial Services Division for their compliance with the Green Book requirements, best value criteria and that they evidence the application of robust project management skills to ensure delivery, before approval is given before HM Treasury approval is sought.
59. Risk management with the particular use of risk registers is an integral part of the process; representation of finance staff on major project boards is normal practice to ensure that financial control issues are effectively applied.

## **Financial Management**

60. The Departmental Board Finance Committee will review capital disposals against forecast on a quarterly basis to ensure that disposals are on target against forecast and that disposal proceeds are maximised.

## **Delegation and Accountability**

61. Treasury is engaged on all major projects above departmental delegation levels. Information on best practice and innovative approaches to procurement are disseminated to all stakeholders.

## **The Potential for Wider Markets**

*Example of good practice:*

*Police Service Northern Ireland*

62. The PSNI are seeking to exploit opportunities for third party utilisations, particularly within the area of police surgeries in community centres. A number of initiatives are under consideration at Ballywalter, Beragh, Crumlin, Carryduff and Portadown. The PSNI hope to encourage other public sector bodies/agencies to utilise under-utilised stations although it is recognised that security considerations are negating this initiative. However, the Immigration Service has recently agreed to occupy a limited opening station at Templepatrick and this is an example of such possible shared services.