

The PAM Maturity Matrix

Property Asset Management

This Maturity Matrix defines levels of organisational maturity and capability across all aspects of Property Asset Management (PAM). It has been developed to underpin the Skills and Capability Component of High Performing Property (HPP) and to support delivery of a rationalised effective central government estate by 2012.

The Maturity Matrix is a profiling tool for understanding the total requirement for PAM capability regardless of whether provision is in house or through private sector partners. Application of the Matrix recognises that a range of factors impact on the required levels of capability. Analysis of the descriptors allows an individual target Profile to be developed and matched against the existing Profile. Any shortfall can then be addressed and progress towards maturity managed.

Although the Matrix has been developed for buildings and office accommodation it applies equally to specialist and infrastructure assets and there is an increasing expectation of wider application. The Matrix is primarily to be used in self-assessment and self-development but it can also be used in a PAM audit.

Organisational development tool

As part of HPP implementation the Matrix can be used in self-assessment, peer review or for assessment supported by external validation.

Step 1 – Assess the existing Profile

To assess current Profile, organisations should match their experience of PAM against the descriptors in the Matrix. In the future the Matrix will be supported by an enhanced assessment methodology to allow more objective assessment.

Step 2 – Assess the target Profile

As a minimum all organisations should reach the knowledge level across all Aspects of PAM with most attaining a combination of competence and excellence. However, the assessment of the target Profile is context driven and depends on the factors below:

- Wider government policy environment
- Size of portfolio
- Complexity of purpose of the organisation and diversity of the portfolio
- Delivery models; freehold, leasehold, PFI
- Stage of development within the organisational change cycle
- For parent departments, the degree of delegation to sponsored bodies.

Step 3 – Develop the Transition strategy and incorporate this into the PAM Plan

Audit tool

The PAM Maturity Matrix should be used as part of internal audits and in audits of sponsored bodies by a sponsoring department. When used in audit tool this would include an assessment of the appropriateness of the;

- The existing and target Profile
- The proposed or agreed Transition Strategy.

Property Asset Management Maturity Matrix

| Maturity Level | Corporate Governance | Organisational Structure, Roles and Responsibilities | PAM Policy, Objectives and Strategy | PAM Information Systems & Communication Strategy | PAM Planning | Acquisition & Disposal | In-Use Performance | Performance Review | PAM Audit |
|--|--|--|--|---|--|--|--|---|--|
| Exemplars for High Performing Property (Excellence) | Executive Management Board & PAM Board endorse integrated PAM framework comprising strategy, planning, delivery, and management of strategic and sustainable operational change. Appropriate governance, capacity & capability, policies & procedures, information systems, performance and audit enablers in place. | All PAM capability & capacity requirements in place, with structure roles and responsibilities embedded, reflecting size and nature of asset base. Stakeholder needs communicated and documented. Senior managers fully conversant with business, technology and sustainability implications of PAM. | PAM fully embedded and aligned with wider policies & business strategy. PAM policy, objectives and strategy endorsed by top management team and includes consultation with relevant stakeholders. PAM strategy is whole life performance focused and continually updated using accurate and comprehensive information systems. | Proactive planning of PAM information requirements reflected in PAM information systems. Regular dialogues with relevant key stakeholders and supply chain. PAM information systems output on asset performance is the major focus for reports. Information is actively analysed and used to inform strategy and decision-making. | PAM Plans are corporate objectives driven, consistent with business plans, other organisational strategies, PAM policy, strategy and targets. Financial optimisation modelling and scenario planning embedded and used to inform development of time based PAM Plans. | Long-range strategic planning, social, environmental and technological and market forces considered at business strategy and PAM levels. Decisions on acquisition and disposal fully embedded into long-range strategic planning. | Performance management strategy fully supports business strategy and seen as integral part of PAM. Performance evaluated against value for money, business effectiveness and sustainability. Performance measured using accurate and comprehensive information systems. | Evidence of continued improvement in PAM capability and property performance. | Proactive feedback sought from stakeholders for input into audit programmes. Achieving benchmark efficiencies and effectiveness. Independent audits used, personnel involved in inter-organisational PAM audits. |
| Competence | PAM Board embedded within a Department and/or across sponsored bodies. Appropriate executive and advisory functions established for PAM Boards across Departmental Family and embedded within Framework Agreements. Crosscutting initiatives undertaken. Intelligent client role also represented in PAM Board. Visibility & transparency of relationships and decisions embedded. | PAM Champion embedded at Executive Management Board level with executive authority. Organisational capacity and capability covers all requirements of PAM. Clearly defined roles, responsibilities and authority levels embedded including responsibilities for sustainability and value for money. Skills requirements for PAM communicated to all relevant staff throughout structure. | PAM policy & strategy fully aligned with Strategic Plan, appropriate to scale, size and life cycle of asset base. Alignment with other organisational policies including sustainability and value for money. | PAM information fully defined, supports development and implementation of PAM information systems. Information on PAM issues relevant to needs and reported to senior managers at strategic level. Information is shared with all relevant staff and stakeholders. | PAM Plans integral with PAM policy & strategy and business planning; based on risk management/contingency plans, target setting, criticality of assets, business continuity requirements and sustainability. PAM Plans embedded and based on different time horizons. | Acquisition and disposal strategy integral to PAM at business strategy level. Decisions on assets based on performance, sustainability and value for money. Integrated procurement strategies adopted where appropriate. Acquisition & disposal monitored, reviewed and audited across sponsored bodies at Departmental level. | Procedures embedded to monitor and measure the performance of assets in-use, including condition, criticality, sustainability and effectiveness. Performance objectives identified and used. Linkage of performance to strategic priorities and risk embedded. | PAM strategic and tactical capability review programme established across all sponsored bodies to support Parent Department decision making. Performance management using appropriate Key Performance Indicators (KPIs) embedded across Department and its sponsored bodies. | PAM audit programme forward looking and based on risk assessments and corporate governance requirements. Audit programme ownership embraced by all staff. Training requirements identified, ongoing or completed. |
| Knowledge | PAM Board being established, boundaries with other committee structures being worked through. Linkages between time-based investment decisions, PAM policy & strategy, including sustainability, established within a Department and/or across sponsored bodies and located at PAM Board level. Visibility & transparency of relationships and decisions established for PAM. | Organisational capacity and capability has some but not all core requirements for strategic and tactical PAM in place. PAM Champion appointed. Appropriately skilled staff for PAM populating appropriate aspects of structure, to reflect established requirements of Professional Skills in Government. | Formal statement setting out position on PAM in terms of appropriateness for scale and nature of assets, including setting PAM objectives, including sustainability, and evidence of alignment with business strategy. | Identification of some information necessary for PAM. Includes data on sustainability. Data is being collected on most PAM issues for populating PAM information systems. Procedures in place for accessing information by appropriate people. | PAM Plans established but not all consistent with PAM strategy, objectives and targets. Performance management of assets using benchmarking, including sustainability. Prioritisation of investments being considered but not utilising fully different time-horizons. | Acquisition and disposal driven by needs identification, full economic and whole life performance evaluation undertaken, including sustainability. Productivity indicators considered. Supply chain strategies and project management structures embedded. Risk/sensitivity analysis used. | Procedures in place to monitor and measure the condition, criticality or performance of assets in-use. Sustainable maintenance strategies exist for all assets. Risk based preventative maintenance used. Emergency related response, resilience and business continuity plans in place. | Procedures and KPIs embedded for performance measurement and benchmarking. Asset registers fully populated. Service provision reviewed against asset performance requirements including sustainability. PAM capability assessments within Parent Department established for roll-out across sponsored bodies. Skills needs addressed. | PAM audit programme, including sustainability, embedded and linked to governance and improvement regimes. Skills & training needs identified. Well-documented and prioritised processes and practices. Formal audit plans now in place and communicated appropriately. |
| Awareness | Property assets still seen as a tactical resource. Decisions on capital and operational expenditure on property assets still diffused throughout organisation. Bringing together investment decisions and PAM at Departmental strategy level is recognised. Visibility & transparency of relationships and decisions being developed for PAM. | Definition of roles, responsibilities and authority levels for PAM being put in place and located in organisational structure. One or more individuals with adopted informal advocacy role for PAM at tactical level. | PAM policy in place but inappropriate for nature and scale of assets, some alignment with business strategy. | Some PAM information is held on ad-hoc basis. Information does not support PAM framework, policy and strategy. | Organisation understands the need to have a PAM Plan. Plans are being established, but are not appropriate for needs and are not linking investment to achieving PAM strategy and objectives. | Acquisition and disposal decisions on a case-by-case basis driven by technical, functional and cost requirements with some awareness of the need for whole-life evaluation but not part of a managed integrated PAM process. | Asset reliability, risk assessment, cost benefit analyses are typically applied only to major assets. Procedures being developed to monitor and measure the condition, criticality or performance of all assets in-use. | Procedures are being developed to monitor measure or review the PAM framework. Some KPIs are in use and asset registers are being established. Benchmarking is being developed. | Need for systematic PAM audit understood. Links with risk assessment of assets base also understood, PAM capabilities and improvement regimes also understood. |
| Unawareness | Department and/or sponsored bodies have diffused decision-making framework for investing in property assets. Property assets not seen as important enablers of business delivery. | No or limited consideration given to relationship between organisational structure and PAM. No staff resource active in management of assets. | Nature and scale of assets not taken into account, limited if any knowledge of extent of assets. No written policy; non-alignment with business strategy. | No consideration given to type and nature of information required for PAM and its use by the organisation. | No consideration given for the need to have PAM Plans that relate investment to achieving PAM strategy and objectives. | Reactive, ad hoc and informal, with price sensitive decisions taken at line level. | No procedures exist to monitor and measure the performance of assets in-use. | No procedures exist to monitor, measure or review the PAM framework in the organisation. | No consideration given to need for PAM audits; or where it occurs it is reactive & unplanned. |

The Aspects of Excellent Property Asset Management

These 9 Aspects of PAM capability are based on international public sector best practice and cross-referenced with the BSI Publicly Available Specification (PAS) 55 on Asset management. Further refined through workshops and consultation they are summarised below:

- **Corporate Governance.** The distribution of rights and responsibilities for PAM among stakeholders and participants. The focus of corporate governance for HPP is within PAM Boards, or their equivalent, and includes the management of delegation. The 'Intelligent Client' role is also important where governance works through into the supply chain
- **Organisational Structure, Roles and Responsibilities.** The management and sufficiency of PAM Capability throughout the organisational structure. Includes formal roles, responsibilities and authority levels made explicit at the tactical and strategic levels of the organisation
- **PAM Policy, Objectives and Strategy.** How objectives and targets in property asset-related matters are set. How property asset strategy is developed and implemented. How government policies such as sustainability and service transformation are incorporated
- **PAM Information Systems and Communication Strategy.** The corporate systems for PAM information collection, access and reporting. It includes use of e-PIMS, supply chain and management information interactions. It does not refer to a particular software system
- **PAM Planning.** Development and implementation of formal PAM Plans linked to business strategies and corporate objectives. Includes the extent to which whole life performance, risk management, prioritisation of investments and benchmarking are formally brought together and documented
- **Acquisition and Disposal.** How acquisition and disposal of property within the organisation is evaluated and managed as part of an integrated PAM framework, relative to the PAM Plan and business drivers, such as business need, VfM, finance and sustainability
- **In-use Performance.** How operation, maintenance and performance of the retained estate are managed. Includes factors such as planned maintenance strategies, risk assessments, evaluation of return, effectiveness, sustainable operations and linkages to business delivery
- **Performance Review.** Part of a continuous improvement regime that an organisation has put in place for self-development. The enabler sets out how review processes within an organisation are managed, supported by data and linked back into objectives, targets and plans
- **PAM Audit.** Includes audit of PAM policy & strategy, PAM Plans, the Matrix Profiles and Transition Strategy, skills and training needs, approaches to risk management, quality of data and use of technology and benchmarking.

Innocence to excellence

The descriptors for each aspect of PAM in the Matrix typify each level of knowledge, understanding and application of PAM. This ranges from no knowledge to full knowledge and application of excellent practice. At innocence, or unawareness level PAM planning and decisions are fragmented, bottom up and inconsistent. At excellence, PAM is led from the top with a fully integrated approach.