

# CAB 37/06

Cabinet: 6 June 2006

## THE ASSET MANAGEMENT STRATEGY AND PLAN

Report by the Cabinet Member with responsibility for Fiscal and Democratic Services

### EXECUTIVE SUMMARY

1. This report sets out the asset management strategy and plan for the Council.
2. The aim of the strategy is to deliver a transparent and workable approach to strategic asset management that can be used to inform decision making and contribute to the delivery of the Council's corporate objectives.
3. The strategy sets out the principles that should be applied to the assessment of assets. The principles are applied as a group of test without weighting.
4. The strategy recognises that a range of outcomes are possible when assessing assets and that solutions such as alternative management arrangements may be the most appropriate outcomes for some assets.
5. Cabinet is recommended to adopt the Asset Management Strategy and Plan.

<b>Wards Affected:</b>	All Wards
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<b>Supporting Officer:</b>	Ms K Kennedy, Head of Customer and Strategic Services
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Cllr R E Whiting

Cabinet Member with responsibility for Fiscal and Democratic Services

### BACKGROUND PAPERS

None

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For further information, please contact Karen Kennedy, Head of Customer and Strategic Services, on 001394 444766 or email [karen.kennedy@suffolkcoastal.gov.uk](mailto:karen.kennedy@suffolkcoastal.gov.uk)

## **1. BACKGROUND**

- 1.1 The Council does not have an up to date asset management strategy and plan and needs to put these management mechanisms in place to ensure that its assets are managed in a prudent way.
- 1.2 The recent Use of Resources assessment undertaken by the Audit Commission highlighted shortcomings in relation to asset management including the lack of an up to date asset management plan and the need for robust property data.
- 1.3 The Council has recently set up an asset management partnership with Norfolk Property Services, (NPS), which commenced on 1 April 2006. As part of the preparatory work undertaken to implement this change, the Council ran a series of strategic asset management workshops. The workshops included Members, senior officers and an NPS Director. One workshop dealt with the development of the asset management strategy and one to testing the strategy on a range of assets.
- 1.4 The strategy was reviewed by a range of officers including, senior management team, the asset management group and corporate management team. The results of these consultation exercises were used to refine the strategy.

## **2. CONTEXT**

- 2.1 Asset management has become a key focus for the assessment of the performance of local authorities and has been one of the recent beacon status themes. As part of the development of the strategy, officers attended a beacon event on asset management at Hertfordshire County Council which has recently become a beacon status authority.
- 2.2 Hertfordshire has undertaken a radical review of its assets focusing on the need to have assets that are fit for purpose and that can demonstrate a 21<sup>st</sup> Century reason for retention. This approach has enabled Hertfordshire to reshape its portfolio and free up capital for reinvestment in service delivery. The approach has grown out of the recognition that the portfolio has not been acquired on a systematic basis to meet defined service objectives. A key feature of the Hertfordshire approach is the close involvement of senior members in driving forward the new asset management regime.
- 2.3 Despite the fact that Hertfordshire is large County Council and Suffolk Coastal is a small District Council, there are many similarities in the asset management challenges facing both authorities. Suffolk Coastal also has a diverse portfolio inherited from predecessor authorities rather than one acquired to meet specific service delivery or corporate objectives.
- 2.4 The portfolio brings with it liabilities in terms of reactive and planned maintenance. The Council has limited resources available to meet its corporate and service objectives and it has an obligation to ensure that it uses these resources as effectively as it can. As part of ensuring the Council is making appropriate use of its resources, it is necessary to review the portfolio robustly to ensure resources are only being allocated to assets that make a contribution to the delivery of the corporate objectives. Assets that are not contributing to the delivery of these objectives should be disposed of. Disposal will either release capital receipts for re-investment in service delivery or pass assets to organisations better placed to manage and deliver wider community objectives through them.

### **3. KEY PRINCIPLES**

- 3.1 The asset management strategy and plan are attached as Appendix 1.
- 3.2 The strategy has adopted the Hertfordshire 21<sup>st</sup> Century principle and combined this with two other best practice principles to develop three key principles:
- (a) There must be a 21<sup>st</sup> Century reason for retaining an asset.
  - (b) The asset must make a positive contribution to service delivery.
  - (c) The asset must be fit for purpose.
- 3.3 The principles are expanded to ensure that assets are considered within the appropriate context. When considering the application of the 21<sup>st</sup> century reason for retaining an asset consideration would be given to the relevant corporate objectives. So an urban park for example would meet the 21<sup>st</sup> century test because it meets the corporate objective of providing access to leisure facilities. When considering the principle of positive contribution to service delivery, services provided by our partners, town and parish councils or the voluntary sector will form part of the assessment of the asset. When considering an asset that is part of a wider unit, for example a building in an open space the asset will be considered within that larger unit.
- 3.4 Assets that do not meet the principles identified in the strategy will be proposed for disposal. This will take a number of different forms depending on the nature of the asset and its current use. Options considered for assets highlighted for disposal will include alternative management arrangements as well as the sale of the assets.

### **4. RECOMMENDATION**

- 4.1 Cabinet is recommended to adopt the Asset Management Strategy and Plan.

## Asset Management Strategy and Plan

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### Document Control

Version	Circulation	Main changes	Date of issue
0.1	Tony Osmanski	Initial version.	01.03.06
0.2	SMT	Inclusion of asset management scorecard information. Inclusion of property cycle diagram.	06.03.06
0.3	SMT, Ray Herring, Robert Whiting	Inclusion of table of links to other strategies and plans. Inclusion of additional paragraph on revenue income and ownership. (1.4)	09.03.06
0.4	SMT, CMT, Asset Management Group, Robert Whiting, Ray Herring.	Integration of the Asset Management Plan. Further updates to table of links to other strategies. Inclusion of additional reference to dual streams of asset management, disposal and investment. Change to page numbering.	31.03.06
0.5	Cabinet	Additions to strategies and plans list. Incorporation of Asset Management Group amendments.	11.5.06
1.0	Public Domain	Inclusion of specific reference to quality of life in sections 2.1 and 5.2 (b). Completion of links to strategies and plans	26.05.06

### Links to other Council Strategies

<b>Strategy</b>	<b>Main links</b>
Capital Strategy	Capital programme investment in assets.
Medium Term Financial Strategy	Prudent management of assets to contribute to the delivery of the Medium Term Financial Strategy.
Local Development Framework	Use of land resources.
Playspace Strategy	Playspace funding through development.
Economic Development Strategy	Use of assets to facilitate economic development.
Housing Needs	Use of assets to meet local housing need.
LPSA	
LAA	Sets out the locality objectives
Corporate Plan	Sets out the corporate objectives.
Local Strategic Partnership	
Cultural Strategy	Use of assets to increase access to cultural provision.
Crime and Disorder Reduction Strategy	
Health & Safety Policy	The Workplace (Health, Safety & Welfare) Regs 1992 lay down requirements for space, ventilation, lighting etc. Other regulations that impact directly on our assets that cover asbestos, legionella, fire precautions etc.
Local Agenda 21 Charter	Sets out the Council's commitment to sustainability including water, waste, energy, land use etc.

### Links to other Council plans

<b>Plan</b>	<b>Main links</b>
Shoreline Management Plan	

## 1. INTRODUCTION

- 1.1 The Council has defined a set of simple principles that it will use to deliver strategic asset management in the future. These principles are set out in the Cabinet Reports dated 19 July 2005 and 7 February 2006. The principles are designed to guide decision making, to ensure that all stakeholders can understand the process by which assets are managed and to clearly demonstrate the processes by which decisions relating to assets are undertaken.
- 1.2 The aim of this strategy is to deliver a transparent and workable approach to strategic asset management that can be used to inform decision making and contribute to the delivery of the Council's corporate objectives. It will also help to ensure partners and various community groups have realistic expectations of the Council in relation to the use and management of Council assets.
- 1.3 It is essential that the Council manage its assets in a way that ensures value for money and that maximum benefit from the continued efficient and effective use of resources is gained from the portfolio. Maximum benefit is defined as the best financial and strategic outcomes that can be achieved at any given point in time. There are two streams to the review and rationalisation of the portfolio, disposal and investment. Disposal can encompass the sale or lease of assets to others as well as the development of alternative management arrangements. Investment can include purchasing assets to hold against future delivery of corporate objectives as well as purchasing assets to facilitate immediate service delivery.

- **Strategic outcomes**

Ensure that assets are held and used to deliver maximum benefit in terms of meeting the Council's strategic objectives. The strategic objectives are drawn from the corporate objectives established through the Corporate Plan and scorecard process. The Asset Management Partnership Scorecard for 06/07 will include the following elements:

- Property assets are used in line with corporate objectives
- Capital Programme delivered effectively & efficiently
- Capital income generation
- Return on Investment i.e. licences/leases
- Energy Management Strategy
- Annual Asset management Plan
- Data management

In terms of the efficient and effective management of property the diagram on Appendix 1 sets out the property management cycle.

Managing assets to deliver strategic objectives may include holding some assets against future needs, e.g. land held for development of affordable housing against future need or working jointly with partners to maximise the potential of assets e.g. using land for a community purpose until it is required for another use. Strategic outcomes can also be delivered by the sale or lease of an existing asset to fund the sale or lease of an asset more suited to the Council's service delivery needs.

- **Financial outcomes**

The Council is committed to prudent financial management and this includes the management of the asset portfolio. Maximising revenue and capital benefits from income and reducing liabilities from the disposal of properties that require extensive maintenance or do not generate sufficient income to cover the administrative costs of managing them is key to ensuring that assets are managed in accordance with the wider financial approach adopted by the council.

- 1.4 As part of the overall consideration of the portfolio it is important to assess the impact on the revenue income stream generated by the assets that a series of disposals will create. The cumulative effect of disposing of a number of properties generating a small amount of income needs to be considered to ensure adequate financial planning is undertaken to cover any shortfall in revenue income. The impact of becoming a tenant rather than a landlord should also be considered carefully as this will introduce new risks to the management and delivery of services as well as new flexibility.

## **2. DEFINING THE COUNCIL'S BUSINESS**

- 2.1 The Council has key role in providing Community leadership. It exists to provide or to enable the provision of services to the local community within a democratic context. The organisation's priorities are clearly set out in the corporate objectives and the promotion of "quality of life" is at the heart of the Council's values. These corporate objectives combined with statutory obligations to provide services define the council's business. Assets are only held to support the delivery of the corporate objectives and statutory services, they are not an end in themselves.
- 2.2 The Council aspires to work closely, and in partnership, with Towns and Parishes to ensure equity of service delivery across the District. The Council recognises the need to operate at a strategic, rather than parochial

level, in order to focus on corporate priorities. This is in effect recognition that that the Council cannot meet all of the aspirations of local residents and that Town and Parish Councils have a vital role to play in meeting these aspirations therefore needing to develop a suitable level of self sufficiency. Assets can play a key enabling role in service delivery, either through the transfer of assets to other bodies or through suitable management arrangements. It is not essential that the Council should continue to own or manage assets used to facilitate services provided in this way.

### 3. CATEGORISATION OF ASSETS

- 3.1 THE COUNCIL owns a portfolio that ranges from strategic holdings to local service specific holdings. The table below sets out the range of assets and where they are located on the strategic / local scale.
- 3.2 The location of an asset on this scale will help to define the appropriate options for management or ownership of the asset when it is reviewed. The Council acknowledges the need to combine Corporate and service reviews to define the future of certain categories of assets such as resort assets.

<b>Strategic</b>		<b>Local</b>
<hr style="border: 0.5px solid black;"/> <span style="display: inline-block; width: 100%; border-bottom: 1px solid black; position: relative; top: -5px;"> <span style="position: absolute; right: -10px; top: -5px;">▶</span> </span>		
Council HQ		Bus shelters
Leisure centres		Sports grounds / pavilions
TICs (keep under review)		Town civic buildings
Coast protection	Resort shelters	Play areas / skate parks
Major parks /gardens / open spaces	Allotment gardens	Public conveniences
Ufford Road depot		Cemeteries
Langer Road Reporting Centre		Local parks / gardens/ spaces/ village greens
Land held against future needs or plans		
Spa pavilion		
Car parks		
Chalets		

### 4. CRITERIA FOR RETENTION, DISPOSAL AND INVESTMENT

- 4.1 The Council does not believe that it is essential to own the assets used to deliver services, however the Council recognises the importance of prudent management of the assets in its care.

- 4.2 Key considerations when assessing whether assets should be retained or disposed of are the strategic and financial considerations referred to above. If following consideration of these principles the asset is identified as a potential disposal a consideration of the market for the particular kind of asset should be undertaken. If the asset is land for residential development and the housing market is sluggish the market for that asset will not be good and consideration needs to be given to retaining the asset until market conditions improve unless maintenance or management costs are prohibitive.
- 4.3 An asset can also be assessed against the whole cost of ownership over time. To assess an asset in this way it is necessary to understand the net return generated by the asset and to assess this against the required return. The required return will vary depending on the asset in question and the prevailing market at the time the assessment is conducted. Acceptable parameters can be expressed in terms of a given percentage return over base rate.
- 4.4 The contribution an asset makes to service delivery will be key consideration in identifying whether an asset should be retained or disposed of:
- (i) How essential is it that an asset is retained?
  - (ii) Is it unique?
  - (iii) Can it be replicated elsewhere?
  - (iv) What options are available for service delivery?
- 4.5 The Council wants to review the existing portfolio to ensure retained assets are appropriate to deliver the Council's corporate objectives and can be managed in a prudent financial way. To identify which assets should be retained the Council has identified the principles against which assets should be assessed. It is anticipated that this review of assets will also highlight areas in which the Council may wish to invest in assets to facilitate improved service delivery or to meet particular corporate objectives.

## **5. THE COUNCIL'S PRINCIPLES FOR ASSET MANAGEMENT**

- 5.1 The Council has defined a number of key principles that will guide strategic asset management in the future and against which all assets will be considered when the portfolio is reviewed. It is essential to review the portfolio to ensure that the Council only continues to hold those assets that are truly appropriate in terms of its strategic objectives. Holding other assets which do not contribute to the achievement of the strategic objectives requires resources be diverted to the maintenance and management of those assets which reduced the efficiency and effectiveness of the organisation as a whole.

5.2 These principles are an inter related group of measures which will all contribute to the evaluation of an asset and the decision as to whether or not that asset should be retained by the Council. The key principles identified are:

- There must be a 21<sup>st</sup> century reason for retaining an asset.
- The asset must make a positive contribution to service delivery.
- The asset must be fit for purpose.

**a) A 21<sup>st</sup> century reason for retaining an asset**

This principle is intended to encourage assets to be considered in dispassionate terms. It reflects the fact that the Council's portfolio has evolved over time and in many instances is not the result of considered reflection of the need to acquire the asset concerned. Just because an asset is part of the Council's portfolio it does not mean that the asset is a good fit with the organisation's strategic objectives now. An asset may be of architectural merit or interest but may be unsuitable for modern service delivery, it may be of historical interest but if it does not fit with the organisation's strategic objectives it is questionable whether the Council is the appropriate custodian for the asset.

It may be helpful in considering this principle to assess whether if the Council did not own the asset in question it would invest in that asset today. If the answer to this question is no, then it is likely that there is no 21<sup>st</sup> century reason for owning the asset.

**b) A positive contribution to service delivery**

This principle is intended to encourage consideration of whether the asset being reviewed makes a positive contribution to service delivery. For example, does the asset contribute to service delivery either by the Council, Town and Parish Councils or other agencies? This test should be considered in the widest possible sense to evaluate whether the asset contributes to the broader life of the community, for example through contribution to the quality of life of residents or visitors. While this may not be sufficient to build a case for retaining the asset it will help to ensure that appropriate management or ownership alternatives are considered if the asset is selected for disposal.

### **c) Fit for purpose**

This principle is designed to encourage consideration of whether this is the right asset for task assigned to it. For example, is the asset suitable for any services that the council is are trying to deliver from it? Is the asset in the right location for service delivery? Does the asset require disproportionate resources in terms of its maintenance? If the asset is used to generate income, is that income sufficient to resource the costs of owning the asset and yield an appropriate returns?

- 5.3 The asset should be considered against the three principles above and the results should be considered as a whole to determine whether or not an asset should be retained in the portfolio or whether it should be further considered for disposal.
- 5.4 When considering an asset it is also important to ensure that the correct unit is being considered. For example, a structure within a wider asset such as public open space needs to be considered as part of that open space. This will ensure the space is considered as a whole not just as an individual structure, so the local context of an asset will be a factor in determining the approach taken to evaluating the asset.
- 5.5 The Council will invest in assets if the asset meets the strategic objectives of the Council or if an asset is part of a long-term programme an identified scheme or is part of forward planning.

## **6. THE APPROACH TO THE MANAGEMENT OF ASSETS**

- 6.1 All assets must have their true market value identified whatever use the Council chooses to put them to. This is essential so that the organisation can take full account of the opportunity costs associated with any given course of action. The presumption is that the Council will seek to obtain full market value for the rental, lease or disposal of assets. It does not mean that the Council will never use assets to support wider community objectives at reduced returns, but it does ensure that the costs of these decisions will be transparent. The Council will be easily able to calculate the support given in kind as part of its accounting processes and changes in corporate priorities can be addressed by changes in the level of support in kind allocated.
- 6.2 In circumstances where the Council wishes to support projects with grants in kind, such as the use of premises at reduced costs, it is not intended to collect rent and repay this as a grant. The Council considers that this would be an ineffective use of resources, which would generate unnecessary administrative costs. Instead the Council will use other mechanisms, such as break clauses and rent reviews, in its agreement with tenants to ensure

that the Council can regularly review whether the support provided continues to meet the Council's strategic objectives. If this is not the case the Council will review the rental or lease terms of the asset and seek the full market value from the tenant.

6.3 The Council will assess applications for the lease, rental or disposal of assets on terms below the full market value using an agreed set of eligibility criteria. These criteria are based on the following principles:

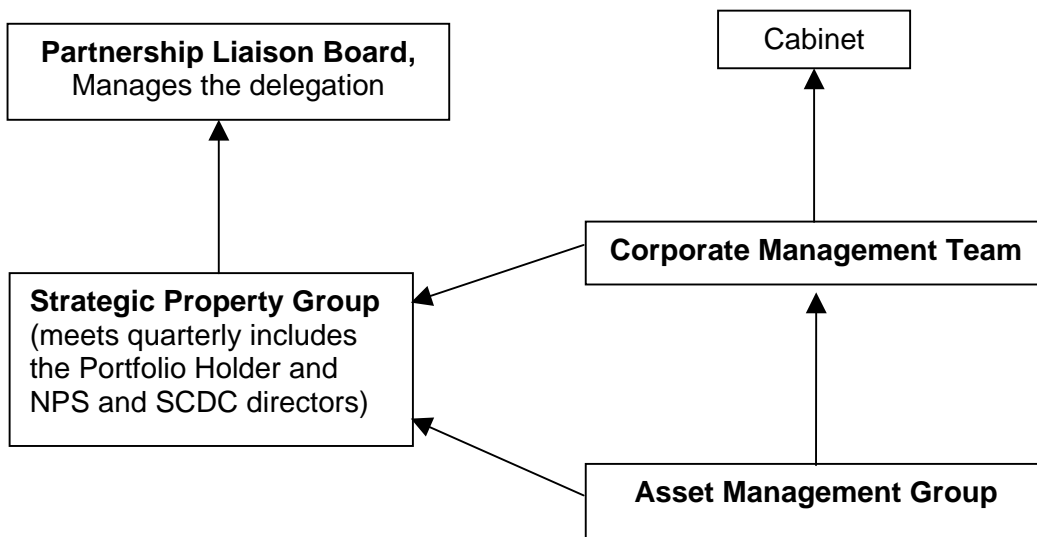
- (i) Does the project contribute to the delivery of one or more of the Corporate objectives?
- (ii) Are these Corporate objectives met in any other way in this locality?
- (iii) Does the project have a viable business case or other suitable means of demonstrating the benefits it will deliver?
- (iv) Is this dependent on Council support in kind?
- (v) Is the project linked to other service providers, locally or nationally?
- (vi) Can the project demonstrate compliance with requirements such as DDA; Every Child Matters etc. etc.?
- (vii) Are there alternative assets that could be used for service delivery?
- (viii) What is the opportunity cost for the Council and how else might this funding be used to deliver the same objectives?

## **7. DAY-TO-DAY SERVICE MANAGEMENT**

7.1 The Council's partner NPS will manage the Asset Management service on a day-to-day basis. NPS will prepare recommendations based on the asset management principles and eligibility criteria outlined above. The Council will review NPS's recommendations, and where appropriate Members will make the final decision relating to the use or retention of any asset.

7.2 The Council has a number of existing management mechanisms in place that will be used to facilitate the Corporate approach to the management of assets, these include Corporate Management Team, the Asset Management Group and the Strategic Property Group. The Strategic property Group will report to the Partnership Liaison Group every four months.

7.3 The governance for Asset Management can be represented by the following diagram:



## 8. PART TWO: THE ASSET MANAGEMENT PLAN

- 8.1 The asset management planning improves corporate asset use, ensuring that properties are held to meet corporate objectives, and that they are fit for that purpose. The Asset Management Plan (AMP) only covers property and is more limited in scope than the Capital Strategy.

### Governance and management arrangements

- 8.2 The balanced scorecard sets out the core aims deriving from each of the strategic themes in the Corporate Strategy and evaluates each from the point of view of identified perspectives. The six perspectives are:
- Serving our Community
  - Improving Customer Satisfaction
  - Funding for Future Success
  - Optimising Organisational Performance
  - Developing Our People
  - Effective Leadership
- 8.3 The new Asset Management Partnership has a scorecard for the integrated service being delivered in partnership with NPS. The AMP contains performance measures that require corporate rather than partnership ownership.
- 8.4 The governance arrangements for the new Asset Management partnership are set out in section 7.3 above. As part of these arrangements there will be a dedicated Asset Manager who will liaise with the Head of Customer

and Strategic Services. The Asset Manager and Head of Service will agree operational priorities with reference to the direction provided by the Strategic Property Group, the AMG, the Asset Management Strategy and Plan, corporate objectives and reactive service requirements.

- 8.5 The Portfolio Holder for Asset Management will report quarterly to the Partnership Liaison Board that oversees the whole of the delegation of which Asset Management is now a part.
- 8.6 The Asset Manager will also produce an annual property report setting out progress against agreed property performance indicators and agreed service priorities.
- 8.7 The Asset Management Group, (AMG), a cross-service forum of senior officers and will include the Partnership Asset Manager, the Head of Customer and Strategic Services and the appropriate Strategic Director. The role of AMG is still evolving, but its key role to provide the corporate perspective on the use of assets to deliver corporate objectives and the managing the capital programme. The AMG ensures benefits maximisation and realisation in the use of assets by balancing the range of corporate perspectives and translating these into recommendations.

#### **Links with other decision-making processes**

- 8.8 The asset management planning process is part of a wider corporate planning framework. The introduction of the Business Case Appraisal system ensures all capital projects, disposals and qualifying leases are considered against the same criteria. Effectiveness in delivering corporate objectives is considered as part of the process of approving the individual projects that make up the programme.

#### **Consultation**

- 8.9 In order to effectively manage assets for benefit of the community and to facilitate the delivery of corporate objectives the Council regularly consults with a wide range of stakeholders in reaching decisions on the future or current use of assets. The Council aims to ensure its consultation is:
- Representative – the views of those consulted represent the views of the wider community;
  - Reliable – the findings can be relied upon, within certain limits of confidence;
  - Sensitive to trends – changes over time are captured;
  - Actionable – can lead to changes or improvements.

### **Member Involvement**

- 8.10 The Portfolio Holder and Leader were directly involved in the development and testing of this strategy, in conjunction with officers and representatives of the new service provider, through a series of workshops. The workshops developed and refined the approach. The Cabinet Member with responsibility for Asset Management, plays an active role the service area and receives regular updates from the Head of Service.

### **Data Management**

- 8.11 Under the new service partnership the day-to-day management of property data will be handled by the new service provider, who will introduce an industry standard property management system. This system will be populated using address data from the National Land and Property Gazetteer, (NLPG). This will ensure integration between the Council's GIS system, which uses the NLPG UPRN references, and the Land Terrier system, which will shortly be introduced. The Council is undertaking the en bloc registration of its holdings with the Land Registry. This will provide further confidence in the accuracy of holdings and will streamline the processes associated with disposal or transfer of assets. A triangulation exercise to match data held in the GIS, Navision and Asset Management systems has been undertaken to validate the asset register. There is also a paper system which holds project details for assets as well as drawings, hazard information, key contacts, operation and maintenance manuals, emergency procedures and so on.

### **Condition Surveys**

- 8.12 The survey results were produced in May 2002 results of the surveys have been used to target repair and maintenance work on an on-going basis.
- 8.13 The condition survey also included an assessment of the health and safety aspects of any disrepair. The nature of the risk, the likely severity of the outcome and the likelihood of occurrence were all assessed and actioned.

## **Property References**

### **Data Sharing**

- 8.14 GIS, NLPG and other property data complies with the interoperability requirements and can be shared with a wide range of partners.

### **Performance Management and Monitoring**

- 8.15 The new partnership scorecard sets out the measures to be used for the Asset management service provision. These measures focus on the partnership arrangement and relate outcomes to the corporate objectives. The measures are set out in Appendix 2.

### **Service Asset Management Plans**

- 8.16 The use of Service Asset management Plans is no longer considered appropriate for the Council. The leisure service, a key service in terms of assets, is now provided through a partnership vehicle and the remaining portfolio is relatively small with most of the assets being non-operational. It is proposed instead to review the portfolio on a rolling basis and assess each asset against the corporate objectives as described in the Asset Management Strategy.
- 8.17 Proposals include the preparation of an Energy Policy for the Council, which will consolidate existing measures as well as introducing further improvements, monitoring of use and targets for the reduction of energy costs and consumption and increases in the use of green energy.

- 8.18 A number of local indicators will be produced. They are particularly relevant in terms of the suitability and sufficiency of the particular property for the intended purpose.
- 8.19 The Council is discussing the shared use of space with other local service providers across the range of operational buildings.
- 8.20 A number of performance indicators are in place to examine the delivery of estate services. The outcome, and targets for the future, will be included in the Annual Property Report.

### **Maintenance Backlog**

- 8.21 The council is actively reviewing the condition and maintenance requirements of its assets as part of the new partnership arrangements. This will ensure that the revenue and capital repair funding is deployed in the most effective way to maximise the benefits derived from the expenditure.

### **Programme and Plan Development and Implementation**

- 8.22 The AMP plays a pivotal role in the financial planning processes of the Council, acting as a conduit on property matters between the corporate and service objectives and the capital programme. For example, the level of capital receipts, which are reviewed as part of the asset management planning process, will influence the assumptions within the Capital Strategy on the level of capital resources available. The development of a disposals programme will improve the predictability of capital receipts throughout the financial year.

### **Programme Development**

- 8.23 The Capital Strategy details the process adopted by the Council for option assessment and project appraisal, this was last updated in 2005. Projects are assessed at AMG and recommendations for the Capital Programme put by that group to Corporate Management Team and on to Cabinet.
- 8.24 AMG is also responsible for monitoring and evaluating the performance of the Capital Programme, regularly monitoring progress of individual projects. A post-completion review is also undertaken, comparing outputs with original targets.

### **Property Review**

- 8.25 During 2006 – 2007 a rolling programme of review of the Council portfolio will commence. This review will identify assets that are either surplus to requirements or would be more appropriately held or managed by others. The review will also assess any shortfalls in suitable assets that are essential in delivering the agreed corporate objectives.

### **Maintenance Programme**

- 8.26 The capital and revenue maintenance programmes are part of the process of pro-active property management. Data on condition has informed the development of these programmes and the prioritisation of resources within the programmes.

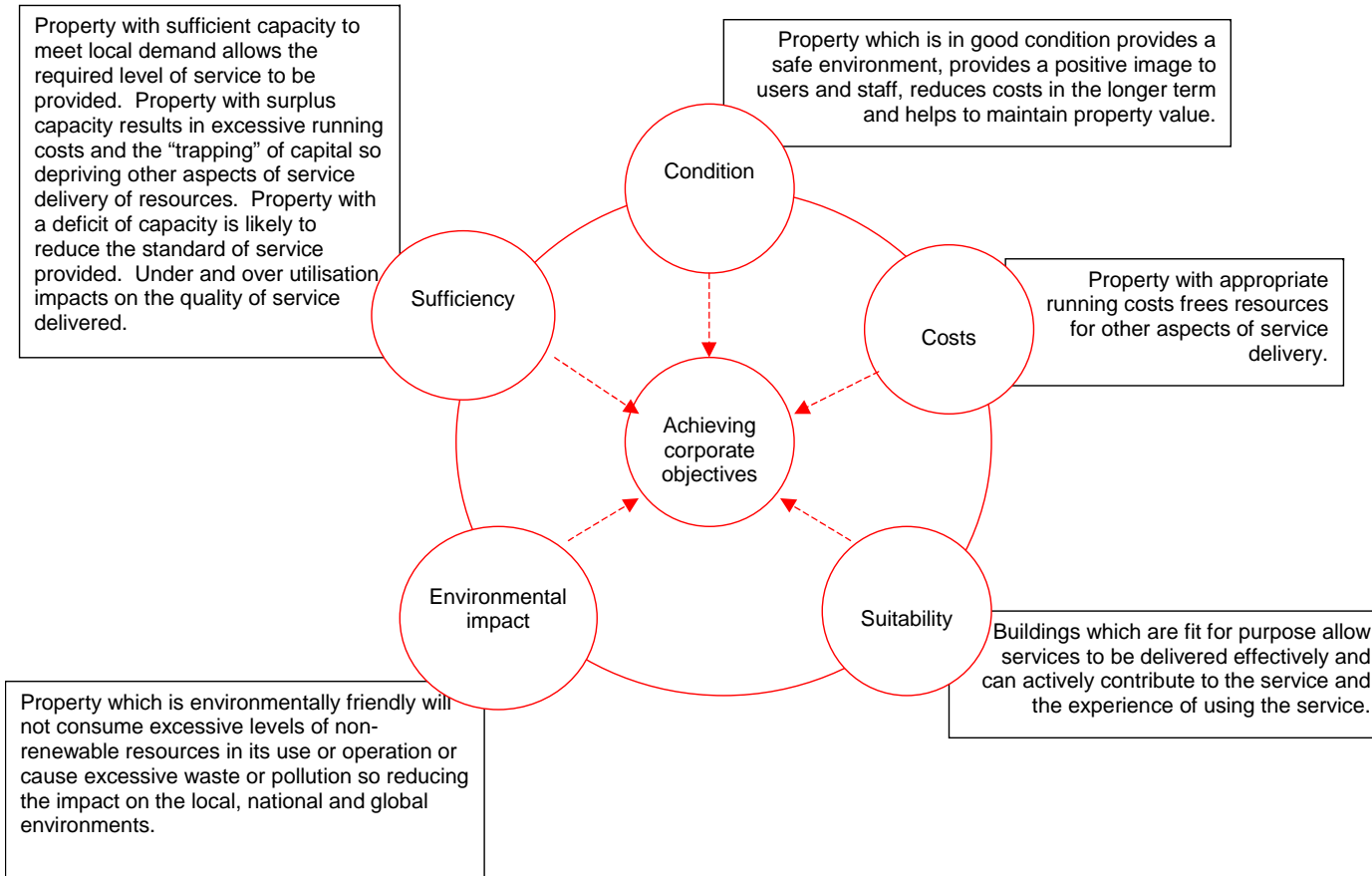
### **Performance Information**

- 8.27 Local property performance indicators are being developed and those that form part of the new service partnership are included in Appendix 2. Further property based performance information will be generated during the development of the partnership.

### **Benchmarking**

- 8.28 The Council is a member of the IPF Asset Management Forum and regularly attends and participates in events.
- 8.29 The Council has been a member of a benchmarking club for similar local authorities for five years. This authority is also a member of the National Best Value Benchmarking Scheme (NBVBS).

**Appendix 1 Suffolk Coastal Property Management Cycle**



## **Appendix 2      Property Performance Indicator Information**

### **Partnership score card indicators**

1. All properties assessed as per agreed programme.
2. Agreed properties disposed of to successfully generate maximum capital receipts or meet other council objectives
3. Work programme implemented as agreed.
4. Progress against the agreed programme / profile of income generation.
5. Log of potential income lost
6. % reduction in the net usable area per person year on year .
7. Number of sites completed by end 2006/7
8. % of people who think standard of repair is satisfactory or better
9. % of property assets at grade B or above
10. % of managed budgets spent
11. Total value of backlog maintenance based upon condition survey data
12. % of programme completed by end 2006/07
13. % completed by end 2006/07
14. % of surveys completed and management plans produced.
15. % annual change in consumption
16. %annual change in CO2 emissions