

South Derbyshire District Council

**ASSET
MANAGEMENT
PLAN**

2003/04

1.0 ORGANISATIONAL ARRANGEMENTS FOR CORPORATE ASSET MANAGEMENT

- 1.1 This is the Council's Year 3 Asset Management Plan (AMP), prepared using the guidance produced by ODPM, and following on from the 'dry run' document produced in November 2000, the Year 1 document produced in July 2001 and the Year 2 document produced in July 2002.
- 1.2 The Plan deals with all Council owned land and property except for most of that which falls within the Housing Revenue Account (HRA)- i.e housing, including sheltered accommodation, and garages. These properties are covered separately in the **Housing Business Plan**.
- 1.3 The Council's Economic Development Manager (EDM), who is responsible for Estate Management, is the **Corporate Property Officer** for the purposes of the AMP. He is responsible for co-ordinating the development and implementation of the AMP. During 2001/02 he also led a **Best Value Review of Asset Management** across the Council (see section 5 for more details). All those involved in property management throughout the authority are aware of his role, as representatives of all relevant departments have been involved in either the Asset Management and Monitoring Group or the Best Value Review. The EDM/CPO is a Council Divisional Manager and as well as involvement with the Asset Management & Monitoring Group (which oversees the preparation of the Capital Strategy) he contributes to the work of other relevant corporate and business planning groups e.g CPA Decent Homes steering group, Divisional Managers Forum etc.
- 1.4 He reports to an **Asset Management and Monitoring Group**, meeting approximately every six weeks. The membership of the revised group includes the Chief Finance Officer and a number of service division managers including all those who have a property management role. Set out below are the group's terms of reference:

General

1. To develop and monitor the implementation of the Council's Capital Strategy.
2. To develop and monitor the implementation of the Council's Asset Management Plan.
3. To develop and monitor a Corporate Property Strategy for the Council.

Asset Management

4. Consider all asset matters within the Council and provide input to decisions, which have an impact on assets. This includes the identification of the property implications arising from relevant plans, audits and reviews (including those by District Audit and York Consulting (see 1.14), other Best Value Reviews (see 1.13), and other Council plans and strategies.
5. Ensure that the AMP is approved by senior officers and Members, and that it is informed by and supports other key corporate and service plans and objectives - see examples of this at 1.8 (Capital Strategy), 1.9 (Best Value Performance Plan) and 1.11 (Corporate Plan and Service Plans).
6. To monitor performance of the Council's assets and the AMP action plan. This includes identification and rationalisation of surplus or under-performing property.
7. To report to the Council's Management team and Members on a quarterly basis on the performance of the property estate and the AMP action plan.
8. Oversee the improvement plan arising from the Best Value Review of Asset Management. This covers the promotion of shared use, and the systematic review and challenge of property use, provision and management.

Capital Programme Management & Monitoring

9. Co-ordinate the production of the Council's capital programme.

10. Develop and review methodology for prioritising capital projects
11. Monitor the implementation of the capital programme.
- 1.5 In addition, Members are separately consulted on a regular basis on the Asset Management process. The Council has retained a streamlined committee system, rather than moving to a cabinet system. Land and Property responsibilities were previously split between the three policy committees. However, following the Best Value Review, all Asset Management matters have been moved under the responsibility of the Finance & Management Committee, to ensure that a single group of Members gains expertise in dealing with all asset matters.
- 1.6 The Chair of this committee therefore holds the ultimate responsibility for property in the Council. He attends meetings of the IPF network together with the CPO, and also attends the Asset Management and Monitoring Group.
- 1.7 The Council has set itself eight key aims, from which have been agreed a number of **property objectives**. The key aims and property objectives are set out below:
 1. **To strengthen and develop the local economy through support for business development and inward investment**
 - PO 1 *Look at opportunities to use Council assets as a contribution to economic and community development schemes developed in partnership with other organisations.*
 - PO 2 *Where identifiable economic development objectives are being met, continue to provide premises for small businesses*
 2. **To safeguard and enhance the natural and built environment**
 - PO 3 *Seek to improve the appearance of sites and premises within the district*
 - PO 4 *Enhance the value of recreational and other assets to reduce the need to travel to attractions outside the district and bring services closer to their users.*
 3. **To address the needs of South Derbyshire residents for good quality homes, of a variety of tenures, located in well planned and safe environments**
 4. **To promote the health and welfare of all sections of the community, including access to leisure and cultural activities**
 - PO 5 *Where appropriate, devolve the direct management of assets to the community.*
 - PO 6 *Where appropriate create user groups for major assets.*
 5. **To secure continuous improvements in the quality and efficiency of services provided by the Council**
 - PO 7 *To clarify ongoing asset management arrangements within the Council*
 - PO 8 *To establish the most appropriate method of service provision for the management of each group of assets.*
 - PO 9 *To achieve Members greater understanding of asset management*

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PO 10 *To improve customer satisfaction with the repairs and maintenance service*

PO 11 *To be among the better performing authorities*

6. To manage resources efficiently and effectively

PO 12 *To produce corporate guidelines for the holding, disposal and management of assets*

PO 13 *Improve management capabilities through the centralisation of asset data*

PO 14 *To maximise the efficient use of assets and ensure that they meet current and future needs.*

PO 15 *To identify and efficiently dispose of any surplus assets, any receipts being used for the good of the community in South Derbyshire.*

PO 16 *Look at opportunities to maximise use of Council buildings and provide one-stop services by locating other partners within Council buildings.*

PO 17 *Provide a safe and healthy working environment for staff*

7. To listen to and represent the people of South Derbyshire in county, regional and national arenas

PO 18 *To regularly consult customers on the Council's land and property assets*

8. To support the development of the National Forest and its enjoyment by residents and visitors

PO 19 *To develop and maintain, where appropriate, sustainable facilities which contribute to attracting visitors to the National Forest*

1.8 The **Capital Strategy** provides a framework for the AMP. This sets out the Council's objectives and priorities for capital investment over the next three years. Overall the emphasis is on working in partnership with other bodies to stimulate investment in South Derbyshire. The focus is placed on responsible bidding to emphasise that the Council will only bid for funds where they help to achieve its key aims and objectives. The strategy refers to the Council's recognition of the need to dispose of surplus land to help it achieve some of its capital aspirations.

1.9 The **Best Value Performance Plan (BVPP)** sets out the Council's approach to performance management and efficiency improvements, which are an important element of the AMP. It makes several references to property asset implications, such as the importance of effective and efficient management so that valuable assets can contribute to the achievement of the Council's vision; specific reference to the role of individual Council assets; and a summary of the Best Value Review of Asset Management.

1.10 The Council and several other partners have now established a **Local Strategic Partnership (LSP)** for South Derbyshire. One of the first tasks of the LSP is to produce a **Community Strategy**, which should be in place by March 2004.

1.11 The Council has a **Corporate Plan**, which includes the key aims set out in 1.7 above. Flowing from this plan are four Departmental Plans and 12 Divisional Service Plans. **Service Plans**, which are produced on a standard template, indicate how they link to the Council's key aims; explain the corporate and service related challenges affecting the service together with the opportunities which exist; set out the key tasks over the coming year; detail any Best Value and local performance indicators; and set out the resources which the service uses or manages, including assets.

- 1.12 Managers are required to show how their assets are being managed in line with the Asset Management Plan. One of the key issues identified is the need to develop corporate guidance for managers in respect of disposal, acquisition and investment and optimising income from non-operational property.
- 1.13 The **Chief Finance Officer**, who is a key member of the Asset Management & Monitoring Group, has not indicated any specific requirements for the investment portfolio during the coming year.
- 1.14 The other **best value reviews** undertaken to date, have not highlighted any asset investment issues. The Best Value Framework document now states that as part of all reviews, there should be a challenge to the current use of assets. The Asset Management Best Value Review concentrated on strategic issues affecting the whole portfolio. The specific issues relating to individual properties are mostly service related and will therefore be addressed within the reviews of those services, using the previously mentioned corporate property guidance.
- 1.15 District Audit undertook a study into Asset Management within the authority in 2000/01. Also, the Council was selected to have its Asset Management Plan process evaluated by York Consulting. Their findings have obviously influenced this plan and also our Best Value Review of Asset Management and we are acting on these reports' recommendations.
- 1.16 The Council's first and second year AMP's were given a satisfactory score and the feedback confirmed that all primary criteria were met. The comments within the feedback have been noted, and the suggested improvements made in the development of this document.

2.0 CONSULTATION

- 2.1 The Council is committed (as identified in property objective 18) to consult the community on the best use of assets. It has developed a **Consultation Strategy** to ensure that statutory requirements are met, that limited resources are used economically, efficiently and effectively, and that consultation continues to be meaningful and relevant to local people and other stakeholders.
- 2.2 Key stakeholders, most of whom have already been consulted, include:
- Divisional Managers, as users of Asset Management services
 - Council staff, particularly as occupiers of Civic Offices and Depot
 - Other users of the Civic Offices
 - Those who use the Council's other directly held assets such as the Town Hall, Sports Pavilions and Parks, Toilets, Car Parks, Bus Shelters
 - Users of facilities managed on behalf of the Council by private sector contractors i.e Market, Leisure Centre and Forestry Centre.
 - Tenants of commercial premises
 - If possible, non-users of Council assets - i.e why don't they use them?
- 2.3 As part of the Best Value Review of Asset Management, a questionnaire was circulated to all Divisional Managers, and other staff directly involved in the management of assets covering some general issues, followed by their views on the various Asset Management services which they use. The main issues arising were:
- The majority of managers were clear who manages the different land and property holdings owned by the Council, but a significant number were not.
 - Clarity is needed on the remit of the new corporate asset management work being undertaken by the Economic Development Manager, and how this inter-relates with the day to day responsibility for the use of the assets.
 - With regard to home working, most managers felt that there were very limited opportunities in their divisions, but a number said that there were opportunities subject to the appropriate technology being in place. Most divisions need to be available at short notice to deal with the public, members or other officers. Where staff are working on reports or particular projects then there is

more scope. Hot desking already occurs to some extent in IT & Customer Services, Community & Leisure Development and Revenue but most divisions have said that there is little scope for this.

- The majority of managers were happy with the service provided by the Estates, Community & Leisure Development, Finance, Legal and Direct Services sections of the Council.
- A number of managers were unhappy with the service provided by the Building Maintenance section and the Facilities & Development section received a mix of views.
- Other comments included that raising standards to a level of good service across the Council should be the priority; that many services may not initially need to improve, they just need to communicate their function and service to users and potential users; that more supporting information to expand on the roles of the various sections would be helpful; and that the Asset Management function of the Authority is advancing and improving considerably better than at any time in the past.

2.4 All commercial tenants were questioned on a number of issues. The main findings were:

- The majority of tenants were very or fairly satisfied with the condition of their premises.
- An equal number were either satisfied or dissatisfied with speed of repair work whilst no-one was dissatisfied with the quality of work.
- Signage was the issue which most tenants were dissatisfied with, whilst access and parking were generally considered satisfactory.
- The majority of tenants were satisfied with the overall service provided by the Council as Landlord
- All respondents thought the Council should continue to manage the premises rather than agents or another organisation

2.5 In 1999, bi-annual meetings were established with all of the Council's industrial and commercial tenants to provide the opportunity for tenants to discuss all manner of property related issues. Although interest in these meetings has been limited, tenants confirmed that they would wish to see the meetings continue. All tenants also said that in addition to the meetings they appreciated being able to discuss any concerns they had as and when with the Council's Estates Officer.

2.6 The tenants of both of the Council's industrial estates have been consulted separately about particular issues. One estate has had a number of security incidents and the Council has put together a scheme to provide security fencing and an entrance barrier, jointly funded by the Council, tenants and Single Regeneration Budget grant. The tenants of the other estate have been consulted separately about access, circulation and parking issues.

2.7 Consultation has also taken place with users of the Town Hall (used for arts & community purposes), Sports Pavilions, and the Leisure Centre, whilst bus companies were sent a questionnaire to seek their views on bus shelters and the bus station. The South Derbyshire citizens panel were consulted on the Council's parks.

2.8 As part of their Asset Management report in 2000, District Audit sent a questionnaire to a number of staff covering satisfaction with property services, access, IT, condition, toilets, parking and space issues. Most respondents commented on the office space which they occupy whilst others were able to comment on their experiences of managing other properties. The main findings were as follows:

- The majority of respondents, whilst satisfied with the quality of repair works, were dissatisfied with the speed with which the repairs were carried out. Several respondents also commented on various other problems with the Building Maintenance service.
- Most respondents were satisfied with the quality of technical support and advice received and with the cleanliness of the public buildings.
- No-one had been previously surveyed on their satisfaction with these services or been involved in setting standards for property service work or monitoring contractor performance.
- Most people were happy with the level of office space and toilet facilities, but experienced a shortage of storage space. The majority felt that buildings were in a poor physical condition or decorative state, but were adequate to cope with modern IT equipment. A few respondents felt that disabled access needed improving and that the office layout was inflexible.

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- Most respondents had no forum or procedures through which they could raise these problems.
 - 3 respondents had space within their building surplus to their needs whilst almost all had never been asked to record and report on how their space was used and/or occupancy levels.
 - Most respondents had not consulted with any external users or clients of buildings on their needs, or compared the costs of accommodation with outside organisations.
 - Respondents indicated a variety of things which they would like to do to improve their buildings, most of which are related to the above points.
- 2.9 In January 2000 a survey of various issues relating to the Town Centre was conducted by Southern Derbyshire Chamber in liaison with the Council. One of the main issues raised was the condition and cleanliness of the Bus Station toilets. In response to this, Single Regeneration Budget funding was earmarked for a £10,000 facelift of the toilets. The work has been completed and increased levels of cleaning agreed.
- 2.10 Additional consultation will be undertaken as part of service reviews. The Council's guidance for managers on managing their assets recommends regular consultation to determine asset users views.
- 2.11 The Council has a sound approach to including building users in property decisions. Relevant managers are consulted when requests are made by the public to lease or purchase pieces of land. In addition managers have been consulted about repairs and maintenance and staff are consulted when offices are altered internally.
- 2.12 The main concerns which the consultation exercises have identified are as follows, together with details of how they have or will be addressed.
- Signage on industrial estates - **under review**
 - Security problems at GHBC - **barrier and fencing erected**
 - Poor condition of sports pitches - **drainage improved over recent years. Recent survey by the Football Association into condition of pitches could release funds for improvements**
 - Insufficient number of bus shelters, not well placed and not particularly clean - **a new cleaning company has been employed who are cleaning shelters on a monthly rather than quarterly basis. A number of shelters have been replaced over the last 12 months. In addition the bus station shelters have all recently been replaced.**
 - Shortage of storage space at Civic Offices and inflexible office layout. Other staff have space surplus to their needs - **a study of office space at the Civic Offices has been commissioned, which will include the application of space standards**
 - Civic Offices in a poor physical condition or decorative state - **the above mentioned survey is considering these issues**
 - Disabled access needs improving - **DDA audit being undertaken**
 - Civic Office/Depot users feel they have no forum or procedures through which they can raise problems - **under review**
 - Almost all staff have never been asked to record and report on how their space is used and/or occupancy levels - **the above mentioned survey is considering these issues**
 - The Managers of most buildings have not consulted with any external users or clients of buildings on their needs, or compared the costs of accommodation with outside organisations - **these comments were made prior to the many recent consultation exercises that have taken place. Costs of accommodation are being addressed through the government's PI's following which comparison will become much easier.**
 - Poor condition and cleanliness of Bus Station toilets - **£10,000 improvements undertaken and regularity of cleaning increased**
 - Clarity of management responsibilities - **addressed through Best Value improvement plan**
 - Repairs and Maintenance service concerns - **decision taken to move corporate building maintenance function to another department**

3.0 DATA MANAGEMENT

- 3.1 All Council owned non-HRA property is recorded in an asset register held on a Microsoft ACCESS database. The data was entered in 2000 and includes size and value, condition, how the asset was acquired, whether it is still required, whether users have been consulted about it and whether it has been subject to any form of review. The database is of a form that it can be used in conjunction with other relevant databases within the authority. The individual asset records on the database can be updated at any time as required. The database is a live system and can be updated by nominated officers in each service area. It was validated in 2002 to ensure that the information was correct.
- 3.2 The Best Value Review of Asset Management, considered future data requirements, particularly in the progression towards greater e-government.. The Review Team agreed with York Consulting that there was a need to try and further centralise asset data. It was decided to explore a number of data management systems and the CPO and an IT advisor visited other authorities to view a number of IT asset management packages. However, none of these systems seemed appropriate for this authority. Most systems were very expensive and contained modules which were not used.
- 3.3 Given the relatively few assets held by the authority, it was felt to be imprudent to spend large sums on a bespoke system. We therefore considered using either a Microsoft Excel or Access based system. We decided to use an **Excel based system** because of its greater flexibility, ease of use and the opportunities it provides for data analysis. This has been put together by the Council's Estates Officer and contains the data held in the aforementioned Access Database, together with additional intermediate data. The system does not specifically link with the financial information systems. To have enabled this to happen would have been meant using the module of the system used by Finance (which was evaluated but deemed to not be up to scratch), or again by purchasing a bespoke system. In an authority of this size the lack of this dedicated link is not crucial as it is easy to get hold of any information required.
- 3.4 The majority of the Council's deed packets have been reviewed and the information transferred onto computerised records (GDC Plan Terrier), which links to MapInfo. A temp is to be employed to complete this work.
- 3.5 As part of putting together the Baseline Assessment for the Best Value Review, an audit of **training needs** was undertaken - this concluded that staff are adequately skilled to effectively utilise current systems. The Council has introduced annual Performance & Development Reviews which highlight staff training requirements.
- 3.6 The Council has now implemented a **Unique Property Reference Number (UPRN)** system. It has devoted considerable resources towards the successful implementation and ongoing administration of NLPG, establishing a dedicated section to co-ordinate this.
- 3.7 **Statement of Assets** (non-housing)

Operational	Value (2000) - where known ** £
2 Leisure Centres	3,230,000
Civic Offices	1,800,000
19 Car Parks	819,500
Forestry Centre	328,900 (including craft units)
10 Public toilets	254,150
4 Village Halls	94,000
Depot	77,000
Town Hall	47,000
Squash Courts (Etwall)	

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15 Sports Pavilions	666,000 (March 2002)
19 Recreation Grounds	
8 Play areas	
7 Amenity Areas	
4 Parks	
Ecology area	
4 areas of Common land	
138 areas of Public Open Space *	
8 Allotments	
6 Cemeteries	

Non-Operational

5.49 hectares of surplus land (13 sites)	3,117,000
Large Industrial complex	1,550,000
16 shops & restaurants	1,070,000
27 units at George Holmes Industrial Estate	580,000
6 Craft units (at Forestry Centre)	see above
4 Miscellaneous Properties	247,000
Market Hall	215,000
14 units at Boardman Industrial Estate (leasehold interest)	
Large site on long lease	
Small areas of garden/grazing etc land (number to be determined)	

* Each public open space record relates to a particular street and may contain several individual pieces of open space.

** Values are those used for Capital Accounting purposes and not necessarily Open Market Value.

3.8 Certain of the assets classified as non-operational, but which are held for economic development or community benefit reasons, such as shops on housing estates and the market, could be classified as operational.

3.9 The majority of operational and investment assets were re-valued at £14.3m in March 2001. To this can be added the Sports Pavilions valued at £660,000 in March 2002. The community assets are valued at £2.75m based on historical costs of purchase and capital works undertaken.

4.0 PERFORMANCE INFORMATION, MANAGEMENT & MONITORING

4.1 **Regular reports** (we have endeavoured to provide these quarterly) on the performance of the property estate are submitted to Members and Chief Officers, in addition to service plans which set out performance outcomes in relation to pPI's. Reports are also provided to Members, as part of a regular Finance briefing, on the progress and performance of the capital programme.

4.2 The spreadsheet attached as annex A gives details of the **performance indicators** which are monitored. These include the 5 DETR pPI's, some Best Value indicators and other local indicators. According to national and local benchmarking data, the Council is performing fairly well against most of the indicators. The exception is the Internal rate of return for the industrial portfolio, which, at 7.4% is amongst the lowest nationally. However, this is due to one particular estate where the Council is locked into a long lease with a head landlord on unfavourable terms. There is little that we can do to get out of this agreement, except by paying a reverse premium. If that estate were removed, the IRR would be 11.13%, closer to the national average. The retail IRR is 11.1%, close to the national average. The Council will consider this information as part of its review of suitability & sufficiency of each group of properties.

4.3 The Council has recognised that the use of space in its Civic Offices requires review. It has commissioned a survey of the building, which will include applying a suitable **space allocation**

assessment to the existing layout and assessing the amount of surplus property. These can then be monitored as changes in the internal layout are applied.

- 4.4 Over the last 12 months the AMP steering group have developed and introduced a number of **local property indicators**, in consultation with adjacent local authorities. Annex B shows the list of suggested local indicators and milestones, linked to property objectives and the Council's key aims. The findings of consultation exercises and the Best Value Review have been considered in the development of these indicators e.g the indicators measuring customer satisfaction with the repairs & maintenance service. It is not possible or feasible to monitor all of these indicators or milestones immediately and therefore it has been agreed to monitor a certain number of these over the coming year - these are highlighted in bold in Annex B and the PI's are also set out in Annex A. The indicators are being benchmarked with these authorities, together with the national pPI's.
- 4.5 As set out in section 2 of this plan, the Council has consulted widely with asset users, and has begun to implement a range of issues flowing from this consultation. These findings were taken into account when putting together the local performance indicators.
- 4.6 Estates Officers across the midlands are now meeting together to **benchmark**. Sub-groups of this wider group have been developed to make this process more manageable, with this authority meeting with two of its neighbours. In addition, the Derbyshire local authorities Estates Officers continue to meet to share issues of common interest and concern. A group of Economic Development Managers from the Midlands and wider afield continue to meet to discuss benchmarking involving certain property based PI's. This has now taken a step further forward with the involvement of the IdeA, who have developed an interactive web based discussion forum for the group. Derbyshire Leisure Officers also meet regularly to discuss, amongst other things, the benchmarking of facility based leisure activities.
- 4.7 During the last year the Council has joined the IPF network and attended several of their regular seminars. This is very useful for, amongst other things, national benchmarking.
- 4.8 Other Benchmarking opportunities have been explored, such as the work co-ordinated by Sheffield Hallam University and the service offered by the IPF network. However, the cost of joining these networks is prohibitive for this Council.

5.0 PROGRAMME DEVELOPMENT

- 5.1 Over the last few years, there have been a number of improvements in the management of assets. Some of these are set out below:
- The Council has begun to consider which of its assets are no longer required and has effected a number of **disposals**. These have included several areas of housing land, and the management building at the George Holmes Business Centre which has been transferred to Southern Derbyshire Chamber to ensure continued business support use.
 - The Council has started to **share** its premises with like minded organisations e.g neighbourhood watch, the Crime and Disorder Partnership and Citizens Advice Bureau.
 - The Council has developed a pragmatic approach to **managing** facilities, with the private sector being contracted to manage a number of assets resulting in a number of benefits to the authority.
 - The Community has been involved in the management of assets e.g 'Friends of' groups have been established for several of the Parks.
 - Management of certain assets has been devolved to as local a level as possible e.g Parish Council management of Playing Fields and Public Toilets.
 - **Commercial asset management procedures** have been fundamentally reviewed i.e overhaul of lettings policy & procedures; ensuring all tenants have up to date leases; ensuring all rents are reviewed to market levels in a timely manner; major reduction in the level of rent arrears etc
 - **Flexible lease terms** have been introduced on most of the Council's industrial properties and certain commercial properties.

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- 95% of the Council's commercial portfolio of 69 industrial units, shops, offices and miscellaneous properties are let or under offer, a major increase on previous years. Income from commercial lettings for 2002/03 was consequently much higher than in previous years.
 - The main public toilets in Swadlincote Town Centre have been refurbished with the assistance of SRB monies.
 - The Council has recognised its Health & Safety responsibilities in relation to its' units e.g additional funding has been secured to pay for the cost of undertaking electrical and gas tests on all units prior to re-letting.
- 5.2 As indicated earlier in the plan, during 2001/02 the Council undertook a **Best Value Review of Asset Management**, led by the Economic Development Manager (Corporate Property Officer). The Council recognised the importance of this area and placed it in Year 2 of its' five year review programme.
- 5.3 The review cut across a number of service areas. Asset Management includes work undertaken within Economic Development, Facilities and Development, Community and Leisure Development, Direct Services, Building Maintenance, Legal and Member Services and Exchequer Services. Most of these divisions were represented on the review team, together with officers from a neighbouring District Council and the County Council, and Labour & Conservative Members.
- 5.4 It was agreed at an early stage that the review would focus on **strategic asset management**, rather than the detail associated with each particular asset or group of assets. The detail will be considered in **individual service reviews** when managers can apply the **guidance on managing and holding assets** (currently under development), to determine the **suitability** of the assets for their current and future use. The customers of Asset Management services are primarily officers and Members of the Council, together with those users who have a legal interest in property e.g commercial tenants. In general, the public use the services run from assets and are less interested in the asset itself.
- 5.5 A large amount of work on asset management had already been undertaken during the last few years, both nationally and within this Authority (see 5.1). Some of the findings and recommendations of the various reports and studies had already been implemented prior to commencing the Best Value review. The team decided that the scope of the review would be based on the remaining recommendations of the work undertaken by District Audit, the Audit Commission's Hot Property report, the previous Asset Management Plan's action plan and the work carried out by York Consulting, together with the findings of consultation work undertaken to date.
- 5.6 Each of the issues within the scope of the review was given full consideration, using the four 'C's' of Challenge, Compare, Consult and Compete.
- 5.7 Seven **key issues** were identified as needing action if the services are to improve. These have been further developed into **required outcomes**. Both are set out below, together with links to the Council's agreed property objectives:

Key Issue 1. Development of corporate property issues

Required outcomes: A. To develop a Corporate Property Strategy

B. To have produced corporate guidelines for the holding, disposal and management of assets (Property Objective 12)

C. To develop a home working policy

D. To improve all Council buildings which are open to the public in line with the requirements of the Disability Discrimination Act.

Key Issue 2. Lack of clarity with the council's existing in-house management arrangements

Required outcome: To clarify ongoing management arrangements (Property Objective 7)

Key Issue 3. Investigating method of provision of asset management

Required outcome: To establish the most appropriate method of service provision (Property Objective 8)

Key Issue 4. Lack of member involvement in asset management issues

Required outcome: To achieve Members greater understanding of asset management (Property Objective 9)

Key Issue 5. Dissatisfaction with the repairs and maintenance service

Required outcome: To improve customer satisfaction with the repairs & maintenance service (Property Objective 10)

Key Issue 6. Lack of centralisation of asset data

Required outcome: Improved management capabilities (PO13)

Key Issue 7. Insufficient performance management data and comparison

Required outcome: To be among the better performing authorities (Property Objective 11)

- 5.8 The report concludes with an **Improvement Plan** to deliver the required outcomes listed above. As this covers the period from January 2003 - December 2005, it forms the main programme of action for the coming year, although additional plans for disposals, property sharing and maintenance are set out below.
- 5.9 A survey of Council owned non-housing properties was undertaken in 2001 to broadly categorise them into the four **condition** categories - see pPI 1 in annex A. A further survey is planned for the coming year. The Council's properties are generally in a good state of repair and the backlog of maintenance works is relatively low. Most of the maintenance works identified were the subject of bids in for the 2003/04 capital & revenue programmes. Those bids were seen by Chief Officers and Members and were in effect a **written report on the maintenance backlog**, with the bids being the recommended appropriate action. The only bid which was successful was for capital monies to replace the roof of a parade of shops, although funding was also provided to undertake Disability Access Audits and Asbestos surveys. However, a further bidding round has been called for July 2003, and a bid has been resubmitted seeking £25,000 per year towards the maintenance backlog. The case will continue to be made in subsequent years' revenue and capital programmes.
- 5.10 The Council does operate a **Planned Maintenance Programme** for certain of its public buildings, although, due to a limited budget this concentrates mainly on the services, plant and equipment as opposed to the external fabric and structure. The Best Value Review has identified the need for Planned Maintenance programmes for all assets and these will be put in place over the coming months.
- 5.11 As indicated in 5.1, the Council has begun to consider which of its assets are no longer required and has effected a number of disposals. **Formal procedures for identifying under-used or surplus property** are in the process of being developed. Disposal Plans for the coming year include:
- several public toilets which have been declared surplus and for which disposal is being progressed;
 - a parade of Town Centre shop units, probably to the existing tenants;
- 5.12 As mentioned in 4.3, the Council is currently undertaking a **review of the use of space within its' Civic Offices**. This will identify whether there is surplus space which could be shared with other organisations. Discussions have already taken place with the Probation Service and County Council in this regard. A Tourism partnership involving all the National Forest authorities has been developed, which involves neighbouring District Councils using their Tourist Information Centres (TIC's) to promote South Derbyshire (which has no TIC). The Council is in the process of preparing a Home

Working Policy, which may provide further opportunities for space saving. Best Value, the growth of Partnership working and the advent of e-commerce may also have a potential impact. If a particular service were to no longer be undertaken by the Council e.g. the provision of a housing service, this would potentially free up space. These issues are kept under review.

- 5.13 The Asset Management and Monitoring Group has endeavoured to consider the issues which may influence the Council's **future asset requirements**. At present, there do not appear to be any **gaps** between future requirements and the current provision and performance of the authority's present property assets. However, with the development of the guidance for managers on holding, managing and disposing of assets (which is almost complete), managers will be able to apply suitability and sufficiency criteria to each of their assets, to enable a more scientific assessment of any gaps which may exist. If gaps are identified, options for closing them will be considered and a 3-5 year strategic plan prepared.
- 5.14 The Council uses a **prioritisation system** which focuses on how individual capital schemes contribute to the Council's corporate aims and objectives, plus also what effect the investment will have on achieving specific service objectives. It also considers national priorities. The other factors taken into account are sustainability and the level of external funding which a scheme will generate. Sustainability recognises the ongoing running costs associated with new capital projects. It is no use providing a new facility where there are insufficient revenue resources to run it. The system was refined further to allocate resources between improving and maintaining existing assets as well as developing new capital projects. Effectively this recognised the need to provide resources to maintain and improve existing assets. This prioritisation scheme has been used to assess all projects within the current capital programme. A similar prioritisation scheme is used when assessing bids for additional revenue funding.
- 5.15 The Capital Strategy recognises the need to develop performance measures that focus on the outputs produced by capital schemes rather than the core process of monitoring the implementation of the schemes and these have now been put in place. All officers responsible for capital projects have identified measurable outputs that their schemes will deliver in 2003/4. The corporate asset management & monitoring group monitors this process.
- 5.16 The production of the Capital Strategy has enabled the Council to look again at how it plans capital investment. In recent years with limited capital resources, the Council took a short-term view focused on making the best use of the resources that become available on an annual basis. This meant that the capital programme was simply an annual plan
- 5.17 As part of the 2001/02 budget process, the Council moved to a **5-year programme** (see Context Sheet). The intention is that this longer-term programme will help to focus council resources and bidding effort on schemes that are prioritised within the programme.
- 5.18 The programme is developing and it will take time for longer term schemes to emerge. All of the current schemes seeking capital funding are summarised in the context sheet, together with details of where capital funding is drawn from (this includes a forecast of capital receipts). These are analysed across the main priority areas identified within the Capital Strategy.
- 5.19 This programme will evolve over time and will clearly need to take into account new pressures on capital finance that are not fully identified within the existing programme. These include both e-government preparation as well as providing extra resources to deal with repair backlogs as identified within this document.
- 5.20 The Council places a high priority on regenerating and encouraging investment in South Derbyshire, especially in areas that have previously experienced high levels of unemployment. The Council places particular emphasis on improving the quality of life for existing residents as well as attracting tourism into the area. It is therefore seeking to use capital resources to work with private and public partners to generate investment within the District. This is set out in more detail within the Capital Strategy.

ASSET MANAGEMENT PLAN 2003/4

6.0 ACTION PLAN

6.1 Set out below is the Action Plan from the July 2002 document showing progress made.

Action	Responsible Officer	Date
1. Oversee and monitor the delivery of the Best Value Improvement Plan	Asset Management & Monitoring Group	S: January 2003 F: December 2005
2. Confirm preferred Data Management System and bid for resources required	CPO/IT	Excel based system developed
3. Re-bid for resources to deal with maintenance backlog	BM	Bid submitted October 2002 - unsuccessful. Revised bid submitted July 2003.
4. Develop local indicators based on revised property objectives and consultation findings and attempt to benchmark	Asset Management & Monitoring Group	Completed. Benchmarking underway
5. Keep under review future asset requirements and any gaps in provision which they may generate (particularly following future property reviews)	Asset Management & Monitoring Group	Ongoing. Guidance for managers almost complete
6. Produce quarterly reports for Members and Chief Officers, plus a presentation for all Members on the Council's assets	CPO	Presentation May 2003

Key:

CPO	Corporate Property Officer	S = Start	F = Finish
EO	Estates Officer		
BM	Building Maintenance Manager		
IT	IT Manage		
PD	Personnel & Development Manager		
FD	Facilities & Development Manager		
DS	Direct Services Manager		

ASSET MANAGEMENT PLAN 2003/4

6.2 Set out below is the Action Plan for the next 12 months.

Action	Responsible Officer	Date
1. Oversee and monitor the delivery of the Best Value Improvement Plan	Asset Management & Monitoring Group	S: January 2003 F: December 2005
2. Continue to bid for resources to deal with the maintenance backlog	CPO/BM	Ongoing
3. Undertake a further condition survey of all assets	EO	S: September 2003 F: March 2004
4. Continue existing benchmarking arrangements	CPO	Ongoing
5. Complete Corporate Property Strategy	CPO	August 2003
6. Complete corporate guidance on management, holding and disposal of assets (incl suitability & sufficiency criteria), roll out to all property managers	CPO	August 2003
7. Apply guidance to each group of assets to determine suitability for current and future use	All property managers	S: August 2003 F: March 2005
8. Develop a home working policy	PD	S: Mar 2003 F: April 2004
9. Continue to review disability access issues for all public buildings across the district	CPO/BM	S: October 2002 F: September 2003
10. Review the current management arrangements for each group of properties to reduce confusion and provide clarity to customers	CPO/EO/BM/FD/DS	S: June 2003 F: November 2003
11. Put together a clear guide to show who manages each asset, to be circulated to all Divisional Managers (and their relevant staff) and Members.	CPO	November 2003
12. Monitor the impact of the above changes. If they have not achieved the additional clarity of function, consider in more detail the issues involved in centralising asset management functions.	CPO	S: December 2003 F: May 2004
13. Service Managers to benchmark the cost of managing their assets when undertaking their service reviews	All property managers	S: August 2003 F: March 2005
14. Prepare a detailed specification of asset management activities and their frequency	All property managers	S: April 2004 F: September 2004
15. Undertake a full review of the Repairs and Maintenance Service, to cover the concerns raised.	BM	S: September 2003 F: May 2004
16. Implement planned maintenance programmes for all assets	BM	S: November 2003 F: January 2004
17. Following the completion of the Civic Offices survey, identify alternative layout arrangements and undertake division/staff moves as required	CPO/BM	S: July 2003 F: October 2003

units as a % of under or over performance to target level	target level
income for the year	
Number of units occupied as % of the total (add actual numbers)	94% (4 out of 70)
No of partners located in Council buildings	6
No of formal consultation exercises, incorporating asset matters, with stakeholders per annum	11 between 2000 and 2002
No of actual changes costed and considered as a % of changes requested through consultation exercises	100%

SDDC Key aim	SDDC Property Objectives	What needs to be measured?	Suggested Indicator/milestone	AMP related?
To strengthen and develop the local economy through support for business development and inward investment	1. <i>Look at opportunities to use Council assets as a contribution to economic and community development schemes developed in partnership with other organisations</i>	Whether assets are being used in partnership schemes	% of assets used in partnership schemes	No
	2. <i>Where identifiable economic development objectives are being met, continue to provide premises for small businesses</i>	Whether premises are being held for economic development or purely commercial reasons	Number of lettable commercial units provided by the Council	Yes
To safeguard and enhance the natural and built environment	3. <i>Seek to improve the appearance of sites and premises within the district</i>	Improvements in the physical appearance of industrial areas and other derelict sites	Environmental Improvement Scheme developed	No
	4. <i>Enhance the value of recreational and other assets to reduce the need to travel to attractions outside the district and bring services closer to their users</i>	Whether assets are being improved to help achieve this objective	<i>Number of assets improved, and how.</i>	No
To promote the health and welfare of all sections of the community, including access to leisure and cultural activities	5. <i>Where appropriate, devolve the direct management of assets to the community</i>	The degree to which (where possible), the management of assets has been devolved	No of facilities whose management has been devolved to the local community on long term agreements - list them	Yes
	6. <i>Where appropriate create user groups for major assets</i>	That user groups for each type of asset exist or are being created (where possible)	<i>No of asset types where user groups exist - list them</i>	No

SDDC Key aim	SDDC Property Objective	What needs to be measured?	Suggested Indicator	AMP related?
To secure continuous improvements in the quality and efficiency of services provided by the Council	7. To clarify ongoing asset management arrangements within the Council	Customers understanding of who manages what	<p>Current management arrangements for each group of properties fully reviewed</p> <p>Guide developed showing who manages which assets</p>	Yes
	8. To establish the most appropriate method of service provision for the management of each group of assets	Existing in-house management v the alternative options of private sector delivery and partnership of LAs	<p>Detailed spec for activities associated with each group of assets prepared</p> <p>Private sector quotes received which are accurate enough to compare costs</p> <p>Detailed picture of scope for partnership working obtained</p> <p>Future management approaches for each group of assets agreed</p>	Yes
	9. To achieve Members greater understanding of asset management	How Members are improving their understanding	<p>Committee responsibilities re-aligned</p> <p>Quarterly briefings provided</p>	Yes
	10. To improve customer satisfaction with the repairs and maintenance service	Changes in customer satisfaction as a result of an improved repairs & maintenance service	<p>Repairs & Maintenance service fully reviewed</p> <p>The proportion of customers rating the service satisfactory or better</p>	Yes
	11. To be among the better performing authorities	How this authority compares with others and the top 25%	<p>PPI's 1-5 and the other local indicators in this table</p>	Yes
To manage resources efficiently and effectively	12. To produce corporate guidelines for the holding, disposal and management of assets	Whether effective guidance has been produced	<p>Corporate guidance produced by September 2003</p> <p>Feedback from managers</p>	Yes

SDDC Key aim	SDDC Property Objective	What needs to be measured?	Suggested Indicator	AMP related?
	13. <i>Improve management capabilities through the centralisation of asset data</i>	The improvements which will be delivered by centralising data	<i>IT Asset Management packages investigated</i> <i>Software purchased, installed and populated</i> <i>Time saved in data collation</i>	Yes
	14. <i>To maximise the efficient use of assets and ensure that they meet current and future needs</i>	Property condition	<i>See pPI 1</i>	Yes
	Running costs	<i>See pPI 4</i>		
	Space utilisation	<i>Average amount of space (sqm) per employee in admin buildings</i>		
	Occupancy costs	<i>Occupancy costs per sq m</i>		
Income received compared with annual target	<i>Income received for commercial units as a % of under or over performance related to target income level</i>			
15. <i>To identify and efficiently dispose of any surplus assets, any receipts being used for the good of the community in South Derbyshire</i>	Whether surplus space has been identified	<i>Occupational space reviewed against appropriate criteria</i>	Yes	
16. <i>Look at opportunities to maximise use of Council buildings and provide one-stop services by locating other partners within Council buildings</i>	To what degree other partners are located in Council buildings.	<i>No of partners located in Council buildings</i> <i>% of surplus floorspace used by partners</i>	Yes	
17. <i>Provide a safe and healthy working environment for staff</i>	The health and safety of the working environment	<i>Number of 3 day / major / fatal injuries per 100,000 employees</i>	No	

SDDC Key aim	SDDC Property Objective	What needs to be measured?	Suggested Indicator	AMP related?
<p>To listen to and represent the people of South Derbyshire in county, regional and national arenas</p>	<p>18. <i>To regularly consult customers on the Council's land and property assets</i></p>	<p>Stakeholders' satisfaction with accommodation:</p> <ol style="list-style-type: none"> 1. Suitability 2. Sufficiency 3. Condition 4. Cost 	<p><i>No of formal consultation exercises with stakeholders per annum</i></p> <p><i>No of actual changes costed and considered as a % of changes requested through consultation exercises</i></p> <p><i>Interpretation of the results of any stakeholders' satisfaction surveys into continuous improvement programme</i></p>	<p>Yes</p>
<p>To support the development of the National Forest and its enjoyment by residents and visitors</p>	<p>19. <i>To develop and maintain, where appropriate, sustainable facilities which contribute to attracting visitors to the National Forest</i></p>	<p>Number of facilities developed</p>	<p>Number of new facilities</p>	<p>No</p>