

ASSET MANAGEMENT PLAN

SUMMARY

- 1.1 Council Cabinet on 12 April 2011 approved the adoption of an updated Asset Management Plan and authorised the Chief Executive in consultation with the Leader of the Council to make amendments to the Asset Management Plan following consideration of comments by this Commission.

RECOMMENDATION

- 2.1 To consider and comment on the Asset Management Plan attached to this Report.

REASONS FOR RECOMMENDATION

- 3.1 Council Cabinet resolved to seek comments from this commission on the Asset Management Plan.

SUPPORTING INFORMATION

- 4.1 The attached report gives the background as presented to Cabinet and the Asset Management plan is included at appendix 2 to that report

OTHER OPTIONS CONSIDERED

- 5.1 None as the resolution was to follow this course of action.

This report has been approved by the following officers:

Legal officer	Stuart Leslie
Financial officer	Various, principally Nicola Goodacre
Human Resources officer	N/A
Service Director(s)	Various
Other(s)	Officers from across the authority

For more information contact:	Name 01332 643337 e-mail steve.meynell@derby.gov.uk
Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – 12 April Cabinet report including Corporate Asset Management Plan

IMPLICATIONS

Financial and Value for Money

- 1.1 The plan attached to the report at Appendix 2 outlines the need to maximise the Council's properties in consideration of the capital programme requirements, as well as ensuring surplus properties are identified and disposed of in a timely and efficient manner to obtain the maximum proceeds to help fund future investments.

Legal

- 2.1 None.

Personnel

- 3.1 The plan attached to the report at Appendix 2 recognises the current staffing context.

Equalities Impact

- 4.1 These considerations are referred to within the appropriate section of the plan attached to the report at Appendix 2.

Health and Safety

- 5.1 These considerations are referred to within the appropriate section of the plan attached to the report at Appendix 2.

Environmental Sustainability

- 6.1 These considerations are referred to within the appropriate section of the plan attached at Appendix 2.

Asset Management

- 7.1 This report is focussed upon Asset Management.

Risk Management

- 8.1 These considerations are referred to within the appropriate section of the plan attached at Appendix 2.

Corporate objectives and priorities for change

- 9.1 The Corporate Asset Management Plan underpins all of these.



DERBY CITY COUNCIL

COUNCIL CABINET
12 April 2011

Report of the Chief Executive

ITEM XX

ASSET MANAGEMENT PLAN

SUMMARY

- 1.1 This report seeks approval to the adoption of an updated Asset Management Plan.

RECOMMENDATION

- 2.1 To adopt the Asset Management Plan attached to this Report.
- 2.2 To authorise the Chief Executive in consultation with the Leader of the Council to make amendments to the Asset Management Plan following consideration of comments by the Scrutiny Management Commission.
- 2.3 To promote the principles of asset management planning across the Council.

REASONS FOR RECOMMENDATION

- 3.1 To assist in our aim to develop a lean and well planned property portfolio that enhances service delivery and meets the corporate priorities and objectives of the Council.

SUPPORTING INFORMATION

- 4.1 Strategic asset management has been defined as 'the activity that seeks to align the asset base with the organisation's corporate goals and objectives. It ensures that the land and buildings asset base of an organisation is optimally structured in the best corporate interest of the organisation concerned' (quote from Royal Institution of Chartered Surveyors).

- 4.2 Our last Corporate Asset Management Plan was produced to cover the period 2007-2010. Accordingly it is in need of replacement in any event, but this is needed especially because 'in the current tight fiscal climate, effective and efficient asset management is a key element in the drive to improve service delivery and achieve efficiency gains' (quote from Communities and Local Government). CLG guidance also states that 'effective asset management plays a major role in delivering better outcomes for citizens, creating a sense of place and generating efficiency gains. Asset management should underpin, and contribute to, delivery of the local vision and priorities as set out in the Sustainable Community Strategy, the Local Area Agreement and the Local Development Framework.'
- 4.3 As our in-house Asset Manager left in late 2010 and because we were able to take advantage of capacity available within our fee arrangements with our external auditors, this draft has been produced with assistance from Grant Thornton, following input from relevant officers across several Departments. This plan follows best practice from Beacon authorities.

OTHER OPTIONS CONSIDERED

- 5.1 Communities and Local Government has produced a Local Authority Asset Management Framework for Councils 'to bring together key policies and influences that shape local authority asset management.' We are required to produce a current Corporate Asset Management Plan as part of this process.

This report has been approved by the following officers:

Legal officer	Stuart Leslie
Financial officer	Various, principally Nicola Goodacre
Human Resources officer	N/A
Service Director(s)	Various
Other(s)	Officers from across the authority

For more information contact:	Name 01332 643330 e-mail jim.olford@derby.gov.uk
Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – Corporate Asset Management Plan

IMPLICATIONS

Financial and Value for Money

- 1.1 The plan attached at Appendix 2 outlines the need to maximise the Council's properties in consideration of the capital programme requirements, as well as ensuring surplus properties are identified and disposed of in a timely and efficient manner to obtain the maximum proceeds to help fund future investments.

Legal

- 2.1 None.

Personnel

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Corporate objectives and priorities for change

- 9.1 The Corporate Asset Management Plan underpins all of these.



DERBY CITY COUNCIL

Asset Management Plan 2011-14

1 Foreword

Communities and Local Government require all Councils 'to bring together key policies and influences that shape local authority asset management'. We must produce our Corporate Asset Management Plan as part of this process.

Strategic asset management has been defined as '*seeking to align the asset base with the organisation's corporate goals and objectives to ensure that the land and buildings asset base of an organisation is optimally structured in the best corporate interest of the organisation concerned*'. This Asset Management Plan recognises that effective and efficient asset management is a key element in the drive to improve service delivery and achieve efficiency gains in the current challenging financial climate.

There is much happening within the public sector which impacts on Asset Management. The guiding principles of the Localism Bill, the Big Society and Climate Change targets, along with fundamental changes in the education and health sectors, need to be addressed within the context of scarce capital and revenue resources.

Asset management will assist us in delivering the vision and priorities of our Community Strategy, the Local Area Agreement and the Local Development Framework. Our Plan is designed to provide effective asset management to play a major role in delivering better outcomes for our citizens, generating efficiency gains and creating a sense of place. This will assist us in our aim to develop a lean and well planned property portfolio that enhances service delivery and meets the corporate priorities and objectives of the Council.



Harvey Jennings
Leader of Derby City Council

*Cllr Harvey Jennings, the Leader of the Council
(with responsibility for corporate policies and strategies,
overall corporate strategic co-ordination and leadership)*

2 Introduction

We recognise that asset management is of fundamental importance, and as such, are committed to its success. This Corporate Asset Management Plan (CAMP) is based on current arrangements and provides the link between the Council's overall priorities and the resources available to deliver them. The quality, condition, suitability and sustainability of property assets have a significant impact on the quality of services delivered.

Some of the benefits we recognise as a result of a strong asset management plan include:

- increased pride of citizens
- potential increase in funds for investment
- empowerment of communities
- cost reduction
- closer link between asset management and objectives.

We take the following into consideration when considering our asset portfolio:

- Derby's demographic profile: Derby has a population of approximately 224,000 from a diverse range of ethnic groups, the implications of which we need to understand in relation to resource allocation. The majority of people use Council owned property for a variety of different purposes. We need to understand those requirements
- understanding and acting on the Council's priorities, aiming to ensure that these are reflected in asset management
- the impact of changes in the economic landscape; in particular the Comprehensive Spending Review (CSR) has resulted in a 45% cut in the capital allocations which are likely to be made available to local authorities
- the implications for the 'Big Society' on how we deliver services, for example by ensuring that opportunities for groups such as volunteer organisations to run public services are provided

3 Asset Strategy

The Derby Plan (launch date April 2011) is the new long term, overarching plan to improve the quality of life in Derby through to 2026. This has been developed through the Derby City Partnership which is a well-established local strategic partnership and is responsible for setting the vision for Derby based on local needs and partner organisations' existing plans and strategies. It is a voluntary alliance with over 250 organisations being represented, from both public and private sector. We have developed the long term aims, underpinning this plan through consultation with partners. Further information on the Derby Plan can be found on the Derby City Partnership website <http://www.derbycitypartnership.co.uk/>

Supporting the Derby Plan is the Corporate Plan 2011-14. This document sets out our objectives and identifies specific actions that we will take to achieve these, together with performance measures that we will monitor to show our progress. The agreed outcomes in the Plan are as follows:

All people in Derby will enjoy:

- a thriving, sustainable economy
- achieving their learning potential
- good health and well being
- being safe and feeling safe
- a strong community
- an active cultural life
- good quality services that meet local needs
- a skilled and motivated workforce.

Our department business plans, service plans and ultimately individual objectives contain the detail explaining how we will support the outcomes highlighted in this plan. In particular, department business plans also highlight the asset management implications of specific objectives and projects.

The Capital strategy is the Council's overarching strategy for all areas of capital spend, covering property, highways and council housing stock. It is aligned to the Corporate Plan and sets out the criteria for programme development which is approved annually. We focus capital and revenue investment on delivering the priorities derived from the strategic objectives and follow corporate guidelines in relation to procurement, such as undertaking options appraisals. The main focus of capital investment over the medium term is to support to the Council's priorities within the context of challenging capital allocations. For example, we aim to contribute to reducing the impact of climate change in Derby which has implications for decision-making in relation to energy efficiency of buildings.

Corporate prioritisation of capital spend requires the following:

- all capital programmes must have business cases which justify the spend
- all assets are to be maintained to at least a basic standard
- maintenance should be avoided on empty properties
- due to funding for capital projects being restricted within a landscape of expenditure cuts, schemes which are at least partly self-financing are most likely to succeed.

The likely capital requirements for the next three years are detailed in the individual asset plans for each department (the Area Reviews). Project appraisal is undertaken for each item. Bids are considered by the Strategic Asset Management Group (SAMG) against detailed evaluation criteria, which enable projects to be prioritised both by service and corporately, and allow the programme to be developed. The prioritised bids are discussed and scrutinised by the Chief Officer Group and Scrutiny Commission before being submitted to Cabinet for consideration and approval. This year the resources available were the Single Capital Pot allocations from central government which were non ring fenced funding and therefore available for all of the Council's priorities. The process also enables the identification of resource shortfalls, in which case alternative sources of funding are sought, or other ways of mitigating the issue while still keeping the building operational.

However, due to the impact of CSR, our main aim is to rationalise the property portfolio which will have the effect of reducing the amount spent on repairs, 'sweat' assets and will generate capital receipts from the disposal of surplus land and property. One area we are reviewing in this context is operational properties, especially those deemed unsuitable for modern service delivery, and/or are currently under-utilised or could be released by delivering services in another way. By disposing of unfit and surplus property, together with reinvesting in modernisation, we expect the portfolio will gradually become more fit for purpose.

The Capital strategy states that most receipts from asset disposals are paid into a central fund which is then allocated in line with Council priorities on the basis of a single capital pot. Departments are given an equal and fair opportunity to bid for capital. Following disposal of surplus properties, the service area concerned benefits directly from the revenue savings.

The capital programme planning process is the means by which we implement the Capital strategy. For 2010/11 the capital programme has been developed using the following methodology:

- assessing the current programme to include all schemes that are contractually committed which will continue into 2011/12. These schemes have been automatically included in the 2011/12 - 2013/14 programme
- identifying schemes which are not contractually committed but have identified funding for them. These schemes have formed part of a scrutiny process at Chief Officer Group to determine which schemes will go ahead and which will be aborted

- identifying unallocated funding streams which have not been allocated to schemes and have non ring fenced funding available. These schemes have also been part of the COG scrutiny process to identify funding that may be either saved or made available to fund other schemes
- re-phasing of the Council's priority projects
- submission of departmental bids against the Single Capital Pot allocations
- allocation of a percentage of the Single Capital for Education and Transport as well as a top slice given for planned maintenance (including community centres).

The Property strategy identifies the strategic aims relating specifically to property, which primarily is to achieve a lean and well planned property portfolio that enhances service delivery and meets the Corporate priorities. We do this by:

- challenging use and ownership
- rationalising the portfolio
- considering climate change
- reducing the maintenance backlog
- mitigating risk
- considering sustainability
- ensuring efficiency and economy.

Our action plans form the delivery vehicle for the strategy, for example planned disposals with details of expected capital receipts. Progress on outcomes is reviewed at the Corporate Asset Management Group (CAMG).

4 Asset Management

The maintenance strategy is the mechanism by which all maintenance requirements are prioritised. Day to day management of operational properties is controlled by the occupying department with assistance and advice from the Asset Management division. Most non-operational property is held corporately and managed directly by the Asset Management division.

The objectives of the maintenance strategy are:

- to ensure that property related risks are effectively managed, including those relating to health and safety and legislative requirements
- to ensure that building assets are adequately maintained
- to accurately identify the extent of the maintenance backlog and to improve the condition of buildings to an appropriate level and so reduce this
- to ensure that the available budget is spent on the highest priority needs across all services
- to ensure the most effective use of maintenance resources to at least meet the widely accepted benchmark of 65% planned, 35% reactive maintenance spend.

We undertake condition surveys on a five yearly rolling programme to identify the maintenance requirements and prioritise them. Intrusive surveys are undertaken at the same time to identify structural issues which could otherwise go undetected. Where structural problems are discovered these are addressed by taking immediate action to make safe and the remedial works are then prioritised within the capital or planned maintenance programmes.

The Buildings at Risk team undertake regular monitoring to ensure that identified structural defects are dealt with when they deteriorate to a point of being unsafe. They follow this up by monitoring subsequent measures to make the buildings safe and to ensure that they remain so.

Reactive (Day-to-Day) maintenance is generally limited to addressing building related health and safety issues or urgent work which would cause the building or parts of it to become inoperable. This includes keeping buildings wind and water tight and secure.

Term maintenance contracts deliver the minimum legislative compliance requirements in relation to:

- Asbestos
- Water Hygiene
- Gas
- Electricity

Fire risk assessments have been undertaken as required by The Regulatory Reform (Fire Safety) Order 2005. These have identified significant levels of work to upgrade fire precaution works and implement management of the

building assets. This area will continue to be a high priority area for funding project work and staff resources to deal with these issues.

There is a maintenance backlog of approximately £100 million as at February 2011. This figure excludes the following:

- Council house backlogs
- asbestos removal
- fire precaution works
- buildings at risk repairs
- electrical and mechanical maintenance backlogs

The main reasons for the level of backlog are that there has been high building industry inflation, more intrusive surveys are being carried out and the continuing deterioration of the building stock. There were unfunded, urgent, priority projects to the value of approximately £1.5 million in 2010/11 with a further £1.2 million in 2011/12.

The current maintenance strategy, by necessity, deals only with high priority works to keep properties safe and operational.

The backlog is being tackled as follows:

- prioritised spending of the repairs and maintenance budget in accordance with the maintenance strategy
- planned maintenance, including additional funding through prudential borrowing and corporate reserves
- consideration of all sources of funding
- rationalisation of under-utilised assets
- partnership working - sharing accommodation and other initiatives which reduce the amount of property required to deliver services
- asset transfers where community groups are able to access external funding not available to the Council.

Significant maintenance and all new developments are subject to formal application and justifying expenditure which includes option appraisal. More robust option appraisals are carried out for proposals where CPG officers have expressed any concerns about the proposal, which could include high levels of funding, suitability concerns or service issues. Wherever possible, appraisals are led and sponsored by the service department with support from Property Maintenance. Service managers and users contribute to the process and views of other stakeholders invited if appropriate. Documentation such as condition surveys and review programmes are used to inform decisions.

For smaller schemes, this feeds into the planned maintenance programme for the initial assessment by the Property Maintenance Team Leaders Group and then consideration by CPG. Larger schemes which require funding from the capital programme will be subject to the formal or informal option appraisal, subsequent capital bids and external funding bids where appropriate. The capital programme process has this year for the first time included a top slice of funding for corporate property maintenance for the next three years and

was therefore not subject to the normal bidding process. The application process looks at whether external funding opportunities have been considered (schemes which are generally scored more highly). The external funding unit looks strategically at the availability of such funding and works with Property Officers and services to maximise opportunities.

The asset management agenda has been further enhanced as all reports now contain a compulsory clause requiring approval from Estates on property related proposals before referral to Cabinet.

We are currently undertaking a major property review to establish the exact nature, current use and condition of our property stock. The review requires a comprehensive survey to identify buildings which have:

- functional obsolescence
- a significant maintenance backlog
- over and under usage
- opportunities for service and partnership co-location
- service underperformance derived from property related issues.

Further opportunities for disposal of property will arise from this review, in addition to opportunities for better utilisation of space and improved sustainability, all of which will improve the efficiency of our asset base. We may also dispose of property if we are approached speculatively from a third party. All properties identified as potentially surplus are taken to CAMG for consideration and, if not already considered, are then referred to Estates for option appraisal.

We are currently reviewing our policies in relation to disposals and a new co-ordinated policy will be referred to CAMG for approval in due course.

Roles and Responsibilities

Members and Officers

The Leader of the Council is the Cabinet Member with responsibility for Asset Management. Effective engagement at this level is critical for the success of asset management. This occurs at three levels:

- strategic leadership by the property portfolio holder
- positive role for scrutiny by elected members
- involvement of back bench elected members

Estates

The role of the Estates team is to ensure the Council is making the best possible use of its assets to ensure delivery is maximised. It does this by conducting the following key tasks:

- maintaining a central list of assets comprising the estate
- managing acquisitions and disposals
- maintaining condition surveys
- identifying opportunities e.g. external funding/partnering
- managing performance.

The team provides asset management advice and support to all services both on a day to day basis and in service reviews. The department is seen as an enabler and as service requirements change so do property needs. The service therefore has to identify its service drivers and needs, then asset management can work with the service on reviewing and identifying their property requirements. Thematic reviews as well as area reviews will be used. The success of this approach will be measurable by both reduced revenue costs, numbers of properties and enhanced service delivery.

The Strategic Corporate Asset Management Group (CAMG)

CAMG is attended by the CPO and senior officers from Property Services, Finance and departments. Under the guidance of the CPO the role of CAMG is the strategic management of the Council's property assets, including:

- development of property strategy and strategic decision making
- instigating, receiving and approving plans and policies
- monitoring CMAP actions, outcomes and performance

The asset management agenda has been further enhanced as all reports now contain a compulsory clause requiring approval from Estates on property related proposals before referral to Cabinet.

Corporate Property Group (CPG)

CPG is attended by key Estates and Property Maintenance Officers and Departmental Property Officers and deals with the more detailed issues including:

- plan and policy development and implementation
- decision making at operational level
- capital and planned maintenance prioritisation
- performance management.

Stakeholder Involvement

Consultation is an important method of identifying issues on a timely basis. The main interface with the public is through the 'Your City Your Say' website, which enables the public to give feedback on initiatives and plans to influence how services are developed and delivered. Additional consultation is carried out through the Derby Pointer Citizens Panel, Diversity Forums and specific consultation with both young and older people.

Partnership-Orientated Neighbourhood Forums and Neighbourhood Boards are now in place. These provide an opportunity to prioritise the local issues that residents and partner agencies are raising. Forums will also develop action plans and a community engagement plan. Neighbourhood planning workshops and dedicated neighbourhood managers are now working on formal neighbourhood profiles. These profiles can be used as a tool for service providers and communities to exchange ideas about potential developments, new approaches to service delivery and a framework for action. Property officers are involved to ensure that property implications are considered and that opportunities for property - to help drive these changes - are maximised.

5 Status of Existing Portfolio

Our portfolio comprises a diverse range of properties. The table below outlines the assets currently held, by category. A programme of disposals is under way to reduce the property portfolio, given changing accommodation requirements, funding cuts and the requirement to maximise capital receipts. These assets are prepared for sale and taken forward by our retained property agents.

Corporate Offices	11
Libraries	16
Museums	3
Parks	13
Sports Centres	4
Swimming Pools	3
Golf Courses	2
Car Parks	17
Cemeteries	6
Disused Burial Grounds	11
Allotments	17
Adult Residential Homes	7
Children's Homes	5
Adult Learning	3
Secondary Schools	13
Primary Schools	39
Junior Schools	16
Infants Schools	18
Nursery	9
Special Schools	6
Youth Centres	6
Total	225

An asset register is maintained with all properties being valued on a five year rolling programme, together with properties that have materially changed since the last valuation also being revalued. As at 31 March 2010 fixed assets were presented in the balance sheet as follows:

Asset Type	£ 000
Council dwellings	509,465
Other land and buildings	449,427
Vehicles, plant, furniture and equipment	9,545
Infrastructure assets	112,098
Community assets	16,180
Investment properties	38,350
Assets under construction	23,349
Surplus assets held for disposal	18,498

We have identified over £12 million worth of assets that are no longer operational or will become so over the next three year period. These are under review as potential assets for sale and subject to option appraisal, assessment and consultation which may lead to their market disposal at the appropriate time.

Within this process assets are released or disposed as follows:

- secure capital that is earmarked in support specific planned new Council projects, or
- secure receipts to support other core priorities (capital bidding): or
- will not generate market value capital receipts on disposal in certain circumstances because they will provide enhanced wellbeing, economic regeneration, social housing or other benefits to fit approved Council strategies.

Over the last year certain disposals did not secure capital receipts but they support our strategic plans and the 'Big Society'. For example, the new extra care homes (ECH) planned at Mackworth, on the former Council homes for older people at Arthur Neal and Lois Ellis which are to be delivered across the City. These are being developed by 'not for profit' registered housing providers and the Council has to waive receipts to secure match £2million HCA public grant support.

A similar approach is happening at Grange Avenue where part of the former schools site will be developed for ECH. In addition, plans are nearing completion to redevelop two former housing complexes in Alvaston and Spondon under a PFI external provider scheme where also the market value of the assets was waived.

Often when a Council owned property is closed, there is a call for it to be used for community purposes. We currently have 16 buildings let to community organisations at peppercorn rents but maintained by us. This provides a good service for some sections of the local community but we are aware that there may be insufficient demand for these facilities to justify the cost, nor sufficient funding to maintain these services. In some cases we need to review whether or not it is better to dispose of such buildings and re-invest in alternative community provision. However, the Extended Schools Programme is developing the use of school buildings for community use. This has the benefit of 'sweating' these assets.

Other examples of assets being used in line with the 'Big Society' agenda include the Roundhouse Complex which has been sold to Derby College for a nominal charge. This is part of a joint strategy to attract funding from various sources to bring these listed buildings into use to service local community needs.

Most of the Council's surplus assets are often in poor condition but some do offer opportunities to stimulate regeneration. These can be significant in bringing forward major proposals such as the CastleWard Plan, which will benefit the city centre and enhance its investment profile. We intend to develop this area and encourage participation going forward.

As the Council looks at its future service profile, more assets will be identified as potentially surplus. At the appropriate point these will be reviewed and options considered, usually leading to disposal generating capital and revenue savings as future liabilities are transferred.

During the last year we have brought to the market a number of assets; some of which remain unsold, are under offer or sales have been completed, including both small and larger value assets. £800k receipts were received by end of December 2010 from completed transactions (see appendix). A number of transactions are 'under offer' approved by Cabinet and moving through the legal, planning or consent stages, which will generate a further £4.6 million, though some of these are phased payments. These include the former Merrill Upper School and former Sunnyhill and Normanton Junior schools sites.

A number of disposals have been arranged, whilst not generating receipts, but bringing other benefits for Adult Extra Care Homes and Social Housing services. Investment of over £40 million is expected to happen during 2011/12, although subject to final closure, which should be matched by £3million HCA funding to equate to our non-receipts. The Council is also investing a further £3million from its capital borrowings or reserves to support these being delivered by external registered providers.

Current market conditions remain unattractive and values have fallen considerably over the last few years. Demand has contracted and transactions are taking longer and become more risky due to impact of these conditions and a continuing shortage of loan funding for the private sector. This matched to the contraction in public funds, means market conditions will continue to be difficult and there is a potential over supply of key sites emerging. The Council will need to balance raising capital against avoiding swamping the market. It will work closely with other public sector partners through Derby Property Alliance to try and ensure a measure of co-operation on major disposal issues too.

6 Performance Management

Performance measures and benchmarking are used to describe and evaluate how the Council's asset base contributes to the achievement of corporate and service objectives, including improvement priorities. A large number of performance indicators are currently produced, following the National Indicator set. However, these are under review and a new suite of indicators is being considered, which will provide more meaningful data than currently achieved.

Derby City Council is part of the Octopus Group. This is a benchmarking group comprising eight similar sized authorities which meets quarterly to compare performance. It is also a forum for sharing good practice and ways of dealing with current issues in property management. The group reviews issues concerning suitability, occupancy, efficiency and carbon reduction. The National Property Performance Indicators (NaPPMI) are used by the group to measure results.

The NaPPMI indicator set is recommended by Government as a robust means of comparing performance levels in the area of asset management. There are seven sets of property indicators from which councils select those most appropriate for its circumstances. These are:

1. condition and required maintenance
2. environmental measures
3. suitability
4. access to public buildings
5. sufficiency of office space
6. spend on property costs
7. time and cost predictability on new projects.

The fixed asset register maintained by Finance is being updated and when complete, will enable more robust data and consequently more meaningful conclusions to be drawn from benchmarking comparisons. In parallel with this, the asset review currently being undertaken is considering the suitability of buildings for their use as well as updating condition surveys. This will also strengthen the Council's knowledge of its asset base and potential use.

The Derby Property Alliance also has an agenda for partnership working between public bodies led by the Council seeking opportunities for the rationalisation and shared use of existing assets across the City.

Part 1 Derby City Council Assets Disposals 2010/11
(assets in italics completed in FY, others approved but not yet completed)

Asset location	Type and area	Status	Other comments	Capital Receipt
<i>71/73 Rosehill Street, Derby</i>	<i>Former offices 4,500 sq ft</i>	<i>Sale completed April 2010</i>	<i>Building was locally listed</i>	<i>£300,000</i>
<i>Grayling Street</i>	<i>Ex garage units 0.3 acre</i>	<i>Lease completed for new social homes scheme</i>	<i>99 year lease on peppercorn with HCA funded scheme</i>	Zero receipt because MV waiver to ensure HCA grant
<i>135 Green Lane</i>	<i>Former residential investment</i>	<i>Sold by auction September 2010</i>	<i>Sold with VP in need of repairs and upgrading</i>	<i>£116,000</i>
<i>89/91 Porter Road</i>	<i>Pair of terraced villas former adult care use total 2,000 sq ft</i>	<i>Sold by auction October 2010</i>	<i>In need of improvement</i>	<i>£160,000</i>
<i>64 Birdcage Walk</i>	<i>Former adult care day centre 2,000 sq ft</i>	<i>Sold by PT completed December 2010</i>	<i>In need of improvement</i>	<i>£152,500</i>
<i>Plot at Loudon Street</i>	<i>Small single plot 220m</i>	<i>Sold by auction December 2010</i>		<i>£20,500</i>
<i>Plot at Borrowfield Road Spondon</i>	<i>400m but constrained by below ground water services</i>	<i>Sold by auction December 2010</i>		<i>£15,000</i>
<i>Plot at Belgrave Street</i>	<i>Single plot 260m</i>	<i>Sold by auction December 2010</i>		<i>£22,500</i>
Total				£786k as at 2/2/2011
Former Merrill Upper School Site. Jubilee Ave, Shelton Lock	Former school site of 5 acres	Cabinet approval to sale exchange of contracts took place in December 2010 but sale not completed until March 2011 after Judicial review period expires.	Future use subject to planning for new residential homes scheme and POS.	
Former Sunnyhill Infant and Normanton Junior School sites	8.6 acres with residential potential and POS requirement	Cabinet approval to sale in two parts subject to DfE approval to sale of ex play field and planning	S77 application to DfE in consultation phase decision due summer 2010 then planning due to be submitted in spring 2010.	

Former Rocket Public House Site, Scarborough Rise , Breadsall Hill	Former pub, sale of merged lease and freehold 0.6 acre site	Cabinet approval pending exchange of contracts	Closed pub scope for demolition and new homes	
Darley Park Former Stables and Bake House	Semi derelict listed building complex 6,000 sq ft	Marketed now at short list stage with Public Private Partnership for restoration	Subject to bid reviews and investment support by DCC.	
Allestree Hall	Semi derelict listed building with golf club centre and other range of buildings	Under offer	Heritage Deficit and planning issues	
Land at Hanwell Drive Mackworth	2.40 acres former Arthur Neal and Lois Ellis Homes for older people and bungalows	Cabinet approval for long lease to RSL for Extra Care Homes scheme.	Subject to public funding package support. Planning now granted for 98 bed scheme.	
Various minor disposals	Small garage plots or minor land	Sales completed under delegated approvals		

**Part 2 Planned disposal of assets 2011/12/13 - subject to formal approvals
as surplus status IFRS asset for sale**

Asset Location	Type and Area	Status	Other comments
Plot at Caxton Street	Small site for 2 units	Option assessment and consultation	Planned for auction 2011
Plot at Coleridge Street	Small single site	As above	As above
Plot at Oaktree Ave	Small plot for 2 units	As above	As above
Plot at Peel Street	Small plot for 3 units	As above	As above
Land at Depot St	Small single plot	As above	As above
Land at Vivian Street	Former garage site 0.25 acres	As above	
Land at Swallowdale, Sinfin	Approx 4.25 acres vacant land	As above may defer market exposure until recovery	South Derbyshire DC are planning body seeking high proportion of affordable units.
Land at Havenbault Lane Littleover	Approx 3.00 acres within SPZ and subject to large scale planned scheme	Pending not on market until recovery	Depends on consortium coming forward or potential early release
Land Elton Road	Approx 1.00 acre	Part of Osmaston Regeneration master plan	Subject to regeneration funding
Land at Glossop Street	Approx 3.80 acres	As above	As above
The Knoll, Stenson Road	1.5 acres former adult day centre	Option assessment and consultations	Will market once pre sale issues/approvals completed.
Land at Barlow Street	Approx 2.50 acres former clearance site and car park previously leased to DRI	As above	DRI site adjoins.
Review of small car park and garaging sites	Various small sites	A review programme over 2011/12 will identify some surplus to sell	
Land at City Road and former infestation building	Investment site and ex operational	Former infestation have vacated but EA flood risk issues	EA flood risk issues
Former Community Building Cotton Lane	Small ex community centre, vacant and no operational need		To be marketed in 2011/12
Land West of Raynesway	Gross 7 acres but roadway crossing site needs diverting and net development area may be 6 acres	Divided site but near major new roundabout. Part of EP4 planning zone which may support commercial and hotel uses	Adjoining land is being marketed - purchasers may seek enlarged site through merging with ours?
Britannia Court	Former DH Housing	Has been marketed previously and sales fallen through due to EA	EA flood risk
Oakvale House	Former DH housing	Has been marketed but no acceptable bids received in 2010 .	Council now exploring remodelling proposal by Derwent Living linked to

			BME elderly, subject to terms being agreed for long lease arrangement.
Land Green Lane Alvaston	Small 2 acre parcel	Former agricultural uses	Will require planning and restraints include Flood Risk and access arrangements
Roman House, Friargate	Office investment	Post new HQ accommodation strategy these will no longer be required	Will market test in 2011
Middleton House St Marysgate	Office investment	As above	As above
Rowditch Barracks and Land at Uttoxeter Road	Vacant listed buildings set within Park area	Requires major remodelling and up grade but heritage deficit likely	Will carry out options and study in 2011 with view to marketing in 2012
Various land and buildings at Kings Street	Mix vacant small parcels of land and former investment building	Option appraisal with view to disposal by auction in 2011	Now Connecting Derby scheme completed, these can be released
Land at Brook Street	Small parcel of land ex connecting derby scheme	On market with co owners of ex Champion Glass site which adjoins	

GLOSSARY

ACES	Association of Chief Estates Surveyors and Property Managers in the Public Sector
AMG	Asset Management and Capital Strategy Group
AMP Network	Asset Management Planning Network, a partnership between CIPFA and the Federation of Property Societies (FPS)
BME	Black or Minority Ethnic
CAMG	Corporate Asset Management Group
CAMP	Corporate Asset Management Plan
CBSS	Chief Building Surveyors Society
CIPFA	The Chartered Institute of Public Finance and Accountancy
CLASP	Consortium of Local Authorities Special Programme (now SCAPE)
COPROP	The Association of Chief Corporate Property Officers n Local Government
CPG	Corporate Property Group
CPO	Chief Procurement Officer
DAMP	Department Asset Management Plan
DCC	Derby City Council
DCP	Derby City Partnership
DPA	Derby Property Alliance
KPI	Key Performance Indicator
DDA	Disability Discrimination Act 1995
MYE	Mid Year Estimate
NaPPMI	National Property Performance Indicators
NWW	New Ways of Working
ONS	Office for National Statistics
PCT	Primary Care Trust
PI	Performance Indicator
SCAPE	Scape System Build Ltd (trading company of the CLASP Consortium)
SCS	Sustainable Community Strategy