

Rutland
County Council

Corporate Asset Management Plan and Capital Strategy 2010 - 2013

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Introduction

- This Plan sets out the processes by which Rutland County Council manages its property assets and allocates capital resources to maximise their contribution to delivery of the Council's Strategic Objectives.
- This plan supersedes the Asset Management Plan 2007-10 and Capital Strategy 2007-10.
- It provides the context for the management of the assets and the linkage into the Council's Aims and Objectives, and states the processes that are in place to manage the property portfolio in accordance with these aims.
- It also seeks to identify the main issues and trends moving into the future and how these will be addressed

Key Conclusions

- The period of this plan will be very challenging for Local Government and efficient use of assets is essential
- Combining the Asset Management Plan and Capital Strategy has improved the focus of both, and over the plan period consideration will be given to extending this to Highways Asset Management
- During the plan period significant funds will have been invested in the county's schools, and this will be consolidated by clear asset management plans for each school to focus scarce resources in future years.
- Corporate property ownership is established and will continue to be reinforced during the plan period. Consideration will be given to charging for use of office space
- Improvements in data management will continue, using existing corporate systems
- Focus will be given to improved efficiency in the use of Corporate Buildings, both in rationalisation of space, and by reducing energy costs

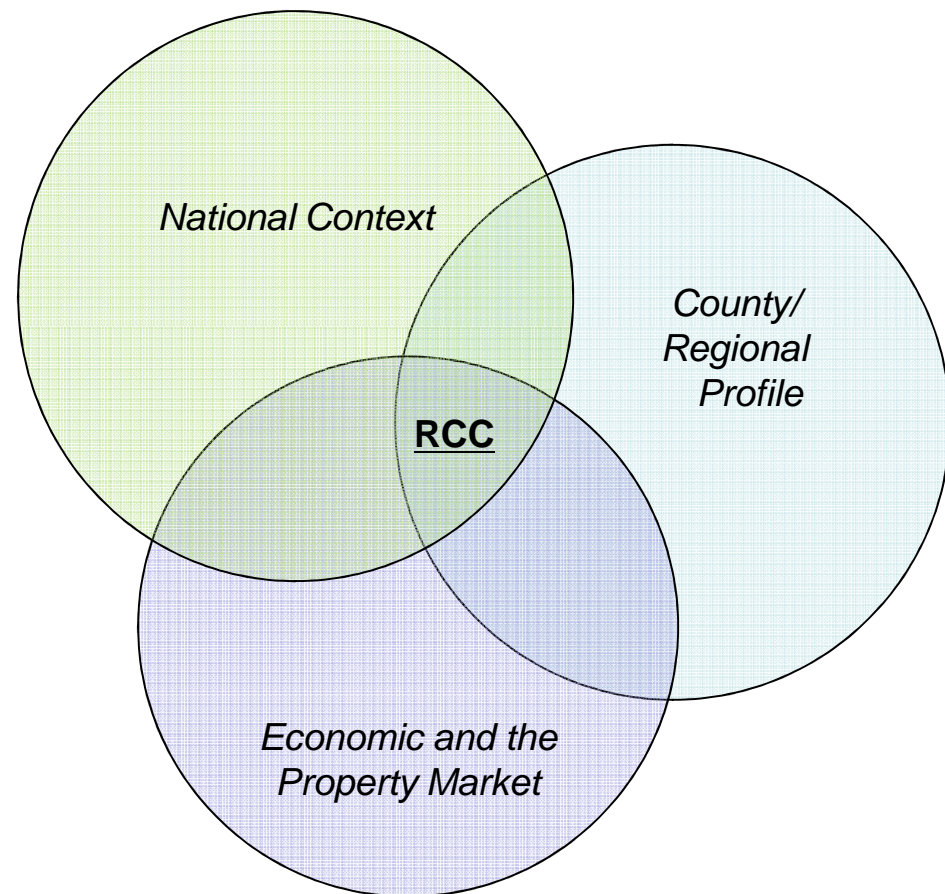
Asset and Capital decisions need to be made in context. The following pages set out the environment anticipated over the current plan period.

There are three main elements to this environment.

- National Context – immediately post general election with the formation of a new coalition administration

- Economic and Property Market – weak recovery from the recession of 2008/2009

- County/Regional Profile – context of the Rutland demographic and economy



- The general election in May 2010 returned a new administration and early indications are that this will bring significant changes in the policy context. What we know so far;

Economic

- Financial stability and tackling public debt will be the single most important issue for this government. In recent weeks the financial stability of a number of European governments has been called into question triggering harsh cutbacks in Greece, Spain and Portugal. The UK debt as a proportion of GDP is at a less critical point, but the markets are signalling an increasing propensity to act by alterations to credit ratings.
- Central government will be tackling public debt in the short term. £ 6bn public sector savings are due to be found in 2010/11 with significant further savings anticipated thereafter to tackle the £ 166bn public debt. This will reduce direct funding for local government – both ongoing revenue and access to capital. Council tax has been frozen for 1 year, with this may be extended to 2 years.
- Separation of economic forecasting from the Treasury and continued independence of the Bank of England
- There will be an emergency budget in June 2010 followed by a spending review in autumn 2010.
- Potential structural reforms to the banking industry – with separation of investment and retail banking more likely
- Measures will be put in place to promote financial stability and support business growth
- Capital gains tax due to rise for individuals and on second properties
- Councils to publish detail of any items of spending over £500, and tenders and contracts in full.

Other

- New independent schools in the state sector
- Five year fixed term parliament
- Review of long term affordability of state pensions
- Increased target for share of energy from renewable sources
- Regional Spatial Strategies will be abolished, returning decision-making powers on housing and planning to local councils
- Changes are planned in the planning system, but will not be one of the immediate priorities
- Regional Development Agencies likely to be replaced with Local Enterprise Partnerships

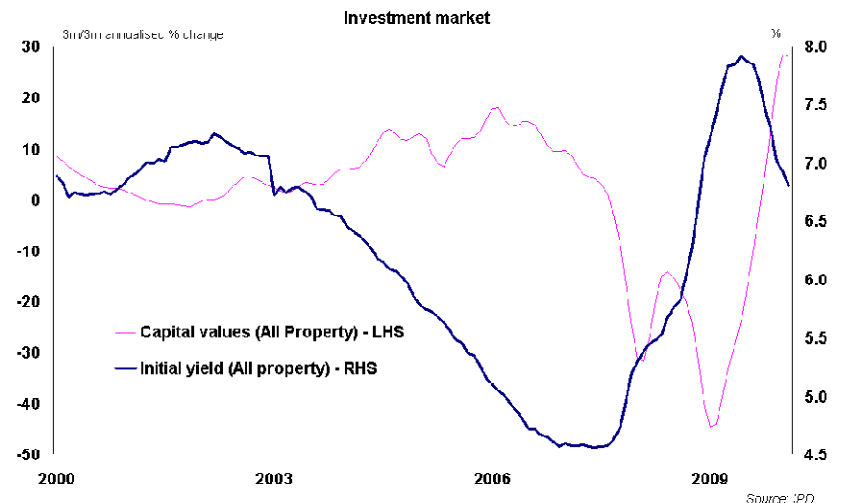
Economic Growth

The UK economy has recorded two consecutive quarters of weak economic growth, but GDP remains at 5.5% less than pre recession levels

Commercial property

- Commercial property rents appear to be stabilizing, with the February IPD¹ data showing rents falling by 0.1% on the month, the smallest drop since July 2008 when rents initially began to decline.
- Growth in capital values showed no signs of moderating during February; across all types of property, capital values are still increasing at around 28% on a three month on three month annualized basis. The sharp increase in capital values has been reflected in the drop in initial yields, which now stand at 6.81%, the lowest level since November 2008. The graph illustrates the trends in Values and yields from 2000 to date.
- The largest purchasers of UK commercial property in Q1 were institutions and overseas investors, who accounted for 37% and 31% of all purchases respectively. The weakness of sterling has increased the attractions of the UK market for foreign buyers.
- Commercial property values no longer look quite so compelling following the sharp drop in yields. However, in relation to bonds, real estate still appears an attractive proposition from a historical perspective.

Property Capital Values and Yields - 2000 to date



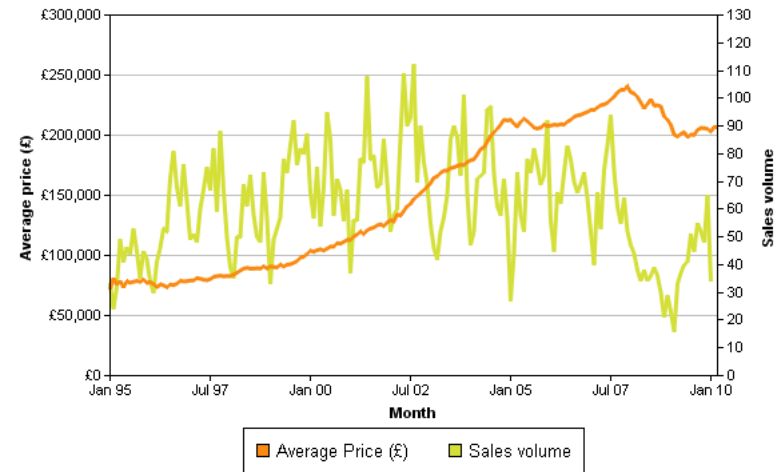
Construction Sector

- The modest recovery in Q3, 2009 has not been sustained in Q1 2010 with output slipping by 1%. As a result, construction output is now 14% below its Q1 2008 peak.
- The fall at the headline level was driven by an 8.5% decline in repair and maintenance work which makes up 43% of total output in the sector. However, new work which makes up the remainder encouragingly rose by 5.3%, the largest quarterly increase since 2003.
- Within the new work category, it is clear that public spending has been the key driver of construction activity and that new start activity is likely to be significantly reduced over the coming months. Output in private housing as well as the industrial and commercial sectors continues to fall sharply.

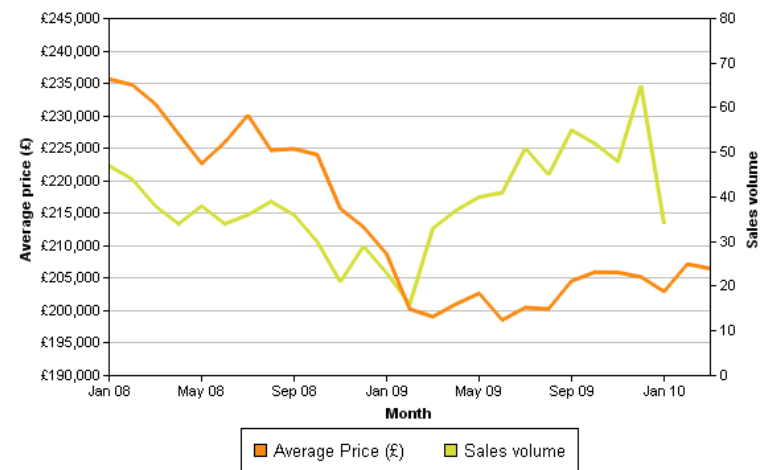
Housing Markets

- Mortgage interest rates remain exceptionally low by historical standards. Although low interest rates are supporting current home owners, house price affordability for first time buyers remains stretched relative to historical standards
- The Halifax House Price Index indicates that prices nationally increased by 0.6% in Quarter 1 2010. Annually house prices in Quarter 1 were 5.2% higher. The UK average price has returned to just above the level it was at in 2005 Quarter 3 (£166,141)
- The graphs indicate price and volume trends in Rutland over 15 and 2 year periods.

Rutland 15 year House price and Sales Volume



Rutland 2 year House price and Sales Volume



Area, population and characteristics of the Authority

- Rutland is England's smallest County. It has an area of 393 sq.km with an estimated population in 2007 of 38,400 ¹. The total number of households in 2006 was 15238 ².

Population

- Population in Rutland is forecast to rise steadily in future years to 49,200 by 2031 ³. However the growth is not consistent across age groups with the highest growth in the 65+ age group and the 20-49 age group staying almost the same.
- The wider East Midlands is forecast to have higher than average population growth and this may benefit some sectors within the Rutland economy, e.g. tourism and retail

Economy

- Rutland has good trunk road connections, The A1 and A47 pass through the county. Public transport is more restricted; there are rail links to Leicester, Birmingham, Peterborough and Cambridge; however, these are daytime services only. Bus services are restricted in the county due to the dispersed nature of the settlements making frequent services not viable.
- Despite the image of wealth and plenty, with many beautiful villages and homes and very low unemployment (0.8% in 2001 Census) there are issues of rural isolation and deprivation. The average house price in 2005 was £251,574, in the top ten highest priced areas nationally. In 2001 (Census information) 34.7% of households had an income of less than £20,000. Many jobs within the county are poorly paid, whilst many residents work in nearby urban centres such as Leicester, Peterborough and beyond, with long journeys daily. Only 2.5% of the resident population travel to work by public transport.
- The county houses 2 MOD bases and 2 prisons. In December 2009, the MoD announced the closure of the largest base in the County, RAF Cottesmore. The Council has taken a lead role with other Agencies in planning a response to this major change for the County. It is currently understood that the RAF housing will remain on the site.
- Most economic activity is within Oakham and Uppingham. Recent enquiries of local agents indicate a view that retail in Oakham remains resilient, with low vacancy levels compared to other towns. Vacant units are letting fairly quickly, and at higher levels than previous lettings. Rent levels have increased steadily over the last 5 years to £45-8 Zone A. Increases have levelled off recently, but have not decreased. Rentals in Melton are c £65 and Market Harborough and Stamford are £70 plus.
- The areas identified for development are in very few ownerships in both towns.

Other

- The statutory school population is currently 5392 and there are seventeen primary schools, three community colleges, one special school and one further education college. There are six independent schools; two well respected secondary schools, two primary schools and two special schools. Many schools are small, but still many children have a significant daily journey to school. Further information relating to educational issues is included in the key trends and issues below.

Sources

1. ONS – Mid year population estimate, 2007
2. Communities and Local Government – Dwelling Stock by Council tax band, 2006
3. ONS - 2006-based sub national population projections



The following are the key trends and issues that it is envisaged will impact on Asset Management planning during the plan period

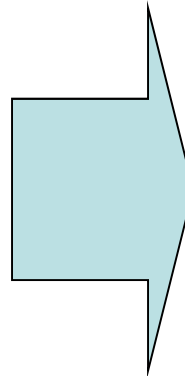
- **Funding.** Political changes and the economic climate will reduce both capital and revenue funding available this is likely to change both the service mix and the way in which we deliver services. Reduction of fixed costs and focused investment of available resources will be significant trends.
- There may also be a change in the emphasis from central government departments to local government in some service areas
- **Partnership working** – will continue to be vital to service delivery. This will include work with other public bodies, such as Police, Fire and Health. It will also include the Third Sector, and private organisations. This will impact on building requirements and possible increased shared use of assets
- The **East Midlands Property Alliance** (EMPA) is continuing to develop areas of collaborative working bringing new opportunities for purchasing expertise and construction works
- **Access to Services** Project – as this develops it may also lead to increased shared use of assets. Sharing of assets requires careful drafting of agreements, to ensure fair allocation of costs and risks, and to avoid disputes about type and hours of use.
- **Schools** – The three state secondary schools are all foundation status. Catmose Campus is being redeveloped and will be available for occupation from Q4 2010. Capital improvements are being made across the primary school portfolio through the Better Schools for All programme (BS4A) – which addresses both transformational learning and building condition, this includes the rebuild of the combined Oakham C of E primary and The Parks. Better Schools for all is due to complete by August 2011. Ongoing Asset Management Plans are to be developed with each school in the BS4A programme.
- Increased use of school premises is being encouraged by the extended services agenda, and the desire of schools to create income sources. Rutland County Council are developing a toolkit to assist schools in this and to support shared use of their sites.

The Objective for the management of the assets and the use of Capital is to enable the Council to deliver its Strategic Aims and Objectives efficiently.

Corporate Vision – Rutland is a great place to live, learn, work, play and visit

1. Creating a safer community for all
2. Increasing our cultural, sport and recreational offer
3. Protecting our rural environment
4. Maintaining high levels of employment and a thriving local economy
5. Promoting good health and wellbeing
6. Creating a brighter future for all
7. Improving Access to Services
8. Corporate improvement and efficiency

This plan is produced as a single cross cutting corporate document with team plans developed beneath it. Directors take responsibility for cross cutting themes



Asset Management and Capital planning:

Key themes to enable delivery of the plan

- Managing the balance of assets, capital and condition
- Providing the right accommodation for the Council to deliver its services
- Managing the property asset base to ensure revenue and capital receipts are available
- Using land and property to assist regeneration and economic development
- Improving access to facilities for customers and partners
- Ensuring projects are delivered to time, cost and quality

Plan Theme	Significant Asset & Capital Contribution
Creating a safer community for all	<ul style="list-style-type: none"> •Highways Capital Programme
Increasing our Cultural, Sport and Recreational Offer	<ul style="list-style-type: none"> •Improvement schemes to play areas at Ketton and Whissendine •New sports facilities and management contract at Catmose Campus •Hydro therapy facility at Oakham C of E/ Parks rebuild
Protecting our rural environment	<ul style="list-style-type: none"> •Achieve corporate targets for CO2 reduction through the delivery of energy efficiency projects in our buildings •Support transfer of community assets to parishes and other local bodies where appropriate
Maintaining high levels of employment and a thriving local economy	<ul style="list-style-type: none"> •Manage the Ashwell business units to support business start up and economic growth •Support an Access to Work project based in Oakham library and the community hub at Catmose Campus •Develop and deliver town centre public realm improvements in Oakham
Promoting good health and wellbeing	<ul style="list-style-type: none"> •Ensure the new community facilities at Catmose Campus are fully inclusive to all sectors of the community and encourage excellent community access
Creating Brighter Future for All	<ul style="list-style-type: none"> •Delivery of schools redevelopments at Catmose College, Oakham C of E and The Parks •Delivery of new adult learning and Visions facilities at Catmose Campus •Structured programme of capital investment at all primary schools addressing a combination of transformational learning and condition •Delivery of a new Post 16 facility for Rutland Students, including temporary provision whilst new facilities are built
Improving Access to Services	<ul style="list-style-type: none"> •Delivery of housing site at Ashwell depot with mix of affordable and market units •Delivery of existing Catmose College site for housing with mix of affordable and market units (via the Development agreement for Catmose Campus) •Housing stock transfer to Spire Homes completed in 2009 to improve investment and management in the stock
Corporate Aims	<ul style="list-style-type: none"> •Improve efficiency of operation estate by introducing new working practices and reducing overall occupation

Purpose and Aims

The Capital Strategy outlines the Council's approach to capital investment and is fundamental to the Council's financial planning framework. The purpose of the Capital Strategy is:

- To ensure capital expenditure contributes to the achievement of the Council's Strategic Aims and Objectives.
- To deliver a capital programme that is affordable and sustainable
- To maximise the use of resources and achieve Value for Money
- To provide a clear framework for decisions relating to capital expenditure
- To establish a corporate approach to generating capital resources through the review of surplus property and land.

Capital Programme 2010/11 to 2014/15

- The current capital programme was agreed by Council on 22 February 2010 as part of the 2010/11 budget and updated by Cabinet on 18 May 2010 to reflect slippage brought forward from 2009/10.
- The 5 year capital programme is an indicative programme based on known funding allocations and planned capital investment. Funding allocations are added to the capital programme but are not approved for expenditure until a capital scheme is approved, as set out below.

Rutland's Approach to Prioritising Capital Investment

- The Capital Strategy Group oversees the compilation of the Authority's Capital Programme. The terms of reference of this group are shown at Appendix B.
- All potential capital schemes are subject to a detailed appraisal and there are 3 routes for a scheme to be included in the capital programme:

1. Schemes Funded by Government Allocations

For the following allocations, there is separate prioritisation process to the one described above:

- **Schools Capital Programme** – Currently investment is being made in the Counties Primary Schools, using funding from the Primary Capital programme. This Strategy is known locally as Better Schools For All (BS4A). Funding has been allocated in accordance with the bid document. It involves some work to all schools, and the rebuilding of Oakham CoE Primary School, incorporating the Parks. As part of the approval process, all schools will work with Property Services to review their Asset Management Plans to ensure that subsequent funding is used effectively to address any continued asset requirements. Catmose College, one of the Counties 3 secondary Schools is currently being rebuilt.

It is unclear what funding will be available in the future for schools. However, there is a process to prioritise any funding allocations. Schools are requested to bid for funds in a specified format, to provide potential projects ranked in their priority order to address 'statutory obligations' and property related 'priorities & aspirations', as outlined in the school development plan. These are then scored by Property Services and CYP, using a scoring system that seeks to measure service and premises improvement, use of resource and recognizes the schools focus. Projects are then ranked and those scoring the highest are allocated available funding.

- **Local Transport Plan (LTP)** – The Council is allocated resources for capital expenditure in respect of Capital Maintenance and Integrated Transport in support of the objectives set out in the LTP.

Capital Maintenance schemes are prioritised using data derived from technical surveys, which measures visual and profile defects and deflectograph surveys which measures carriageway strength. These are supplemented by regular visual surveys to record surfacing defects. The programme is directed towards maintaining those roads that carry the most traffic in a good standard of repair, though other parts of the road network will require maintenance as a result of general deterioration over time.

It is envisaged that a more efficient and effective forward maintenance programme will be an outcome following the completion of the Transport Asset Management Plan.

Integrated Transport Schemes are prioritised according to the Benefit to Cost Ratio (BCR) calculated for the scheme.

2. Schemes Attracting External Funding

Schemes attracting full or partial external funding or schemes which are self financing can be referred to the Capital Strategy Group for consideration at any time. This also includes schemes funded from Supported Borrowing (SCE(R)). These schemes are appraised to ensure that they still meet the Strategic Aims of the Council and are a good use of resources. These schemes are considered as part of the Investment Plan process outlined below.

The Council is selective in the bids it makes for external funding by ensuring consistency with Strategic Aims and Objectives.



3. Capital Investment Plan

The Capital Investment Plan is compiled through a bid process. Service Managers complete a Capital Project Appraisal Form, from which an option appraisal of each bid is undertaken, in particular assessing the costs, benefits, advantages and disadvantages of each scheme and their contribution to the Council's Strategic Aims and Objectives. The capital project appraisal form is shown at Appendix C.

There are 3 stages of appraisal before a scheme is included in the capital programme:

- Service Managers complete and submit an appraisal form to the Capital Strategy Group, where it will be scored and prioritised.
- The Investment Plan will be considered by Strategic Management Board (SMB) and a recommendation made to Cabinet on which schemes should go into the Capital Programme.
- Cabinet consider the Investment Plan and the options available to fund the plan.

For schemes within the Investment Plan that have no funding identified, the Council has the following options:

- **Use of capital receipts** – a capital receipt is an amount of money exceeding £10,000 which is generated from the sale of an asset. The need to generate capital receipts is a fundamental part of the asset management plan. Rationalisation of assets has benefits such as reducing revenue costs relating to those assets and it also releases assets for disposal. Capital receipts will be an important funding source for capital programme over the period of this strategy.
The Council's policy is to treat all capital receipts as a corporate resource, enabling investment to be directed towards the schemes with the highest corporate priority.
The timing and value of assets sales is the most volatile element of funding therefore the Capital Strategy Group closely monitors progress on asset sales.
- **Borrowing** – The Council seek to minimise the level of borrowing required to finance capital expenditure by maximising grants and contributions and ensuring that any surplus assets are sold.
Under the Prudential Code the Council can decide how much they borrow to fund the capital programme, provided that it is affordable, sustainable and prudent and does not breach the Prudential Indicators approved annually by the Council.
- **Revenue Funding** – Opportunities to fund capital expenditure directly from the general fund revenue budget are limited but can be used on an ad hoc basis to finance schemes.



- **Monitoring of the Capital Programme**

All procedures relating to the management of the capital programme are set out in the Council's Financial Regulations. The following summarises the key controls:

- All capital expenditure must be carried out in accordance with financial regulations and contract procedure rules
- The expenditure must comply with the statutory definition of 'capital purposes' as interpreted in guidance issued by the Director of Corporate Services.
- All schemes must be approved by Cabinet via the procedures outlined in this document. Officers are not authorised to commit expenditure without prior formal approval.
- Each scheme must be under the control of a nominated project manager

The Finance Team issue Financial Monitoring Reports to Project Managers on a monthly basis. Project Managers are required to submit a forecast back to Finance within 5 days of receiving the report.

The capital programme is reported to Strategic Management Board each month and quarterly reports are presented to Cabinet as part of the performance monitoring framework.

- **Post Implementation Reviews (PIR)**

Where schemes have a value of £50,000 and over, a Post Implementation Review must be completed and reported to Cabinet. This should be done within 3 months of the scheme completing.

The PIR allows the project to be assessed against its intended outcomes, examine any cost variances and enables the Council to identify best practice or learn lessons from the management of the project. The template for the format of the PIR is included at Appendix D

What Assets Does RCC have and how are decisions made?

Valuation and Categorisation

- The Council's has a limited asset base, largely focused around highways, operational delivery sites and community assets (see appendix A for details). Highways assets will be covered by the Highways Asset Management Plan.
- All assets are categorised in accordance with the CIPFA classifications. They are managed, and accounted for, in accordance with these classes, and to ensure they maximise their contribution to service delivery.
- CIPFA guidance provides for different methods of valuation for each category of asset. Many of these are not based on market value. In order that RCC can make decisions about the opportunity cost of holding assets open market valuations are also undertaken on many assets.
- In addition to the 5 year cyclical asset valuations RCC undertakes specific valuations to inform feasibility work

Record management

- All property is now registered with the land registry, with the exception of the schools. The assets are all mapped on the corporate mapping system. This project included a review of all title documentation.
- Discussions have been undertaken with the Diocese of Peterborough who have interests at 10 of the schools. They are not currently in a position to register their land, however, boundaries are being agreed between us, based on the documentation held by both parties. RCC will then register its interest in accordance with that agreement. The remaining schools will also be registered at the same time. This will be completed by 31st March 2011.
- The asset register has been transferred to Agresso following an audit by the Estate Surveyor and Corporate Accountant to ensure all assets are captured accurately. Testing of the data in the system is outstanding, but has been delayed by Year End and development of the HR part of the system. This work will be finalised by September 2010. Work is now required to use Agresso to store a wider range of asset information and this will be undertaken during 2010/11.

Decision Making

- Finance and assets/ Property sit within the portfolio of the Deputy Leader.
- A Capital Strategy Group has overall responsibility for recommending decisions on use and generation of capital (via assets, borrowing, grants or other sources).
- All decisions regarding borrowing, and acquisition & disposal of land are taken at Full Council following a recommendation from Cabinet.
- All assets are corporately owned and managed by the Asset Management and Property Services Team
- The asset and capital plan is written following the development of the Strategic Delivery Plan to ensure assets and capital investment are aligned to achieving the outcomes in the plan

Type of Property	No. of Properties 2010	Asset Values 2010
Admin Buildings	5	£2,761,924
Civic Amenity Sites	3	£0
Cemeteries and Churchyards	15	£140,551
Car Parks	10	£490,135
Childrens Service	3	n/a
Council Dwellings	0	n/a
Depots	3	£250,150
Economic Development - Business Units	2	£223,620
Former HRA	25	£41,950
Investment	1	£410,000
Libraries	4	£772,397
Museum Buildings	3	£2,854,041
Play Areas and playing Fields	4	£4,256
Public conveniences	4	£144,804
Pumping Station	1	£24,880
Schools	21	£7,032,807
Social Services	5	£406,135
Other	7	£40,574
Assets held for disposal	1	£1,500,000
Grand Total		£17,098,224

Lease renewals and rent reviews

- These are managed by the Estate Surveyor, but external agents are used where required e.g. where the limited scale of the authority mean that is required to access suitable comparable evidence.
- Management of Pit Lane, Ketton and the Ashwell Business units are undertaken by the Property team.
- Rental income is included on the detailed summary of assets and strategy in Appendix A
- The table below schedules the key lease expiries and events that will impact on rental income or expenditure

Premises	Landlord	Tenant	Commencement Date	Expiry Date	Comment
Oakham (Eureka)	William Scott Murray	RCC	1.3.2008	28.2.2011	Activity will move to "Big Build" Lease; will not be renewed.
40a Oakham (Jules)	Weight/ Green etc [Charity Trustees]	Assigned to RCC by Connexions	30.11.2004	29.11.2024	Peppercorn
Units 1-6 Station Approach, Oakham	Trustees of Footitts Roofing Supplies Limited Pension Scheme	RCC	1.10.2002	30.9.2012	If activities can be moved into other freehold assets will be a rental saving
Pinewood, 1 Cold Overton Road, Oakham	RCC	Spire Homes (LG) Limited	09.11.2009	08.11.2012	Indications are that Spire may not wish to retain the lease on this building. The income could be retained by letting to another tenant. The current rent is unlikely to be increased greatly.
Victoria Hall, Oakham	Trustees of Victoria Hall	RCC	1.4.2008	31.3.2011	If activities can be moved into other freehold assets will be a rental saving
Pit Lane, Ketton, Phase 2	RCC (as head lessee, freehold Castle Cement)	Graham Caistor	19.3.2001	3.11.2112	The tenant holds a groundlease, having invested in the development of the units in Phase 2. He currently pays a rental and a balancing payment, but this ceases in 2012 and reverts to a nominal ground rent
Cottesmore CA site	Cannon Nominees Ltd	RCC	13.02.2009	12.02.2029	
Morcott CA site	Tom Gilman Farms Ltd	RCC	25.03.2005	24.03.2026	

Acquisitions and Disposals

At present the Council has no identified requirements to purchase new land and buildings. It is likely that projects during the course of this plan will generate either a requirement to acquire or dispose of land. Land acquisition will be undertaken if it is required for a capital build scheme or if it can add value to an existing County Council asset. Decisions on land acquisition will be made at Full Council during the plan period.

There are three sites which are likely to be disposed of during the current period;

- Barleythorpe Hall and associated grounds

- Ashwell depot (part only)

- The Parks/ day centre

The disposal route and requirements will differ from site to site and will balance corporate objectives with maximising the capital receipt. Decision on land disposal will be made by Full Council during the plan period

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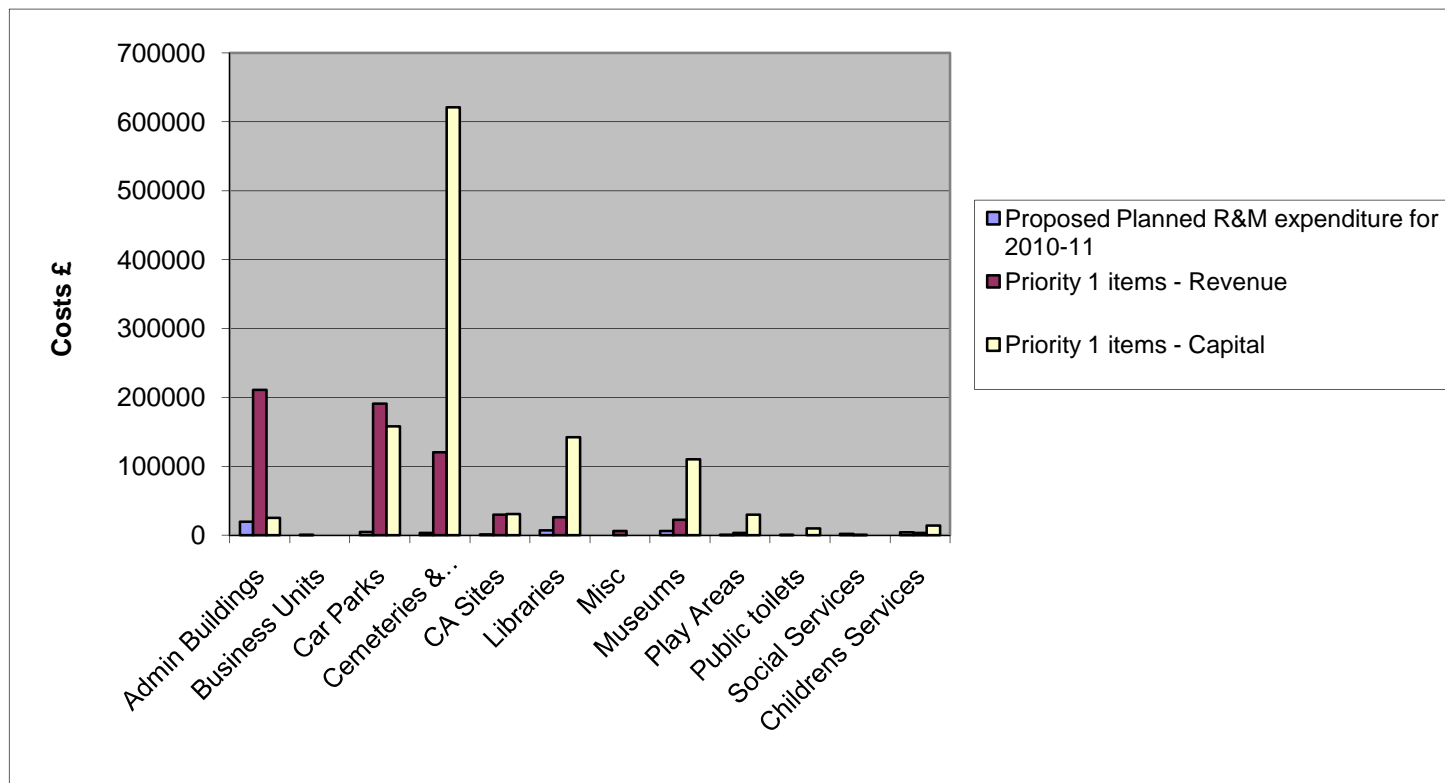
Appeals have been lodged against the 2005 Valuations and a review of the need to appeal the 2010 valuations is in progress.

Insurance

The Property and Finance teams work closely to ensure accurate insurance of the asset base. Information is provided annually by Property to ensure accurate building valuations can be prepared. The property team assist whenever required to reject claims where possible, providing accurate ownership information, witness statements about maintenance/ inspections etc.

Planned and Reactive Maintenance

- Condition Surveys are undertaken on a five year rolling programme
- Appendix E details the revenue work planned for each asset for 2010. It also indicates the works that have been identified from Condition Surveys as Priority 1 and identifies these as capital or revenue i.e. These are the most pressing items of work either to maintain service delivery, protect the future of the built asset or comply with statutory requirements.
- The central maintenance budget will be spent on the planned works, and then works to repair vandalism or reactive works that are required during the year. Any remaining will be used for the priority 1 revenue items identified. Where there is a shortfall a risk assessment will be undertaken and the most urgent works will be prioritised with the remainder carried forward to future years.
- Bids will be made for works requiring capital funds.



Service Level Agreements (SLA)

- Property Services maintain the administrative buildings in accordance with a corporate SLA. The first was prepared in Spring 2009, and this is currently being reviewed.
- A SLA is also offered to all primary schools to provide a property maintenance service. The majority of schools buy back this service. Ten have confirmed so far this year, and the remainder are awaiting decisions from their Governing Bodies for 2010/11. Typically four of the schools do not buy back the service
- The priorities and service standards are common to both agreements and a service desk has been introduced to enable a more efficient service and to enable performance monitoring.
- Both SLA's include customer feedback forms, although the corporate agreement requires some further work in this area.

Service Desk

- Introduced in September 2009, it logs all requests for maintenance works. It seeks to aid improvement in customer liaison and enable measurement of performance against the standards in the SLA's.

Procurement of Building and Design Work

- All building and design work is procured in accordance with the Council's Standing orders, and also the recently approved Construction Procurement Policy
- All works over £10,000 in value are now procured using the East Midlands Property Alliance Framework. All contractors are also required to be Constructionline and CHAS registered, to ensure that they are financially sound and competent.
- Local contractors are supported, and work is underway to implement the policy and encourage existing and new local suppliers to register as required.
- **Focus for development work during the plan period is** improved reporting and financial management, especially in relation to schools budgets.

Energy Management

- Display Energy Certificates are in place for all buildings requiring them.
- Carbon reduction projects are a priority within the prioritisation of maintenance projects. During 2009/10 and 2010/11 additional £50,000k of regional efficiency partnership funding is being invested in energy reduction projects.
- The results on energy usage are being monitored and will be reported on during the plan period. Initial data indicates that the introduction of Power Perfector in Catmose has already reduced electricity usage by 10.7%,
- A programme of installation of Smart Metering is underway for both gas and electricity, for all buildings. This will allow more accurate billing and monitoring of usage and support carbon reduction
- The ongoing focus of the carbon management plan will be climate change mitigation measures. Risk assessments have been drafted as part of a regional programme.

Project Management

- Improved documentation has been introduced during 2009/10, and this is used for all project work across the team. This includes revised Project Briefs (short form and detailed, dependant on the complexity of the project), a Project Review and a central Project List for all revenue and Capital Projects.
- This has improved clarity of delivery against client requirements and available budget, reporting abilities and also management of staff resources.
- This will be reviewed during 2010/11 to assess whether it has improved project management within the team. Customer feedback will be sought.

Statutory Inspections

The following inspections and regimes are undertaken:

- **Asbestos** – Specialist Contractors have provided Asbestos Surveys for all premises and these are held centrally, with a copy at each property as well. The team are all aware of the register and check it whenever work is carried out. The Facilities Manager is responsible for the Asbestos Register and is involved whenever asbestos is removed. Removal is undertaken whenever feasible, when works are undertaken in the vicinity of asbestos.
- **Water Hygiene Risk Assessments** – are in place for all premises and improvement and monitoring takes place in accordance with their recommendations.
- **Radon Testing** - Specialist Contractors have tested samples from all premises. Additional testing was requested for a limited number of premises and this has been done. Remedial work has been completed where required. The final works required are in part of the ground floor of Catmose Cottage and these are planned for August 2010.
- **Portable Appliance Testing** – is carried out annually.
- **Fixed Electrical Testing** – these are required five yearly and are being undertaken on a rolling programme
- **Disability Audits** - a number of disability audits have been undertaken, all premises now comply with the Disability Discrimination Act, but further improvements are considered when any works are undertaken
- **Fire Risk Assessments** - these are currently being undertaken by the Councils Health and Safety Advisor. Assistance is provided by the Property Service Team where structural information is required. Any works identified are then undertaken as required
- **Fire evacuation testing** – a programme of tests is now in place for all administrative buildings, each being tested six monthly. Property Services assist the Health and Safety Advisor, in monitoring and observing evacuations and also in providing blockages for evacuation routes, to simulate a fire in the building. Any works identified are then undertaken as required

Health and Safety

- The Council have a statutory duty to ensure that contractors, visitors and occupants of buildings remain safe.
- Responsibilities for Health and Safety are set out in the Corporate Safety Policy, Part B – Organisation, and Part C Safety Arrangements
- The Head of Asset Management and Property Services is a member of the Joint Safety Committee
- The Building team have all attended an series of underpinning safety training, based on Managing Safely and Safety in Construction, organised by EEF at Barleythorpe Training Centre.
- The team has an ongoing Safety Action Plan to improve performance.

Performance Management

- All Property Service outputs included in the forthcoming Service Delivery Plans will be included in the Council's performance management tool, TEN, as local targets
- The SLA's establish targets for the completion of repair requests. These are agreed with customers and work is underway to improve the Service Desk processes to enable monitoring and reporting against these targets. This will be in place during 2010/ 2011.

Efficiency in Office buildings

- Feasibility work has been commissioned to explore how it may be possible to reduce the cost of operational buildings by changing working patterns and the link between individuals and specific desks.
- As well as reducing space required, the outputs will also focus on management improvements and cross cutting service delivery and reduction of exposure to maintenance liability
- There will be pilot schemes on new working arrangements during the remainder of 2010, building on our existing track record of developing homeworkers and office sharing
- Changing the way we work will offer the potential to exit from expensive leasehold buildings and may present opportunities to share space with partners.

Depots

- New waste management and landscaping contracts have enabled the vacation of the depot at Ashwell, with the contractors using their own depots. This has been used for the development of workspace to encourage new businesses within the County, using EMDA funding
- It is proposed to limit the area used for the winter maintenance depot in the remainder of the site at Ashwell to allow the surplus to be sold for housing, including affordable units.

Efficiency and cost allocation

- Although some internal charges are made to reflect use of corporate assets by departments, additional work will be considered, to ensure that these drive decision making about efficiency and cost of overheads



- The plan is due to be revised in 2013
- It will be kept under review on an annual basis
- Six monthly asset management updates will be made to Scrutiny and Cabinet. Specific issues will be the subject of individual reporting