Our Asset Management Transformation Model

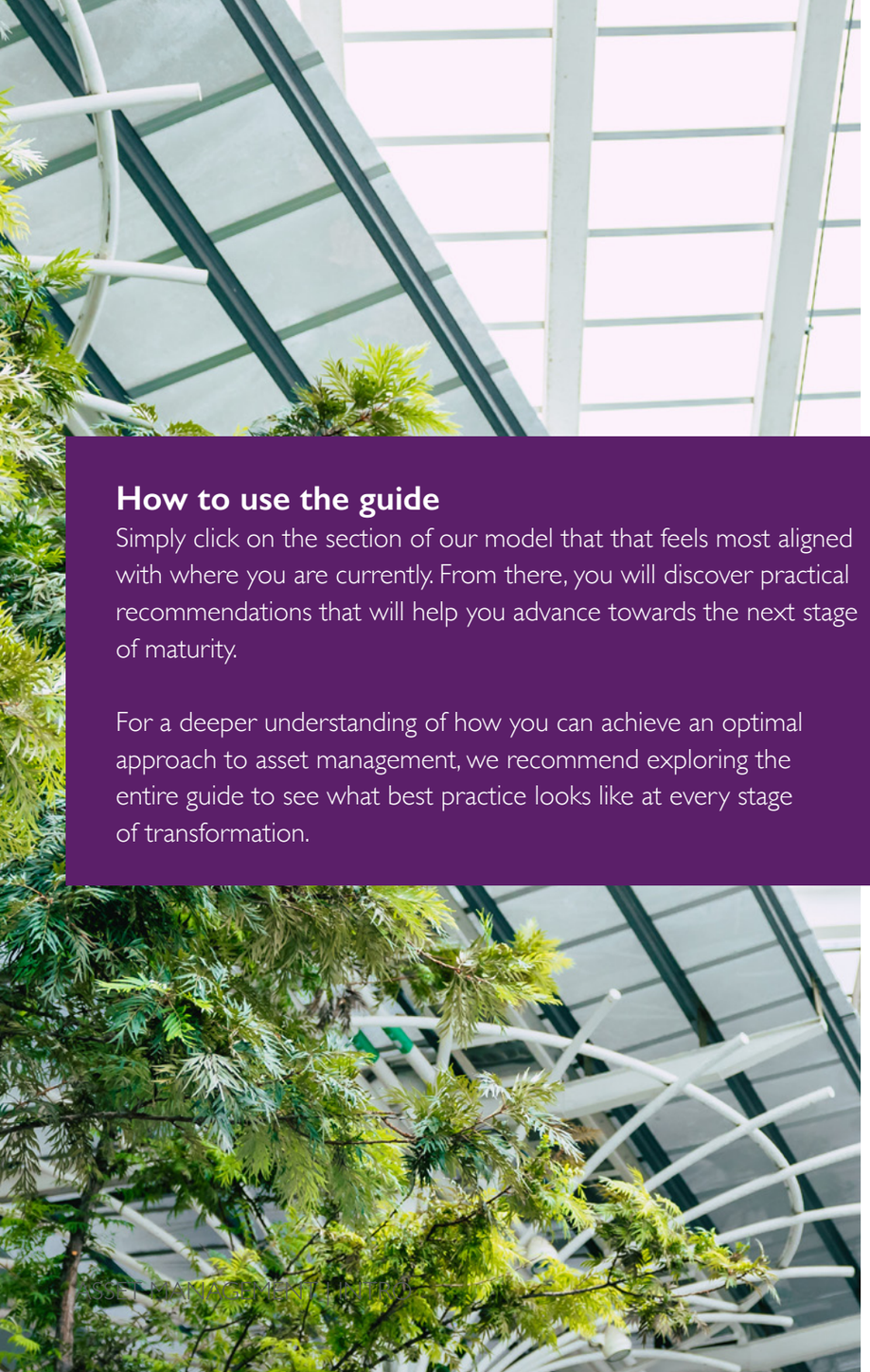
for local authorities

Your path to enhanced performance, cost savings and operational efficiency across your entire estate

We understand the immense pressures you face in managing a complex range of assets—from historic buildings and heritage sites to modern, high-tech facilities that require precise environmental controls. Your estates play a crucial role in serving your community, but they also demand continuous upkeep, adaptation, and innovation to keep pace with both current and future needs.

On top of this, you're dealing with external challenges like meeting sustainability goals, adapting to demographic shifts, and addressing pressing social issues such as mental health and workforce shortages. Managing these assets isn't just about maintenance; it's about evolving strategically to reduce risk, maximise resources, and better serve your community.

With over 30 years of experience working alongside UK local authorities, we understand what you're up against. Our asset management transformation model is designed to meet you wherever you are—providing practical, five-stage guidance to help you make meaningful progress at a pace that works for your goals and resources. This approach empowers you to improve service delivery, control costs, and strengthen your facilities to better support your community now and into the future.



How to use the guide

Simply click on the section of our model that that feels most aligned with where you are currently. From there, you will discover practical recommendations that will help you advance towards the next stage of maturity.

For a deeper understanding of how you can achieve an optimal approach to asset management, we recommend exploring the entire guide to see what best practice looks like at every stage of transformation.

OUR **ASSET MANAGEMENT TRANSFORMATION MODEL** FOR LOCAL AUTHORITIES

Stage 01 — FOUNDATIONAL
A reactive approach to repairs

Stage 02 — GROWTH
A defined approach with sustainability measures

Stage 03 — GOOD PRACTICE
A proactive approach underpinned by a CAFM system

Stage 04 — MATURE
A data-led and analytics approach aligned with your objectives

Stage 05 — OPTIMAL
An automated and predictive approach supported by advanced technologies

STAGE

01

FOUNDATIONAL

Typical characteristics at this stage often include:

An unplanned approach to maintenance with a focus on reactive repairs.

Informal procedures which account for the condition of assets.

No formal process established to measure an estate's carbon footprint.

Here we explore the typical attributes of a foundational stage further. This should help you identify whether your estate sits at this stage of maturity.

What does the foundational stage look like?

DATA MATURITY:
Maintenance activities are unplanned or not tracked centrally.

FINANCIAL MATURITY:
Forecasting target budgets is challenging.

OPERATIONAL MATURITY:
Managing in-house teams and supply chain takes up substantial time.

LEGISLATIVE MATURITY:
Physical assets may not comply with legal, regulatory or statutory requirements.

ORGANISATIONAL MATURITY:
Physical assets are not aligned with strategic objectives or operational needs.

DECARBONISATION:
Without access to centralised asset data, calculating your carbon footprint is a challenge.

Transformation recommendations

At this stage of maturity, local authorities are often at the beginning of their transformation journey.

To accelerate your progress, we recommend taking the following steps. They've been designed to help local authorities at this stage better understand their assets and what's needed to maintain them. This will improve oversight and help make sure maintenance supports their overall goals.

STEPS TO MOVE FORWARD FROM FOUNDATIONAL TO GROWTH...

Commission an Asset Capture & Condition Survey

Categorise and rank assets based on condition and criticality, identify associated lifecycle costs and risks, remove non-essential assets, and prioritise maintenance gaps.

Create a Forward Maintenance Plan

Using data from an asset survey, you can plan asset repairs vs. replacements over five years, to reflect your needs and budget.

Prioritise maintenance activity around business functions

Aligning maintenance activities with business-critical functions maximises efficiencies and reduces unnecessary expenditure, which benefits a local authority with a limited budget.

BENEFITS OF IMPLEMENTING RECOMMENDATIONS

EXPENDITURE

Understanding your estate and its condition leads to better budget management.

BENCHMARKING

A digital footprint of your estate provides a baseline to track your progress against.

FORECASTING

Having visibility over which assets will need repairing or replacing will strengthen your yearly forecasts.

COMPLIANCE

A baseline view of future planned and reactive maintenance choices can help identify compliance issues.

STAGE

02

GROWTH

Typical characteristics at this stage often include:

Maintenance activity and schedules are planned with a focus on frequency and identifying potential issues.

No formal strategy exists to monitor or maintain an estate's asset condition.

Scope 1 and 2 emissions are clearly defined and managed.

Here we explore the typical attributes of a developing approach further. This should help you identify whether your estate sits at this stage of maturity.

What does the growth stage look like?

DATA MATURITY:
Maintenance activities are tracked centrally from a condition survey.

FINANCIAL MATURITY:
Total estate costs are known but lack granularity.

OPERATIONAL MATURITY:
A dedicated person is appointed to coordinate services.

LEGISLATIVE MATURITY:
There's a limited understanding of statutory requirements and Construction (Design and Management) Regulations.

ORGANISATIONAL MATURITY:
Basic needs are understood keep sites operational but has no visibility or plans for long-term changes to an estate.

DECARBONISATION:
Asset data has been collected, Scope 1 and Scope 2 carbon emissions have been identified and net zero targets have been set.

Transformation recommendations

At the growth stage, local authorities have often made progress in sustainability initiatives and operational efficiency, benefitting their wider community.

The next steps to accelerate transformation include improving compliance and reducing reactive maintenance costs.

STEPS TO MOVE FORWARD FROM GROWTH TO GOOD PRACTICE…

Implement a Computer Aided Facility Management (CAFM) system

Implementing a robust CAFM system will enable you to plan, execute and monitor planned and reactive maintenance activities. Developing baseline management information will help you improve overall efficiency, reduce maintenance costs and increase asset performance.

Establish a compliance and risk management programme

Establishing a CAFM systems is crucial to the program, enabling issue identification, risk assessments, and centralisation of regulatory documents to demonstrate compliance.

BENEFITS OF IMPLEMENTING RECOMMENDATIONS

EXPENDITURE

New processes will strengthen budgetary control and visibility over spend.

RISK MANAGEMENT

Improvement on Planned Preventative Maintenance (PPM) activity leads to an average 10% gain in compliance against SFG20.

FORECASTING

Agile view of repair vs. replace options supports yearly forecasts.

COMPLIANCE

Defining targets, undertaking audits and strengthening regulatory knowledge will reduce risk.

STAGE

03

GOOD PRACTICE

Typical characteristics at this stage often include:

SFG20 and manufacturer maintenance are established.

Data is leveraged and technology drives efficiencies to proactively address issues.

Long-term carbon reduction and neutrality strategies are in place.

Here we explore the typical attributes of the good practice approach further. This should help you identify whether your estate sits at this stage of maturity.

What does the good practice stage look like?

DATA MATURITY:
PPM and reactive maintenance activities are coordinated. Maintenance history is held on a CAFM system.

FINANCIAL MATURITY:
Estate costs are broken down into subcategories and audit verified.

OPERATIONAL MATURITY:
A defined workflow links the estate, assets, and supply chain.

LEGISLATIVE MATURITY:
A system is in place to demonstrate compliance with basic statutory compliance certification.

ORGANISATIONAL MATURITY:
There is an overall estate plan but it is not linked through a single system.

DECARBONISATION:
A carbon reduction plan has been put into action and regular measures are in place.

Transformation recommendations

To accelerate transformation at the good practice stage, local authorities will need to leverage data analytics more strategically, reduce asset replacement costs, and strengthen transparency across their supply chain.

STEPS TO MOVE FORWARD FROM GOOD PRACTICE TO MATURE...

Establish a Service Delivery Partner

Outsource asset and facilities management to strategic service providers and specialist subcontractors. This will free your internal teams from day-to-day maintenance and give you access to industry expertise. The outcome? Enhanced visibility, collaboration and efficiency across your supply chain.

Programming digital skills training and upskilling

Your team needs robust digital skills to make accurate data-led decisions and maximise investments in recent technologies. Yearly training ensures team members stay ahead of technological changes and are able to optimise solutions.

BENEFITS OF IMPLEMENTING RECOMMENDATIONS

RISK MANAGEMENT

You will be able to accurately measure the performance of each supplier against cost, quality and performance.

FORECASTING

You'll be able to forecast target budgets from asset data held in your CAFM systems.

COMPLIANCE

Statutory compliance and risk assessments will be retrieved through reporting functionality.

EXPENDITURE

SERVICE DESKS FOR DERBY CITY COUNCIL

By implementing a 24/7 help desk, deploying mobile teams and agreeing on strict SLAs with specialist subcontractors, Derby City Council was able to generate savings, streamline operations and strengthen maintenance outcomes across 120 properties.

You can read the full case study here.

STAGE

04

MATURE

Typical characteristics at this stage often include:

Teams leveraging predictive maintenance and advanced analytics to optimise processes.

Asset performance and resource allocation across your estate are being effectively managed.

Decisions to repair and replace assets are made based on empirical data.

Here we explore the typical attributes of a mature approach further. This should help you identify whether your estate sits at this stage of maturity.

What does a mature stage look like?

DATA MATURITY:

PPM and reactive maintenance are condition-based. Maintenance history is linked to its condition.

FINANCIAL MATURITY:

Estate costs are either internally or externally benchmarked.

OPERATIONAL MATURITY:

The estates team makes decisions based on supplier metrics of cost and quality.

LEGISLATIVE MATURITY:

Demonstrate that all suppliers have the skills and accreditations to carry out allocated tasks.

ORGANISATIONAL MATURITY:

Recognises the critical nature of the estate to its strategy and has a robust plan.

DECARBONISATION:

A dedicated team has been established to develop, monitor, and update a carbon reduction plan. This includes the development of Scope 3 strategies.

Transformation recommendations

At this stage of maturity, we'd expect to see local authorities who are leveraging data to make better decisions, but can still benefit from future streamlining operations and unlocking more value from their estate.

To accelerate transformation, local authorities will need to implement processes that can help them gain visibility and control over their asset portfolio, as well as innovate services to ensure they are genuinely future-ready. According to a 2023 PwC survey, predictive maintenance is estimated to decrease costs by 12%, extend the lifetime of an ageing asset by 20%, and reduce safety, health, environmental, and quality risks by 14%.

STEPS TO MOVE FORWARD FROM MATURE TO OPTIMAL…

Establish robust reporting processes based on trend analysis

Advanced analytics can provide extensive data for asset management reporting, optimising processes and identifying areas of improvement.

Implement a strategic procurement process

This elevated approach to procurement means going beyond sourcing subcontractors based solely on tasks or availability. By examining subcontractors' wider expertise, a local authority can establish a long-term partnership with a supplier who can help facilitate future goals.

Develop comprehensive energy management strategies

Real-time data from predictive maintenance strategies and machine learning solutions can help a local authority control and optimise energy consumption. For example, these insights can help to forecast maintenance activity based on energy usage patterns or align activities with peak avoidance to reduce energy costs and curtail your carbon footprint.

BENEFITS OF IMPLEMENTING RECOMMENDATIONS

RISK MANAGEMENT

Reworking your estate usage can drive operational efficiency gains and reduce risk.

COMPLIANCE

Robust compliance measures help create peace of mind around meeting regulatory requirements.

FORECASTING

Budget reports can be benchmarked against previous years.

EXPENDITURE

TREND ANALYSIS FOR ESSEX COUNTY COUNCIL

Essex County Council discovered significant underutilisation of office space by analysing the physical use of their County Hall through analysis of swipe card and room bookings data (alongside a physical study). This analysis led to recommendations for a 35% reduction in office footprint, offering potential cost savings of up to £3.8 million over five years.

You can read the full case study here.

STAGE

05

OPTIMAL

Typical characteristics at this stage often include:

- Advanced sensors and machine learning solutions which strengthen PPM.
- Asset performance and asset management approaches which fully align with a local authority's goals.
- The effective measurement and optimisation of Scope 3 emissions.

Here we explore the typical attributes of an optimal approach further. This should help you identify whether your estate sits at this stage of maturity.

What does an optimal stage look like?

DATA MATURITY:

Critical assets are monitored remotely using sensors to predict potential issues, maximising uptime.

FINANCIAL MATURITY:

Lifecycle decisions on repair vs. replace are routinely available to improve financial outcomes.

OPERATIONAL MATURITY:

An integrated internal and external supplier job allocation and performance framework is in place.

LEGISLATIVE MATURITY:

Make informed decisions around their estate based upon a holistic risk assessment

ORGANISATIONAL MATURITY:

Successfully linked strategy, estate plan, and employee wellbeing to create real advantage.

DECARBONISATION:

Workplace and working practices are adapted to support the Carbon Reduction plan. The use of advanced technology is used to drive intelligent decision making surrounding net-zero.

How to achieve an optimal asset management strategy

At this stage of maturity, we'd expect to see local authorities who effectively leverage advanced technologies to reduce the need for manual intervention, protect critical assets from downtime, and ensure operations are as close to net zero as possible.

You'll be able to manage assets across their estate at the lowest cost possible and drive transformation, which benefits the local authority, its communities, and its staff.

To achieve this gold standard, a local authority must become confident in developing business cases and generating ROI for future investments in technologies and services.

This is key to advancing from one stage of maturity to the next and, ultimately, harnessing the power of data insights and predictive maintenance.

BENEFITS OF AN OPTIMAL APPROACH TO ASSET MANAGEMENT

EXPENDITURE

By monitoring lowest possible costs and proactively managing critical assets, can improve uptime, strengthen customer experience and colleague wellbeing.

RISK MANAGEMENT

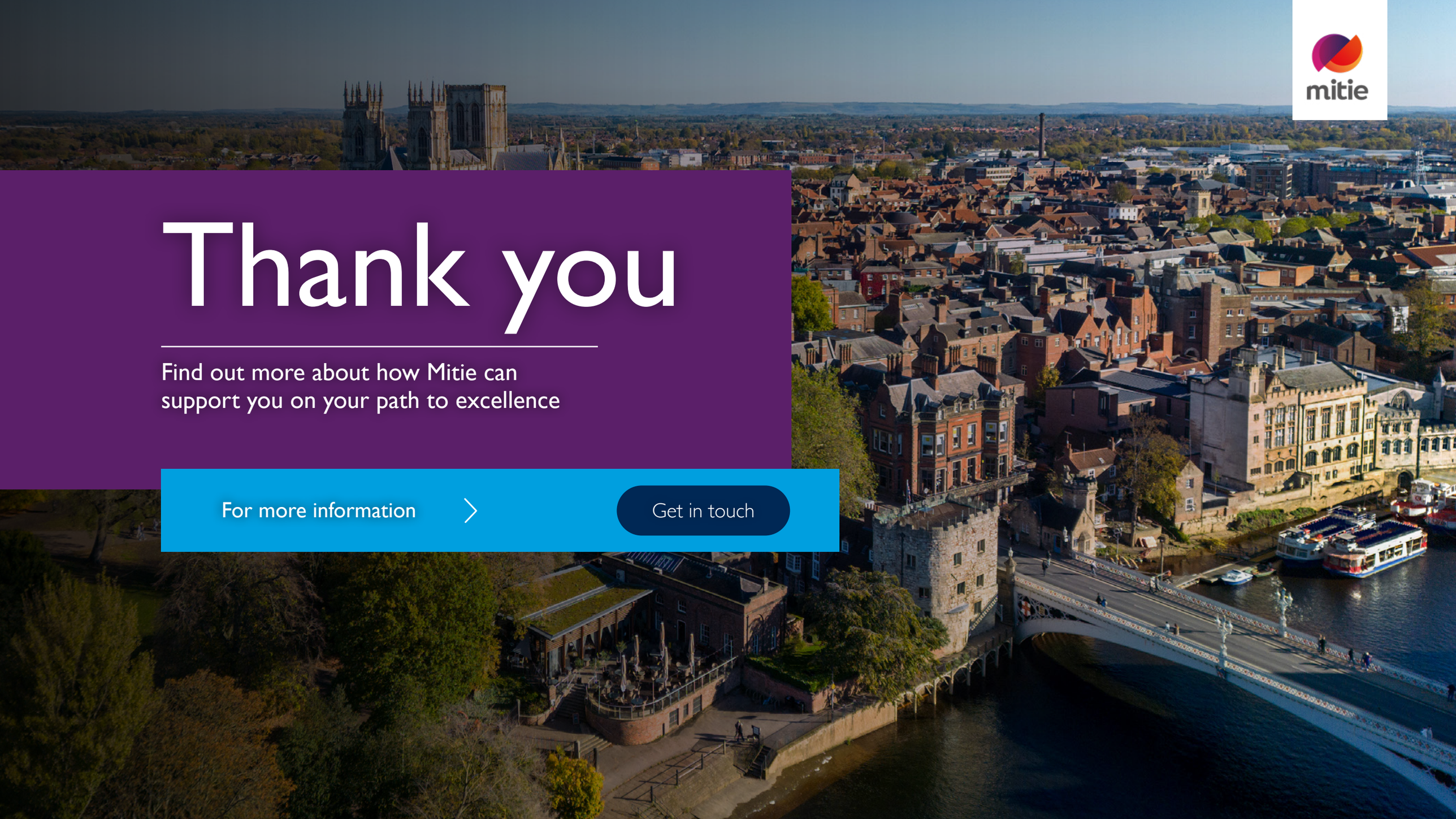
No longer be reliant on the supply chain to identify potential risks as the information is held centrally.

COMPLIANCE

Statutory compliance and mandatory items can be scheduled ahead of due dates to ensure compliance.

FORECASTING

Life cycle programmes can be generated electronically through your CAFM systems.



Thank you

Find out more about how Mitie can support you on your path to excellence

For more information

Get in touch