



Home and Health Department

St. Andrew's House
Edinburgh EH1 3DE

**SCOTMEG REPORT ON SURPLUS AND VACANT
PROPERTY**

Summary

1. This letter contains the Chief Executive's response to the latest SCOTMEG report on surplus and vacant property, and requests General Managers' views on his proposed Action Plan which reflects consideration of the report. The letter also requests specific information on housing stock.

2. The Chief Executive's response to the SCOTMEG report and introduction to the Action Plan are at Annex A; the Action Plan itself is at Annex B.

Scope of Letter

3. Under the purchaser/provider arrangements, Boards retain ultimate responsibility for the disposal of NHS property relating to headquarters and directly managed units. Although the terms of this letter are aimed primarily at Health Boards and the Common Services Agency, it is being copied to the General Managers of the State Hospital and the Health Education Boards for Scotland, so that they may also take account of some of the points made insofar as they apply to their operations. The letter is also being copied to Chief Executives of NHS Trusts for information only at this stage although Trusts will be expected to participate in certain aspects of the Action Plan, including the completion of SCOTMEG survey returns; further information on this will be sent to Trust Chief Executives shortly. References to "Boards" in this letter and the Action Plan should be read as meaning also the Common Services Agency.

Action

4. Boards and the Common Services Agency are asked in this letter to:

4.1 comment on the proposed Action Plan by 12 June (paragraph 13 of Annex A)

4.2 provide information on housing stock (paragraph 10 of Annex A) by 12 June

5. This letter should be copied to Unit General Managers for action as required.

21 May 1992

Addressees

For Action:
General Managers
Health Boards

General Manager,
Common Services Agency

For Information:

General Manager, State
Hospital

General Manager,
Health Education Board
for Scotland

Chief Executives and
Chief Executive
Designate, NHS Trusts

To be copied to Unit
General managers for
action as appropriate.

Enquiries to:

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Management Executive
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Enclosures

6. A copy of the SCOTMEG report to the Chief Executive is attached; the 3 volumes containing the detailed survey results - for land, houses and buildings - are available on request from SCOTMEG.

Yours sincerely

A handwritten signature in black ink, appearing to read 'H R McCallum', with a long horizontal flourish extending to the right.

H R McCALLUM
Director of Estates

CHIEF EXECUTIVE'S RESPONSE TO SCOTMEG REPORT AND INTRODUCTION TO PROPOSED ACTION PLAN

SCOTMEG Report

1. I am indebted to SCOTMEG for their continuing work in this important area. Their latest report gives an excellent insight into progress on property disposal in the NHS and provides a number of valuable recommendations for future action. My conclusions on these recommendations are embodied in the proposed Action Plan. The aim is that the Action Plan should build on the existing framework for property disposal established by our letter of 29 November 1990 to General Managers.

2. Some encouraging points emerge from the Report. Although not yet satisfactory, it is encouraging that the percentage of land-holdings considered essential for Health Service operations has increased from 58% in December 1989 to 63% - reflecting a reduction of over 204 hectares. It is also encouraging that activity on disposals is at a high level; according to the report, a significant programme of disposals is planned for the period up to March 1995 with estimated total receipts of around £100 million. If these planned disposals are achieved by 1995, 86% of land-holdings will be essential as opposed to the December 1990 level of 63%.

3. On the other hand there are features of the report which are less pleasing. One is that there are wide variations between Boards in the individual figures for essential land. This requires investigation and action. I will be writing to certain Boards about some aspects of the Report.

4. Overall, however, I am pleased that many Boards are recognising the importance of property disposal and taking appropriate action; and not just because of the potential income, important as this is. Boards are increasingly aware of the contribution property disposal can make to reducing maintenance costs, improving estate utilisation and, critically, advancing patient care. The rewards from successful action in this area of the NHS can therefore be substantial; and I believe that we need an Action Plan to help us ensure success over the next few years.

Action Plan

5. Within the proposed Action Plan there are 3 key themes:

- 5.1 the allocation of responsibility for property transactions;
- 5.2 performance measurement and target setting; and
- 5.3 improvements in information flow.

Successful work in these areas will provide the climate for maximising income from property transactions and help the NHS to gauge progress.

Decision Making

6. Reflected within the first of these themes is the recognition that those charged with delivering the required results should enjoy the maximum possible operational responsibility. I have therefore concluded from our review of disposal procedures that we must achieve a substantial transfer of decision-making to Boards and MEL(1992)8 issued on 1 May gives effect to this view by introducing revised procedures for property disposals. Broadly the new arrangements provide for Boards and the CSA assuming management responsibility for all property disposals, subject to safeguards to protect my position as Accounting Officer. These arrangements were welcomed through the joint working framework in the Estates Policy and Management Group and the Strategic Management Joint Working Group. New delegated limits for certain Boards were also notified on 1 May and the position of remaining Boards is currently being considered. In the light of the new arrangements introduced on 1 May the Management Executive's role is now primarily that of approving Boards' proposed action where strictly necessary, setting targets and performance measures and monitoring overall progress (see paragraphs 7, 8, 9 and 10 of the proposed Action Plan at Annex B.

Measuring Progress

7. Transfer of such responsibility heightens the importance of measuring progress. The second key theme of the Action Plan is therefore that of performance measurement and target setting. In this respect we are proposing 5 key performance indicators (see paragraph 2 of Action Plan) and annual targets for essential land (paragraph 3) and housing stock (paragraph 4). These measures of performance will assist Boards to gauge their own progress; Boards and General Managers are accountable for their performance on property disposal. It is, however, also important that the Management Executive is able to assess the performance of individual Boards, since the Chief Executive has a continuing responsibility for overall progress on disposal of NHS property throughout Scotland. The Management Executive will therefore review the performance of each Board on property disposal at 6 monthly intervals (paragraph 7 of the Action Plan) and Boards will be expected to justify instances where their performance on particular aspects of disposal is significantly worse than others (see paragraph 6 of the Action Plan).

Information Base

8. If Boards and the CSA are to be held responsible for progress on property disposal in this way, it is essential that the information base is sound - and that Board staff should not spend undue amounts of time on paperwork at the expense of action on individual disposals. The third key theme of the Action Plan is therefore the improvement of information for decision-making. It is essential that we collect only the information required to achieve our objectives; and that this information should indicate, in a measurable way, whether those objectives are being achieved. The Management Executive is doing further work in this area. This work will include consideration of the scope of the SCOTMEG surveys and of the steps required to move away from the current paper based arrangements.

Housing Stocks

9. You will note that the proposed Action Plan also requires fresh action on disposal of housing stock. Housing stock levels remain too high. This was a particular concern of SCOTMEG, although it should be acknowledged that there was a significant reduction in houses retained of 269 units in the year to December 1990. Performance was, however, patchy and there is, as SCOTMEG suggests, a need to take steps to achieve a further significant reduction in total stocks across Boards. The total stock of houses at December 1990 was 1,604 units and Boards have plans to reduce this figure to a target stock level of 1,237 units by March 1995 - a reduction of 23%. SCOTMEG consider that this figure is not ambitious enough and both the Minister of State and I agree. We are therefore proposing much more ambitious targets (see paragraph 5 of the Action Plan).

10. The proposed Action Plan also includes a rigorous examination of the criteria for retention of houses by Boards set out in the 1986 Departmental circular. Any tightening of the criteria would, however, need to take account of the need for housing for care in the community projects. To assist our examination of the 1986 criteria, I would be grateful if General Managers could provide now the information referred to at paragraph 4 of the Action Plan. That is, could General Managers please:-

10.1 let me know the progress the Board has made in meeting the targets for vacant houses set out in November 1990 (ie 10% by 1 April 1991 and 5% by 31 December 1991);

10.2 give me views on the possibility of tightening the 1986 criteria;

10.3 provide revised targets for disposal of housing stock, and minimum stock for operational purposes, for agreement with me.

11. I would be grateful if General Managers could provide this information by Friday 12 June to allow targets to be set in July. You will note from the Action Plan that we are proposing total stock reduction across Scotland to 950 units by 31 March 1995. SCOTMEG are being asked to undertake a survey to determine the residential accommodation held by Boards and the category of occupation.

Mid-year Survey

12. You will note from the proposed Action Plan that there was no 1991 mid-year survey. SCOTMEG have recommended, and I have accepted, that the timing of the regular surveys should be changed to represent the full and mid-year points of the financial year. I have therefore decided that the first of these surveys should be based on the position at 31 March 1992, with the mid-year survey based on the position at 30 September 1992. A circular starting the next survey on this basis will be issued shortly.

Comments

13. I would be grateful for General Managers comments on the proposed Action Plan, together with the information requested on housing stock at paragraph 10, by 12 June. I am willing to arrange for the proposed Action Plan to be discussed at a future Management Executive/General

Managers' meeting if there is a general feeling that this is necessary. I am, however, assuming that this may not be necessary, since the details broadly reflect extensive discussions with representatives of Boards.

DON CRUICKSHANK
Chief Executive, NHS

**SCOTMEG REPORT ON SURPLUS AND VACANT PROPERTY
CHIEF EXECUTIVE'S ACTION PLAN TAKING ACCOUNT OF SCOTMEG
RECOMMENDATIONS**

Timing of Survey

1. The Chief Executive accepts SCOTMEG's recommendation that the timing of the surveys should be changed to represent the full and mid-year points of the financial year, rather than the calendar year. The next full year survey, based on the position at 31 March 1992, will commence soon. A mid-year survey, based on the position at 30 September 1992, will follow with subsequent surveys carried out at 6 monthly intervals. The intention is that almost all the Management Executive's information requirements on property disposal will be met by the SCOTMEG surveys (see paragraphs 12 and 13). The Chief Executive will then use the results as a key method of measuring the performance of Boards and General Managers on property disposal.

Performance Indicators

2. In the light of discussions with SCOTMEG and individual Boards, the key performance indicators for survey purposes will be:-

2.1 For Land

Percentage of land holding essential for operational use.

2.2 For Buildings

Percentage of building area in full operational use.

2.3 For Houses

Percentage of housing stock essential for operational use.

Percentage of vacant houses.

2.4 For Capital Receipts

Whether Boards have achieved targets for land and houses in a particular year.

Essential Land

3. The Chief Executive agrees with SCOTMEG that targets should be set to encourage improvement in the figures for essential land - the national figure of 63% at December 1990 is very unsatisfactory. Such targets will therefore be agreed with each Board. In setting such targets, the objective would be to achieve a target figure for Scotland of at least 85% by March 1995 in the following steps:

75% by 31 March 1993

80% by 31 March 1994

85% by 31 March 1995

All targets will be subject to annual review. The targets for the period after March 1995 will be established by assessing the remaining stock.

Housing Stock

4. The Chief Executive agrees with SCOTMEG that housing stock levels remain too high. He notes SCOTMEG's view that the criteria for retention of houses set out in 1986 guidance should be tightened and will ask SCOTMEG to undertake a survey to determine the residential accommodation held by Boards and the category of occupant: eg learner nurses, doctors etc. At the same time the Chief Executive will write to all General Managers to:-

4.1 determine the progress the Board has made in meeting the targets for vacant houses set out in November 1990 (ie 10% of stock by April 1991 and 5% by December 1991);

4.2 request Boards' views on tightening of the 1986 criteria;

4.3 request revised targets for disposal of stock, and minimum stock essential for operational purposes, for agreement with the Chief Executive.

5. In agreeing targets with Boards, the Chief Executive will need to be satisfied that the stock to be retained is strictly required for operational purposes. The NHS should not be acting as a significant housing landlord and the Board will be required to fully justify retention of housing stock. Boards will be required to provide the necessary information to the Chief Executive by 12 June 1992 to allow fresh targets to be set in July 1992. The Chief Executive's provisional view is that in setting targets for each Board the objective should be to achieve a target figure for Scotland of 950 units by 31 March 1995 in the following steps:

1330 units by 31 March 1993
1150 units by 31 March 1994
950 units by 31 March 1995

Targets will be subject to annual review. The targets for the period after March 1995 will be set by assessing the remaining stock. SCOTMEG will also be asked to investigate the particular circumstances where housing stock has remained empty in certain Boards for excessive periods.

Variations Between Boards

6. To address SCOTMEG's understandable concern about the variations in performance between Boards, the Chief Executive will write to General Managers of Boards where the figures suggest that performance on property disposal is significantly worse than others.

Reviews of Performance

7. The Management Executive will review the performance of each Board on property disposal at 6 monthly intervals. Key elements of the review will be consideration of performance indicators (paragraph 2), achievement of targets for essential land (paragraph 3) and house sales (paragraph 5). Such monitoring of performance should be greatly

assisted by the new Management Information System. Boards' handling of individual completed transactions, in terms of new procedures (see paragraph 8), will also be subject to review under these arrangements.

Revised Guidance

8. New procedures for land transactions work were introduced in MEL(1992)8 issued on 1 May. These new procedures take account of the recently completed review of responsibilities and procedures led by the Management Executive and agreed through the joint working arrangements (Estates Policy and Management Group, and Strategic Management Joint Working Group). New delegated limits for certain Boards were also notified on 1 May and the position of remaining Boards is currently being considered (see paragraph 9 below). These new arrangements will result in a substantial transfer of responsibility for decisions on property transactions to Boards. Such a transfer of operational responsibilities should assist the efficient handling of property disposal cases and thereby increase the flow of receipts available for reinvestment in the NHS.

Delegated Authority

9. The existing levels of delegated authority for each Board are currently being reviewed by the Chief Executive in the light of the results of a recent monitoring exercise. Levels are being increased on an individual basis if this can be justified.

Boards for Priority Action

10. Particular priority will be given to securing achievement of the disposal targets set by Greater Glasgow, Lothian, Argyll and Clyde, Grampian, Lanarkshire, Tayside and Ayrshire and Arran Health Boards who together account for over 90% by value of the disposals planned by Boards between now and March 1995. We will discuss with each of these Boards the steps necessary to achieve their targets, since this will have a major effect on the national position. During these discussions we will encourage the Boards to ensure that they have devoted adequate staff resources to this work and consider possible measures for streamlining the Executive's consideration of cases from these Boards (although our current review of procedures aims to reduce substantially the Executive's involvement in all property disposal cases). Priority has been given to considering whether the delegated limits of these Boards should be increased.

Action Plan 7

11. The Chief Executive agrees with SCOTMEG that recommendations on their Action Plan 7 of 1987 dealing with vacating expensive rented accommodation and relocation of offices away from prime sites should be pursued. He has therefore asked SCOTMEG to expand their regular surveys to cover the extent to which action has been taken on these matters. The Chief Executive would like SCOTMEG's next regular survey of the position at 31 March 1992 to cover this information.

Information Requirements

12. In the context of the work on the new Management Information System, the Management Executive will make further efforts to streamline

information requirements on property disposal. Boards still express concern about the frequency of requests for such information. The Chief Executive's objective is that all the Executive's requirements for information on property disposal will be covered by the regular SCOTMEG surveys.

13. Currently almost all the Executive's requirements are covered by the surveys but further work is needed, in the context of developing the MIS system, to achieve the Chief Executive's objective. This work will include consideration of the scope of the SCOTMEG surveys. One option for consideration is whether the mid-year surveys should simply require Boards to report the key performance indicators - without the need for further supporting information (see paragraph 2). But for the time being the scope of the mid-year survey will continue in its present form. Another aspect for consideration will be the steps required to move the surveys from the current paper based arrangements.

ANNUAL SURVEY OF SURPLUS

AND VACANT PROPERTY

AS AT 31 DECEMBER 1990

SCOTMEG

ANNUAL SURVEY OF SURPLUS AND VACANT PROPERTY

REPORT

1 Introduction

1.1 SCOTMEG has processed property returns A, B and C issued to Boards with Circular DGM(1991)3.

1.2 The Circular required SCOTMEG to collate, summarise and analyse the information provided on the returns and, in so doing, to:

- deal separately with land, buildings and houses
- consider the quality and scope of the information provided
- advise on what conclusions can be reached from the information
- consider what further action could be taken by individual Boards or generally to reduce the levels of vacant land and property
- provide a summary of the data collected
- make recommendations on how this monitoring exercise can be taken forward on a continuing basis

1.3 This report addresses the above, based on the information provided in the returns.

2 Analysis

2.1 "to deal separately with land, buildings and houses"

The data provided by Boards in relation to each topic has been summarised by individual Board, by spreadsheet covering all 15 Boards and by spreadsheet giving all-Scotland figures. In addition to the December 1990 data, information gathered at the first two surveys (December 1989 and July 1990) has also been formatted in the same way and is presented alongside on the two spreadsheet papers thus enabling quick comparison.

Owing to the sheer volume of data, it has not been possible to include Board's Disposal Plans for land and houses on the same sheets as other information. Disposal plans have therefore been separately presented and inserted into the data set.

The remainder of this commentary will deal with each topic separately.

2.2 "to consider the quality and the scope of the information provided"

Land:

All Boards provided clear data under all headings. There were few inaccuracies or errors to be followed up, and only one comment on the survey arrangements. Greater Glasgow suggest that the dates for completion (July and December) should be altered to tie in with financial year estimating. The present dates, it is suggested, give opportunity to select different opening stock levels (1 April or 31 July or December) which could affect overall calculations of performance. It is suggested that henceforward returns be made at March and September.

The Circular does 'make it clear that "information should be collected as at 31 December" and the notes attached to the returns state that figures for the full financial year should be included in Disposal Plans. This could be confusing in that disposals completed before the survey date would not be in the total stock figure but would appear as target disposals.

Boards were asked to provide a breakdown of individual properties listed under certain headings. Only 3 Boards did not provide this breakdown: Grampian, Highland and Lanarkshire.

Buildings:

All Boards provided data as requested. A number of errors/inaccuracies were identified at collation stage and these were resolved by telephone. The comments regarding survey timing mentioned under 'Land' also apply here.

Supplementary information was provided on the same basis as for 'Land'.

Houses

This was the area of greatest difficulty. Numerous errors, across several Boards, were discovered at stages of collation and analysis. In particular, the breakdown of properties did not always reconcile back to the declared total, despite this point being emphasised in the guidance notes. In some cases the error was minimal (1 or 2 properties) but in one, some 40 houses had been omitted. The resolution of these problems took a considerable amount of time and was a major factor contributing to the delay in completing the whole exercise.

The comments regarding survey timing were reiterated under this heading by both Glasgow and Forth Valley.

2.3 "to advise on what conclusions can be reached from the information"

Land: 63% of the total NHS estate in Scotland has been reported as being "essential for health service operations" (defined as land occupied by buildings, and land surrounding but essential to the use of buildings including car parks, access roads, etc). 3% has been allocated for development within the next 4 years. 29% has been declared surplus, or will be declared so, in the next 4 years. Just over 4% is vacant and unallocated. 3% has been listed in the 'other' category.

The return specified 3 performance indicators:

- land declared essential to total estate
- vacant land unallocated to total estate
- total planned disposals 1991-95 to current total estate

Applying these performance indicators, 63% of the total estate is declared essential. This figure however hides a wide variation ranging from 29% (Forth Valley) to 93% (Orkney and Shetland). For vacant land, the national indicator is 4%, with a variation from 25% (Lanarkshire) to 0% (Ayrshire and Arran; Borders; Forth Valley; Grampian and Islands). Disposal plans to total estate are linked to each Board's surplus/vacant figures and range from 49% (Forth Valley) to 2% (Borders), with a national indicator of 19.6%

A substantial land disposal programme is underway. During the period 1990/91-1994/95 some 955 hectares or 25% of the current total will be sold, bringing in receipts estimated in excess of £89 million. 74% of these receipts is accounted for by the two largest Boards: Lothian and Greater Glasgow. It has been pointed out that the land disposal programme depends upon approval of Boards' strategic plans and that the opportunity of maximising returns is linked to obtaining advantageous planning consent from local authorities.

As a separate exercise, the essential: total PI was calculated based on Boards projected stock at 1994/95 following implementation of their disposal plans. This gave a national indicator of 86%, with actual results ranging from 55% (Forth Valley) to 100% (Borders and Shetland). (Western Isles has been excluded from this calculation as their results give stock levels below that previously declared essential).

Buildings: 94% of buildings are reported as being in full operational use; just over 1% are partially occupied and 5% wholly unoccupied. (2% being considered

'disposable' and 3% 'pending'). 2.5% have been declared surplus.

There are two performance indicators for buildings:

- full use to stock
- vacant to stock.

In the first, the calculation is made on both the number of buildings and square metres. This gives national indicators of 93% for each. The rate for vacant to stock is 5%.

There are variations between Boards in each case. Number in full use to stock ranges from 77% (Borders) to 100% (Islands). Vacant to stock is lowest in Islands and Dumfries and Galloway (0%) and highest in Borders (11%).

Houses:

83% of current stock is occupied and the remaining 17% vacant. Just under 17% has been declared as surplus but it is not known whether these surpluses are in the current 'occupied' or 'vacant' categories. Just over 8% is described as 'pending' (a decision regarding its future). Of the current total stock, just under 75% is declared as being retained in terms of Circular 1986(GEN)10. Of those described as surplus, 62% are in the process of sale and in 30% of cases, tenants had declined the offer to purchase. The balance was described as 'other'. Of the vacant properties 31% is being sold; 34% is pending reallocation and the balance is described as "other". {Supplementary notes explain "other" as pending decision; dilapidated and awaiting repair; part of hospital sites and therefore unsuitable for sale etc}.

There are four performance indicators for houses:

- Units retained to stock
- Vacant units to stock
- Average length of time empty (weeks)
- Disposal plan 1991-95 to current stock

The first indicator, units being retained to stock, gives a national figure of 75%. The variances across Boards range from 49% (Forth Valley) to 98% (Borders). Vacant units to stock is 17% nationally, ranging from 45% (Argyll & Clyde) to 2% (Tayside). Three Boards were unable to provide information on the average length of time empty (Ayrshire and Arran; Grampian; Tayside). For the remainder, the national indicator is 54.5 weeks. This varies from 143 (Forth Valley) to 7 (Dumfries and Galloway). Informal enquiries were made of those Boards where the figure is in excess of 26 weeks and the following reasons were quoted: the need to retain houses in rural areas for recruitment of community

based staff (and the fact that these houses are not always taken up by said staff); outstanding repairs or renovations which render the house unfit for habitation; held empty pending sale of linked land eg hospital site. It was also pointed out that because this is an average figure, one or two properties held empty for lengthy periods has the effect of distorting an otherwise healthy turnaround rate. The final indicator, disposals to stock, gives a national figure of just over 25%. This ranges from 1% (Borders) to 64% (Greater Glasgow).

The conclusions which can be drawn from this data are:

- a) Disposals since the last annual survey amounted to 5% and 14% of land and houses respectively.
- b) A significant programme of disposals (houses 25.6%, and land 25.3%, of current stock) is planned for the period up to 31 March 1995, with estimated total receipts of £99.8 million.
- c) If planned disposals are achieved by 1995, then 86% of land holdings will be 'essential' as opposed to the present level of 63%.
- d) Performance indicators reveal a wide variation among Boards. In some cases, there are individual Boards with particularly high or low figures; in others the impact of two or three large Boards on the national position is substantial.
- e) The high level of vacant houses to stock was previously identified and targets set for this at the end of 1990 - vacant house rate in individual Boards is to be no more than 10% by 1.4.91 and no more than 5% by 31.12.91 [Circular DGM(1990)94]. While the present average is 17.3% there are a number of Boards well above this figure. The length of time houses are lying empty is also significant. Of those Boards providing data (12), 7 report periods of 6 months or more and of those, 3 are in excess of 2 years.
- f) Housing stock levels remain high. Since the last annual survey, stock levels in nine Boards have reduced by 10% or less. In five Boards the reduction is between 13% and 25% while one Board has achieved 42%.

2.4 "Consider what further action could be taken by individual Boards or generally to reduce the levels of vacant land and property"

- a) It is understood that the review of procedural arrangements is due to be completed in the autumn and this will undoubtedly assist.
- b) Progress towards improving the ratio of essential land has been quite slow. Matters might be expedited by the setting of targets eg a requirement to reach 80% essential within a given timescale.
- c) The large variances in performance between Boards should be investigated and monitored to a satisfactory conclusion.
- d) Housing stock holdings remain high despite the retention criteria set out in 1986(GEN)10. It is suggested that there should be a tightening of criteria, together with setting of individual Board disposal targets aimed at a total stock reduction of the order of 30-40% within a set timescale.
- e) The length of time houses lie empty merits further investigation, particularly where this is in excess of 6 months.

2.5 "Provide a summary of the data collected"

Data has been collated as described at 2.1 and is presented in 3 bound sets covering land, buildings and houses. Within these sets can be found summaries of the national position.

2.6 "Make recommendations on how this monitoring exercise can be taken forward on a continuing basis"

The system of annual and mid-year surveys is now established in the Service and there should be no major modification to the content or format. SCOTMEG would however recommend the following improvements:

- a) The timing of the survey should be revised to represent the full and mid-year points of the financial rather than the calendar year. This would assist Boards in gathering and presenting data which they already present elsewhere on a financial year basis. It would also avoid the comparison of mid-year stock to full year disposals, which is confusing. The new dates for the survey would be 31 March and 30 September.
- b) The Performance Indicators proposed in Circular DGM(1991)3 are accepted, with the exception of 'current land holdings per patient'. SCOTMEG is of the view that this would not be a sound basis of measurement as different building styles and land requirements are necessary to provide the right quality of environment

for different patient groups (eg whilst acute provision might be readily accommodated in high rise buildings taking up little land, long stay provision requires more domestic style low level accommodation with a higher proportion of land surrounding it).

- c) There are some very significant variances in performance between Boards. These should be investigated and monitoring undertaken until the situation is remedied.
- d) Targets have already been set in respect of vacant house rate. The length of time houses are empty might also be investigated in view of the number of Boards where this average is in excess of six months.
- e) A considerable number of forms were received which contained errors or omissions. Whilst the general format should not be altered, perhaps it could be made easier to complete by the use of ruled lines and bold printed instructions. The attention of Boards should also be drawn to the potential effect on their own Performance Indicators if figures are not accurate.
- f) There are a number of aspects of Action Plan 7 which SCOTMEG identified for further action by Boards in 1990 and these were referred to in DGM(1990)94. They are:
 - completion of asset registers in all Boards
 - vacation of expensive rented accommodation (by, wherever possible, relocation on to hospital sites)
 - relocation of offices away from prime sites.

It is understood that asset registers have been completed as part of the implementation of capital charging. However, SCOTMEG considers that pursuance of the remaining two matters should be monitored to ensure that appropriate action is taken. Although these are rationalisation exercises, their implementation will ultimately help to reduce levels of vacant property by ensuring that Secretary of State premises are utilised in preference to alternative rented accommodation. It is not suggested that separate monitoring be undertaken, but rather the annual or mid-year exercise be modified to accommodate these aspects.