



Commitment to property assets is not to be undertaken lightly. Not only is property expensive to build, operate and maintain at a time when budgets are coming under increased scrutiny, but once constructed buildings have a lifespan of many years.

It is important that our property portfolio positively contributes to delivery of our objectives, priorities and improving performance and plays its part in sustaining the continuous success of the city. The emphasis of the Property Strategy and other policies has been adjusted to ensure that all opportunities are considered for property, to drive forward the achievement of corporate and service objectives. Through additional funding and effective prioritisation of the planned maintenance programme, real improvements are being made to our building stock. This includes exciting new developments such as Mickleover Library, Kingsmead School, Village Primary School and the Building Schools for the Future Programme.

Enhancing the city centre is now a corporate priority, and one which will be delivered through improvements to the built environment in partnership with CityScape. Property is being used as an enabler of change with developments such as QUAD and Friargate Studios together with future plans for North Riverside and Castleward. Final proposals are being considered for the development of a modern, efficient and flexible corporate headquarters.

Property produces a very significant part of the Council's carbon emissions. Improvements to the energy efficiency of existing buildings and the sustainable design of new buildings will contribute substantially to meeting the Council's challenging target of reducing carbon emissions by 25% over five years under the Climate Change Action Programme. The Council's investment and disposal decisions will also consider the impact on carbon emissions.

Our strategy is to develop a lean and well planned property portfolio, to deliver better value for money and benefits for the local community. Opportunity costs are being considered and buildings which no longer meet service needs are being sold to raise funding for reinvestment, to attract private funding for redevelopment or for alternative community uses in partnership with the third sector.



Councillor Dave Roberts
Cabinet Member with responsibility for
Asset Management



CONTENTS

1. Introduction	3
2. Context information	3
3. Corporate Vision and Strategy	4
3.1 Corporate Objectives and the Property Portfolio	5
3.2 Property Strategy and Vision	6
3.3 Capital Planning	6
3.4 Capital Receipts and Incentives to Release Capital	6
3.5 Charging	6
4. Structure – Roles and Responsibilities	7
4.1 Roles and Responsibilities	7
4.2 Asset Management and Capital Strategy Group (AMG)	7
4.3 Members and Officers	7
4.4 Reporting	8
5. Inclusion and Engagement	9
5.1 Consultation	9
5.2 Partnership Working	9
5.3 Engagement	9
6. Programme, Plan Development and Implementation	10
6.1 Maintenance	10
6.2 Maintenance Strategy	11
6.3 Capital Strategy	11
6.4 Capital and Planned Maintenance prioritisation	12
6.5 Whole Life Costing	13
6.6 Procurement	13
6.7 Post Project Review	13
6.8 Capital Monitoring	14
6.9 Property Review	14
6.10 Acquisitions	14
6.11 Disposals	15
6.12 Property Management	15
6.13 Accessibility	15
6.14 Environmental Issues	15
7. Performance Management and Data	16
7.1 Property Data	16
7.2 Capacity Building	17
8. The Current Position	17
9. Performance Management	18
9.1 Property Performance Indicators	18
10. Key Issues	18
10.1 Corporate and Adult Social Services	19
10.2 Regeneration and Community	21
10.3 Children and Young Peoples' Services	24
10.3b Non School Property	24
10.3c Schools	26
10.4 Environmental Services	30
10.5 Cross Service	33
11. Summary & Conclusion	35
12. Contact Information	35

Appendix 1 – Links to Corporate Plan 2007-2010.....	
Appendix 2 – Draft Property Strategy.....	
Appendix 3 – Disposal Programme August 2007.....	
Appendix 4 – Maintenance Backlog Strategy.....	
Appendix 5 – Review Programme	
Appendix 6 – Performance Monitoring and Measurement.....	
Appendix 7 – Property Policies.....	
Appendix 8 - Strategy for Council owned Heritage buildings at risk.....	

Acronyms

BSF – Building Schools for the Future
 CAMG – Corporate Asset Management Group
 CAMP – Corporate Asset Management Plan
 DAMP – Asset Management Plan
 DCP – Derby Community Partnership
 CPG – Corporate Property Group
 CPO - Corporate Property Officer or Compulsory Purchase Order
 DDEP – Derby and Derbyshire Economic Partnership
 DCLG – Department of Communities and Local Government
 HRA – Housing Revenue Account
 LAA – Local Area Agreement
 LIFT – Local Improvement Finance Trust
 PFI – Private Finance Initiative
 PMP – Planned Maintenance Policy (or Programme)



1. INTRODUCTION

Asset Management is the systematic planning and control of a physical resource throughout its life. This may include the specification; design and construction of the asset, its operation, maintenance and modification whilst in use, and its disposal when no longer required.

In order to plan the management of our assets; it is essential to understand and act upon the property implications of the Council's objectives, and to understand the relationship of property with service delivery and other key resources. Perhaps more so than any other assets, property has a significant drawback – it cannot change quickly and planning and development times are long. Therefore; effective asset planning is essential in bringing flexibility to property, so that it delivers Council objectives in a sustainable manner, at the right time and on budget. The effective management of assets is a crucial corporate activity, if we are to achieve our corporate, service aims and objectives and to deliver the services with maximum effectiveness in the future. The right property, in the right condition and in the right location can make a difference between a good and poor service.

The main issues addressed in this document include:

1. The extent and nature of the property portfolio, how it is managed and strategic goals for future development.
2. The processes to review property holdings to ensure that we have the right properties to deliver services, in the best way, and to deal with underperforming assets.
3. The extent of the current maintenance backlog and the strategy for reduction.
4. The property issues that will need to be addressed to realise the objectives of the Corporate Plan.

5. The approach to capital prioritisation and option appraisal.
6. Performance management and evaluation of the asset base.



2. CONTEXT INFORMATION

Derby has a population of 221,716 according to the 2001 census. The density of population is 28.41 persons/hectare, approximately eight times the national average. The city has a large manufacturing base that has been added to with the new development at Pride Park. The unemployment rate of 2.9% is particularly high in inner city wards. The city has a multi-cultural community with 12.6% of the population from minority ethnic communities. At the last assessment by the Audit Commission the council was assessed as excellent. A full Comprehensive Performance Assessment is due in October 2007.

The Council has a gross revenue budget of £532 million and a net revenue budget of £166 million. Property ownership is around 750 (non-housing) assets including 105 schools, 44 Social Services properties, 5 leisure centres, 2 theatres, 10 libraries, 3 museums, 12 major parks, 790 hectares of public open space, 5 markets, 3 multi-storey car parks and a number of community, administrative support and investment properties. The authority is responsible for just over 14,000 residential properties managed by Derby Homes.

An up to date asset register is maintained with all properties being valued on a 5 year rolling programme, together with properties that have been materially changed since the last valuation also being revalued. Currently, the balance sheet shows total asset value of £1,118 million which includes property, infrastructure, capital improvements and equipment. Current guidance involves property being valued at market value on a five year rolling programme. Specialist properties, for which there is no market value, are assessed at land value plus the depreciated replacement cost (the cost of a modern replacement less an allowance to reflect age and obsolescence). The asset valuation of Council housing is £598.5million which is adjusted by a percentage set by DCLG to reflect that it is social housing.

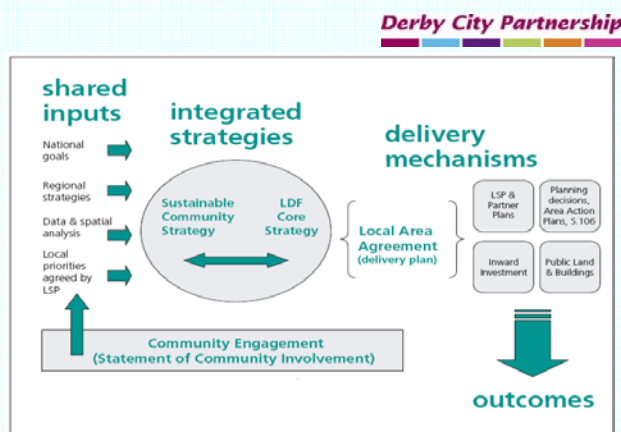
During 2006 the Council was restructured from seven departments down to five and a Children and Young People's department created to comply with legislation. This gives a slimmer; more strategic Chief Officer team, which can respond more quickly to the fast changing agenda. The changes in responsibility for property; as a result of the restructure, were considered and approved by the Asset Management Group.



3. CORPORATE VISION AND STRATEGY

3.1 Corporate Objectives and the Property Portfolio

Derby has a well established local strategic partnership – the Derby City Partnership. DCP has produced a community strategy for Derby the “2020 Vision” that sets out what the Partnership wants to achieve for Derby, based on partner organisations' existing plans and strategies. The Vision was developed through consultation with partners (public, private and voluntary sector) and residents. From June 2008 a new style Local Area Agreement will be place to establish priorities for the whole city.



The Corporate Plan – 2007/2010 shows how the Council will take forward its responsibilities under the

Community Strategy. In it, the Council identifies its vision; objectives for services over the medium term, and priorities for change to improve performance to achieve the Vision. Appendix 1 identifies the links between the Corporate Plan and the Corporate Asset Management Plan. In many areas property is being used as an enabler of change; especially, for example, in the design of new schools to suit modern teaching methods and increase community access.

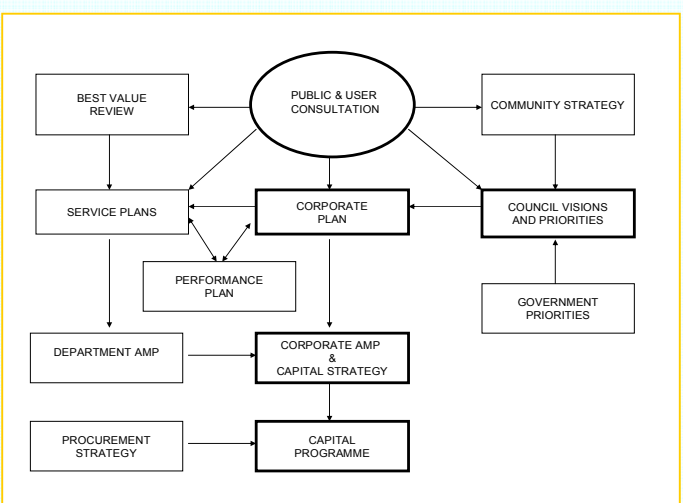
The Property Strategy – identifies the strategic aims supported by policies and practices, which will address the key issues and assist effective service delivery. Additionally; specific strategies are in place governing issues such as capital allocation, maintenance and treatment of surplus property.

The Corporate Asset Management Plan and Capital Strategy – take a holistic approach to property issues; an overall perspective on addressing the issues, and prioritising resources necessary to achieve these. This plan does not cover the Council housing stock or highways, which are covered in separate plans.

Departmental Asset Management Plans (DAMPS) – these are the practical documents that identify specific issues within departments in a more detailed fashion. They consider how services are affected by the properties from which they are delivered and look at future property requirements to develop effective modern services. It is now a business plan requirement that each Department produces an annual DAMP which reflects any property implications arising from business plan objectives. Departments also consider capital implications of Local Public Sector Agreements (LPSA) allocations.

As property underpins the delivery of most services; these Plans identify property implications, promote a corporate approach and provide a framework to establish prioritisation of resources.

Links between Consultation, Plans and Strategies



In making the links between the Council's goals and objectives and the consequent accommodation needs, the following steps are important...

Understanding the Council's business and its potential overall accommodation implications – these are addressed in departmental business and asset management plans and are considered at Corporate Asset Management Group (CAMG). This is also a consideration for the property review process and the future development of Neighbourhood Profiles for each ward. Joined up service delivery is becoming more important; particularly with the integrated children's services, area and neighbourhood working and Derby Direct Contact Centre. Changes to the way we occupy and use our property are influenced by other strategies and policies. Whilst working on the HQ strategy, officers considered the accommodation needs and how this would be influenced by HR and IT strategies.

Identifying other property changes that require a corporate response – a number of corporate issues require corporate resourcing such as Disability Discrimination Act (DDA); the environment and sustainability, health and safety, maintenance standards. Corporate policies exist for a number of these issues and are considered in capital planning, to ensure common approach and appropriate allocation of funding. A "Good Stewardship" guide has been produced which pulls together these local and national policies into one holistic handbook to identify responsibilities. Training on these policies especially water hygiene; asbestos and fire regulations is being delivered, to ensure that all "responsible" officers are fully aware of their own obligations and know how and where to find help.

Engaging key members and senior officers – Changes to customer interface; front-line service delivery, business process re-engineering and partnership working, coupled with an ageing building stock that has maintenance, condition and suitability issues will give rise to significant changes in property needs in the medium term. Members and senior officers provide strategic guidance on these issues following evaluation of options by officers. At a local level, Members provide an essential link to the communities and their aspirations.

Until recently; in this authority and many others, asset management was largely a responsive and isolated process. We are now in a period of rethinking and rationalising asset provision. Major changes in the delivery of services are necessitating alternative property scenarios being considered for the authority, over the next five years and beyond. These will alert us to issues which we will confront in forthcoming years, and influence how best to use our limited capital resources in new construction, and improvement of our existing building stock. Consultation has become far more important not only

internally between departments and with Members, but also externally with the public and with other public sector organisations in the city.

Case Study

In 2006 Derby City Council was involved in a strategic review of asset management arrangements, commissioned by the East Midlands Centre of Excellence. One of the recommendations was that opportunities for collaboration with other public agencies be explored. This was already happening on a somewhat ad hoc basis. To give structure to the process DCC has taken the lead in organising a Derby Public Sector AMG. This brings together key property professionals in 11 public organisations working in the city. As most public services are delivered from property; we have the opportunity to influence a more holistic approach to best meeting the needs of the local population and maximising opportunities for economic, social and environmental regeneration. Valuable contacts have been forged and the needs and experiences of other bodies will influence future property decision making.

3.2 Property Strategy and Vision

The Property Strategy has been redrafted during 2007 in response to changing policy and priorities - Appendix 2. The main strategic vision is:

To develop a lean and well planned property portfolio that enhances service delivery and meets Corporate priorities and objectives by challenging the use, management and retention of all property holdings

The strategy is underpinned by 6 strategic threads:

- Meeting Corporate objectives
- Climate change
- Reducing the maintenance backlog
- Safety and risk
- Review and suitability
- Efficiency

Each thread has a number of tactics which are supported by existing or developing plans and policies. The action plan in this CAMP is the delivery vehicle for the strategy, and progress on outcomes will be reviewed at CAMG.

Unless the strategy is clear and understood by all officers involved in property, then the chances of implementation are greatly reduced. Rather than a lengthy document; the strategy has been simplified and to be produced as a poster, which after approval,

will be widely circulated.

3.3 Capital Planning

Given the extent of the Council's future capital requirements; it is clear that the council will need to maintain an innovative and robust approach to procurement, investment decisions and the management and retention of property assets. The capital planning process is driven by the Capital Strategy which is approved by Cabinet annually as part of the budget process. The strategy sets out the principles for developing the capital programme over the following three years.

The programme is split into two elements...

The '**funded service programme**' where service departments draw up a proposed capital programme which balances earmarked funding available to that service. The main elements of this part of the programme are Schools, Housing and the Local Transport Plan.

The '**corporate programme**' consists of schemes which need to be funded from available corporate resources; which are not earmarked for use by any one department, the single capital pot. Additionally; in recent years, capital has been topped up by prudential borrowing, particularly for planned maintenance to address the backlog, in accordance with the backlog reduction strategy. Proposals for funding are initially prioritised by the Corporate Property Group (CPG) before being approved by Cabinet. The available funding is then utilised to fund the highest priority schemes.

These programmes are guided by the relevant Departmental Asset Management Plan. All bids need to be submitted in an agreed format which shows links to the Corporate and other plans; consideration of alternative options, evidence of consultation, opportunities to lever in external funding and revenue implications. The focus of the strategy this year is to allocate to schemes where there is already a measure of commitment rather than inviting new bids.

3.4 Capital Receipts and Incentives to Release Capital

Capital receipts are generated by the disposal of surplus, development land and commercial investment property. Because of a significant disposals programme in the 1990's, the investment portfolio is extremely limited and the supply of land is coming to an end. CAMG is now looking more closely at operational properties; particularly those which are unsuitable for modern service delivery, underused or could be released by delivering services in another way. By disposing of unfit and surplus property; together with reinvesting in modernisation, the portfolio is gradually becoming more suitable, effective and lean.

The Capital Strategy indicates that most receipts are

paid into a central capital pot and allocated according to priority. Departments are given an equal and fair opportunity to bid for capital. Following disposal of surplus properties, the service benefits from the revenue savings. In order to support the future capital programme, the value of surplus property has been identified and a target list of underused, underperforming or property suitable for rationalisation drawn up.

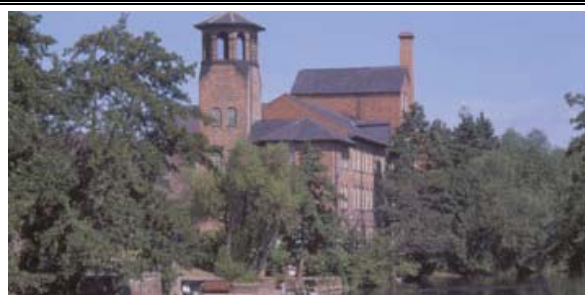
In December 2004 the Treasury released a report, "Towards Better Management of Public Sector Assets" – the Lyons report. The main finding was that the public sector should be able to dispose of £30 billion assets by 2010. This was based on the understanding that such assets were underused and surplus. There are no specific targets per authority, but an intention that all should be able to demonstrate good asset management and a reasonable contribution is being made towards the overall target. Appendix 3 shows current properties identified for disposal where the expected receipts are built into financial planning. The Lyons report recognises the disadvantages of quick sales; so these will be progressed in an informed manner, mainly in partnership with a local commercial agency.

In 2007 following the publication of the Quirk review into asset transfer the Government published "Opening the transfer window". Once DCLG have completed their workshops; demonstration programme and published the toolkits, a new policy will be drafted. In the meantime any approach for transfer will be considered on its merits and reported to Members, and disposals will consider transfer opportunities as part of the option appraisal. There is a potential conflict between our need for capital; the Gershon efficiency savings, the Lyons agenda and the Quirk recommendations.

3.5 Charging

Minimum Capital Charges are included in the uncontrollable element of departmental budgets, in line with standard accounting practice (sorp). Capital charges in line with the 2006 sorp; no longer include the interest charge, which is the charge for the asset. The charge now only includes depreciation. However, this means that they have little impact on decision making as they are effectively a corporate cost. Whilst charging departments directly for the use of property assets will not necessarily change the way these assets are used, it does make a significant cultural statement and also regularises the anomaly that all other assets tend to attract a charge whilst property may not. We are moving towards charging departments' accommodation costs such as energy; cleaning etc. as controllable budget, where these are currently treated as uncontrollable. This will provide some incentive to make the most effective use of space. The introduction of such charges is being reviewed alongside business process re-engineering and the administrative accommodation review. In the

meantime, Departments are generally taking a corporate approach to their property holdings.

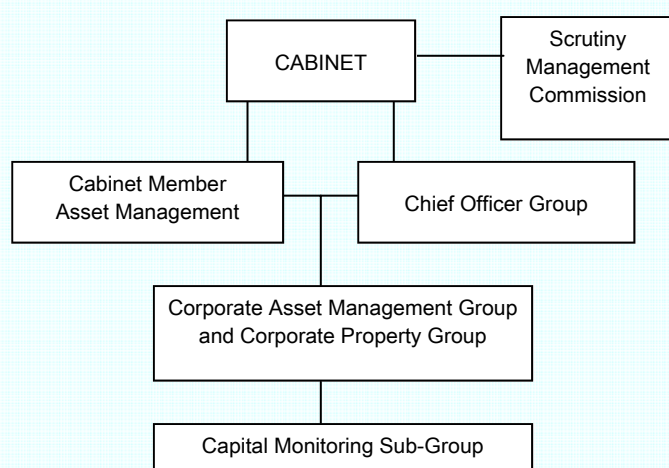


4. STRUCTURE – ROLES AND RESPONSIBILITY

4.1 Roles and Responsibilities

The Council has adopted the following structure and reporting lines to develop and progress asset management planning:

Table 1



Roles and responsibilities of those involved in property were approved in July 2002. The Assistant Director of Property Services carries out the role of Corporate Property Officer (CPO) as defined by the DCLG. The CPO reports to the Cabinet Member for Asset Management, Chief Officer Group and the Cabinet.

The CPO is also a member of the Efficiency, Climate change and Building Schools for the Future Boards and is Project Director of the Administration Accommodation Project.

4.2 Asset Management and Capital Strategy Group (AMG)

The structure of the Corporate AMG was reviewed in July 2007; as it was felt that, in its current form, this was not the best framework for strategic property

management. It has been split into a strategic group and an operational group. In addition; monthly workshops consider specific issues in more depth, such as property strategy, risk management and environmental issues. These monthly meetings are being chaired by the Asset Manager and the structure will be reviewed again in December 2007.

The Strategic Corporate Asset Management Group (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 CAMP actions, outcomes and performance
- Approval of capital and planned maintenance budgets at Strategic level

Corporate Property Group (CPG) is attended by key Property Services Officers and Departmental Property Officers and deals with the more detailed issues including:

- Plan and policy development and implementation
- Decision making – operational level
- Capital and planned maintenance prioritisation
- Performance management

Appendix 7 details all of the reports and strategies developed and approved by the group.

4.3 Members and Officers

The Deputy Leader is the Cabinet Member with responsibility for Regeneration and Performance Management, which includes asset management and Property Services. He is briefed monthly by the CPO. Another Cabinet Member has direct responsibility for Council buildings of Heritage and importance and is also briefed on such issues. Members have been prepared to make some very difficult decisions on property matter, including some controversial closures of properties which were unsuitable and uneconomic to retain.

Effective engagement of elected Members is central to the implementation of corporate asset planning. 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.

Case Study

The former library at Mickleover was subject to an option appraisal due to concerns about health and safety, effective service delivery and the future of the leasehold building in which it was situated. Ward Members and the Cabinet Member were actively involved from the outset of the process. They contributed greatly to the debate and consideration of options. The result of this thorough exercise was the identification of a suitable site and allocation of capital funding for a new library by Cabinet. The library was recently completed and assessed for suitability at 100% as opposed to the old library which was rated at 18%. In addition to a library; the building also houses a community meeting room, police office, advice centre and IT suite.

Similar reviews have been carried out and are ongoing in other areas where Ward Members have been actively involved in the whole process. The experience to date has been that Members are providing valuable local knowledge, which helps to influence future decisions relating to properties within their wards.

The Property Services Division incorporates the key asset management functions within the Council. The Division is made up of the following sections: Estates, Property Maintenance, Services, Engineering, Architects, Quantity Surveyors, Administration Support, Facilities Management and Markets. Delivery of a seamless one-stop asset management service across the Council is backed up by other dedicated property and operational staff within the departments. The creation of this Division was considered vital to the asset management planning process in Derby and includes:

- Writing and implementing the Council's Corporate AMP, property strategy and policies
- Providing a reserve of expertise and advice on asset management and property issues to departments.
- Overseeing a rolling programme of condition surveys of Council properties.
- Supporting the delivery of the Council's PFI, BSF and other partnership projects.
- Supporting the delivery of capital schemes through design services and project management.
- The management of the Council's operational, investment portfolio and markets.
- Dealing with the disposal of surplus assets to support the capital programme.
- Maintaining Council buildings and monitoring

building risks.

- Property and area Reviews.
- Assisting with the prioritisation, development and delivery of the Capital Programme.
- Acquisition of new land and property as required.

4.4 Reporting

Once the CAMP is drafted, a formal presentation of the new plan is made to the Scrutiny Management Commission by the CPO and Asset Manager. Questions are answered and where appropriate, changes made prior to consideration by Council Cabinet.

Rather than an annual plan; the CAMP is now a 3 year plan, and the following procedures have been put in place to monitor and report progress and implementation:

- Chief Officer Group to continue to receive a copy of the monthly decision and action logs from CAMP and CPG, with full minutes available on public folders.
- Surplus property and capital receipts – to be reviewed bi monthly by CAMG.
- Review programme – to be reviewed bi monthly by CAMG.
- Backlog reduction strategy to be reviewed quarterly by Maintenance Team Leaders Group Meeting.
- Departmental and cross service key issues – to be reviewed 6 monthly by CAMG and any actions fed to relevant officers and members through CPG.
- Performance measures – the nature of the measures and the current system for collection lend themselves to annual collection. The figures for the previous financial year to be collated by June and reported to Council Cabinet together with an annual review of Asset Management.
- Property Policy and practice – any changes to be approved initially by CAMG and reported upwards as appropriate.



5. INCLUSION AND ENGAGEMENT

5.1 Consultation

Consultation helps to plan service provision and prioritise better use of resources. It alerts us to problems quickly so that we have a chance to put things right before they escalate. It also symbolises the commitment to be open, accountable and put services first.

The *“Your City, Your Say”* is now the main interface for consultation with the public. The website has a link to the *Councils Consultation Strategy* and gives details on how to respond to specific initiatives or for the public to give general views. This feedback can help to inform decisions on how services are developed and delivered. This facility will be used for future consultations about disposals, to properly assess any opportunities for asset transfer. 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 (originally established in the five priority areas) are now being rolled out across the city. These partnerships 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 were carried out in five priority neighbourhoods 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 to drive these changes, are exploited.

Case Study

Three neighbourhoods in Derby have been allocated funding for a master planning of the housing stock. This has given the opportunity to consider the future planning of other property that serves these communities. The project has brought together officers from many disciplines together with external consultants, housing associations and other major land holders in the locality, such as Rolls Royce. Once options have been mapped they are subject to full consultation with local residents whose views are captured to inform decisions. Possible outcomes include: the establishment of a permanent traveller site, relocation and modernisation of sports facilities on two sites, a joint health centre and library and consideration of the capacity of schools to serve the potentially increased population. Clearly the nature of the final solutions will be heavily influenced by our existing property holdings and our ability to work with other land owners and acquire property.

Each year, the Council's capital programme is reviewed to reflect consultations on the budget exercise and adjusted accordingly.

5.2 Partnership Working

Derby City Partnership undertakes extensive consultation and works with a wide range of organisations that are not formally part of the Partnership, i.e., the County Council, the University, local Health Trust and Housing Associations.

The development of the Sinfin Base (within the library) has brought together 16 service providers in one City Council owned building. Recently the Local Housing Office also relocated to the building, releasing a leasehold shop. Partnership working has helped to deliver mainly externally funded schemes such as Surestart, LIFT, New Deal and Children's Centres. Plans are progressing for the development of a new athletics facility in partnership with Derby University and College.

Strategic asset management has resulted in a more open culture of sharing and lesson transfer than in many other service areas. When lessons and processes learned from others are adapted and applied in context, benefits have been achieved. Significant savings in time and resources have been realised by not “reinventing the wheel” each time a new problem is faced.

Case Study

Derby is part of the Octopus Benchmarking Group of eight similar sized authorities. The group initially met bi-monthly to enable us to get to know the other authorities and learn as much as possible in a short time.

This resulted in specific discussions and visits, to consider the practices of other Councils in particular areas. As a result of these; a number of practices have been adapted to reflect better performance, experienced by members of this group.

The main Octopus Group now meets every four months to compare performance and arrange working parties on specific topics such as partnering, property review and procurement. A performance management sub group and other specialist topic groups meet as and when required. The combined knowledge and experience of the group has enabled us to learn more quickly than if we had to approach topics on our own.

Other groups, which Officers actively participate in and use for knowledge sharing, include ACES (Association of Chief Estates Surveyors), CBSS (Chief Building Surveyors Society), COPROP (Association of Chief Corporate Property Officers), CLASP (Consortium of Local Authority Special Programme), AMP (Asset Management Planning) network and Constructing Excellence Steering Group.



6. PROGRAMME, PLAN DEVELOPMENT AND IMPLEMENTATION

This section covers how asset management is implemented in practice.

6.1 Maintenance

The July 2001 AMP identified a need to spend more on planned maintenance if backlog maintenance was to be addressed. As a result of this, a maintenance strategy was introduced in April 2002 and since then the proportion of expenditure on planned maintenance has continued to rise.

Despite increased investment in the last few years, especially in schools; the maintenance backlog, (excluding housing and highways) has increased to an estimated £109.2 million. The main reasons for this are high building industry inflation; better information as more intrusive surveys are carried out following

initial identification of problem, and the continuing deterioration of the building stock.

An updated maintenance backlog reduction strategy is included as Appendix 4. By raising the profile of property through this CAMP and other means, Members have appreciated the magnitude of the problem and allocated additional funding through prudential borrowing to address this issue. The backlog is mainly being tackled in the following ways:

- a. Prioritised spending of the Repairs and Maintenance budget in accordance with the Maintenance Strategy.
- b. Planned maintenance, including additional funding through prudential borrowing and corporate reserves.
- c. Consideration of all sources of funding, for example, PFI, LIFT, lottery and heritage funding.
- d. Rationalisation of underused; unsuitable properties with high maintenance backlogs and other solutions arising from property review and option appraisal, i.e. space standards, administrative accommodation review, care homes and day centres.
- e. Partnership working, sharing accommodation and other initiatives which reduce the amount of property required to deliver services.
- f. Asset transfers where community groups are able to access external funding not available to the council.

Case Study

St Helen's House is a large Grade 1 listed building which had been used for many years as an Adult Education centre. It was becoming uneconomical to maintain the property, parts of which had been taken out of service. The maintenance backlog was approx. £5million and despite the good; central location, the property was unsuitable for modern service delivery.

A thorough option appraisal was carried out which concluded that the property should be closed and sold. The service was relocated to several other venues. Following an approach from an action group; Cabinet resolved to allow them first refusal on the building, subject to them being able to secure funding and produce a robust and sustainable business case.

Regrettably they were unable to do so, and the building has recently been disposed on a long lease to a developer who will be spending several million pounds addressing the backlog maintenance and converting the property to a hotel. This has resulted in a reduction in the backlog of £5m, inward investment of private funding and relocation of the service to venues which were previously underused.

6.2 Maintenance Strategy

The former maintenance strategy was superseded in 2007 with a *Planned Maintenance Policy* (PMP). The principle of limiting reactive maintenance (to retain funding for safety and planned works) is now well embedded and understood. However; with the additional allocation, there is now an opportunity to make some real improvements to the condition of the portfolio. A clear means of determining priorities is identified in the policy to ensure that the funding available is spent on highest priority, taking account of both maintenance and service needs through option appraisal and prioritisation criteria. Data gathered on performance management for backlog maintenance and suitability directly inform this process; and as the asset management software is improved, it may be possible to factor in other data such as energy performance. AMG were involved in developing the policy which was endorsed by Chief Officers and used to prioritise the 2007/8 increased planned maintenance programme. Lessons learned from this exercise will be used to improve the process. Increased capacity to deliver this programme has been achieved through working with a private sector partner.

The proportion of the maintenance budget spent on planned rather than reactive works continues at 66% but should increase this year. Significant amounts are being spent on boundary safety, water hygiene, fire safety and asbestos issues. Whilst essential, these have diverted funding and staff resources away from other issues.

Case Study

A robust Buildings at Risk Programme has been established. This is to formalise the way risks are assessed and managed, whilst providing an opportunity to compare and prioritise between cases. Team Leaders in Property Services meet every second Monday morning to consider the progress on known risks and to assess any new cases. The priority is to bring the risk to an acceptable level within Property Services direct control, or to serve a safety notice where not. Software development is planned to integrate this very complex area into the main property database.

Additionally; all boundary structures have a lay survey carried out each year, to check for safety. Any serious risks are dealt with as a matter of urgency. Buildings also have periodic inspections for water hygiene, asbestos, gas and electric safety, fire and general risk. A list of "responsible persons" for each property is currently being compiled and each of these will soon be issued with the new "Good Stewardship" guide, which summarises all checks needed to the property and who is responsible for each. This is

being supported by a comprehensive training programme.

Intrusive condition surveys are continuing, with most resources previously going into school inspections. Further resources were available during 2006/7 to progress surveys on the rest of the portfolio, and this programme is continuing into 2007/8. Additional annual 'light touch' surveys are being undertaken to identify changes in building condition that may require a further in-depth condition survey, and the possibility of re-prioritising the condition schedule. In this way, an effective and robust condition collection and prioritisation regime will be upheld.

Backlog on mechanical and electrical (M&E) elements is currently a historic desktop figure taken from old condition surveys. No more recent M&E condition surveys have been carried out so unfortunately more accurate data is not currently available. It is felt that when the surveys are carried out new figures will be many times more than that currently reported and as a result the backlog figure, when updated with M&E information will be significantly higher despite great efforts in achieving reductions through repair and rationalisation.

In response to the Regulatory Reform (Fire Safety) Order (2005), a rolling programme of technical fire risk assessments has commenced. This is supported by guidance for building managers on their responsibilities for management assessments. Funding has been allocated for new "red boxes" at appropriate properties, which will contain all documents needed by emergency services in the event of a fire or other emergency at the property. A policy on the provision of sprinklers in any new buildings is currently being considered, and this has already been applied to new schools.

6.3 Capital Strategy

The criteria for programme development are set out in the approved annual Capital Strategy. These focus capital and revenue investment on delivering the priorities derived from the strategic objectives. Full consideration is given to the asset management process and option appraisal in accordance with the corporate guidelines.

The likely capital requirements for the next five years are identified in DAMP's. Previously Departments selected their main priorities and submitted capital bids; however, this process now only applies to the planned maintenance programme. Bids are considered by CPG 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 then submitted to Cabinet for consideration and approval. The process also enables the identification of resource shortfalls: i.e. where the funding is insufficient to fund schemes of a lower priority. In these cases other

alternatives are considered such as external funding; space sharing, rationalisation or reduced works to mitigate the problem and keep the building operational.

Wherever possible, external funding opportunities are explored and have been invaluable in supplementing capital schemes. This has been particularly successful for community centres and playgrounds.

Capital Programme as at 4th Sept 2007			
	2007/08	2008/09	2009/10
Department	£'000	£'000	£'000
Children & Young People's Services	53,731	20,119	10,801
Regeneration & Community Services	27,970	20,531	17,511
Resources – Housing & Advice	26,063	18,917	15,931
Resources – E Services	794	250	250
Environmental Services	4,750	16,901	13,110
Corporate & Adult Social Services	9,495	7,267	2,062
Public Realm/Asset Management unallocated	183	0	0
Total	122,986	83,985	59,665
Supported Capital Expenditure (Revenue)	11,440	9,393	9,448
Supported Capital Expenditure (Capital)	37,546	22,540	9,396
<i>Unsupported Borrowing</i>			
Corporate Programme	13,661	22,998	14,745
Service Financing	2,591	362	0
Service Financing Spend to Save	863	120	0
MRA	7,842	7,563	7,675
Government Grants	27,295	14,997	13,241
External Contributions	5,196	1,685	200
Lottery	614	330	0
S106	565	602	260
Revenue/Revenue Reserves	4,896	2,288	3,000
Capital Receipts	8,580	1,106	1,700
Reserves	1,894	2	0
Total	122,983	83,986	59,665

The Prudential Code took effect from April 2004 and governs the way the capital programme is funded. The code permits unsupported borrowing; but levels must be set within affordable limits, defined using a set of prudential indicators. The associated costs of unsupported borrowing are included as part of the revenue budget process and have a direct impact on Council Tax levels.

Under the Prudential Code, £2million was borrowed in 2006/7 and a further £4.3million will be borrowed this year to tackle some of the more serious items of backlog maintenance, with repayments from the treasury management budget. The Asset

Management Group prioritised the schemes and these were ultimately sanctioned by Cabinet.

In addition to the backlog maintenance issues, prudential borrowing will be utilised for other corporate priorities, these include:

- £8million new borrowing for the Public realm
- £5million towards office accommodation improvements
- £1million for neighbourhood priorities

Other prudential borrowing for 2007/8 is financed through departmental service accounts together with spend to save schemes. These include:

- Replacement refuse vehicles and plant
- Grounds plant and equipment
- Street cleaning equipment
- Energy management

6.4 Capital and Planned Maintenance prioritisation

Significant maintenance and all new developments are subject to formal application, 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 Service's Officers. This gives a sense of commitment, ownership and will be more responsive to service users' needs. Service managers and users contribute to the process, and when appropriate, views of Members, partners and customers are invited. The condition surveys, review programme and other assessments of property inform officers of properties where expenditure is required.

For the smaller schemes, this feeds into the planned maintenance programme for initial assessment by the Property Services Team Leaders Group and then consideration by CPG. Larger schemes which require funding from the capital programme will be subject to formal or informal option appraisal and subsequent capital bids and external funding bids where appropriate. The application process looks at whether external funding opportunities have been considered (schemes with such funding 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.

Case Study

The current Quad (City centre Visual Arts Centre) development has levered in £8,750,000 of external funding from 6 sources, with the Council contributing £1,800,000 in cash and £500,000 in land value. The main contributors include the East Midlands Development Agency, Arts Council, European funding and Derby and Derbyshire Economic Partnership.

Once completed, the building will be leased to Derby Community Arts who will operate the facility in partnership with the City Council. This modern central building will not only be a regional arts venue but also demonstrates our commitment to improving the city centre and enhancing the cultural offering to inward investors.

Other recent developments supported by external funding, include a creative industries centre, a community centre, playground improvements and a new school. Government funding to complete the inner ring road has been allocated. Work on the final phases is due to commence 2008 and will open up new opportunities and challenges for property which are being considered as part of the CityScape plan.

6.5 Whole Life Costing

Research has identified that the relationship between capital cost, cost in use and the cost to the business of assets, has a ratio of 1:5:200. What this means is that the cost of operating and maintaining a building over its life will be five times the original capital cost. Moreover, the cost of staff productivity and occupation is 200 times the capital cost. The introduction of the prudential code means that we can now choose between revenue and capital in terms of options for service delivery; and as a result, this has increased the potential for whole life consideration of projects. Key priorities such as the sustainability of transport; flexibility, area regeneration and environmental impact in addition to maintenance, energy and other running costs, can and should be considered in a whole life context. Significant investment decisions are based on option appraisal and whole life costing, including, PFI schemes and QUAD. The administrative accommodation review is considering maintenance costs, operating costs and operational efficiencies when developing the Accommodation Strategy.

Energy costs, both monetary and in carbon emissions, are a particular consideration in both new builds and replacement heating projects. All options are considered, including heat source ground pumps, bio mass and condensing boilers.

Case Study

Whole Life Costing principles were used in the development of the new Kingsmead School. Wear and tear on this building is anticipated to be particularly high and the whole life cost appraisal of

elements such as wall finishes, doors, windows etc. will affect both the initial capital cost and future revenue and maintenance costs. The experiences of officers in maintaining and managing existing similar buildings, was used to influence recommendations.

6.6 Procurement

A procurement programme is produced for all major capital/revenue schemes in consultation with stakeholders, and progress is monitored against this at regular meetings. Significant projects are procured under the Council's Project Management Guidance based on the PRINCE 2 principles.

The CPO is a member of the Efficiency Board responsible for developing and monitoring the Procurement Strategy. Design and Property Maintenance has strategic partnering arrangements in place for both professional services and contracting and carries out some projects under this framework. Outcomes have been variable and the majority of projects tenders are sought from a small standing list of contractors, selected following European Procurement Directives. Discussions exploring the possibility of regional procurement are ongoing with neighbouring authorities and the East Midlands Constructing Excellence Steering Group. The Council uses the regional consultancy framework procured by Nottinghamshire County Council.

6.7 Post Project Review

All projects over £50,000 are subject to an evaluation and quality assessment from both the client department and end user. This is a critical analysis of the scheme comparing planned objectives with outputs. Feedback from these evaluations assists with future schemes and forms part of the local performance indicators and benchmarking with other authorities.

From 2007 an additional procedure has been introduced to capture and assess outcomes of all major capital projects. It will focus on both quantitative and qualitative outcomes such as customer satisfaction and numbers of users, and will report on the extent to which value for money and efficiencies have been achieved, both in the management of the capital scheme itself and in the ongoing service. It will be used for schemes which:

- Are specifically carried out to deliver Corporate objectives
- have a high public or political visibility
- involve some degree of discretionary decision making in the first place
- can be seen as a genuine service development or improvement
- had an initial justification which went beyond asset management reasons.

This is monitored by the Finance Capital Team with DPO's and Service Managers providing the information. CPG will consider the results of this review which will help to inform future prioritisation procedures.

6.8 Capital Monitoring

Departments hold monthly capital monitoring meetings and report up to Departmental Management Teams. A report is taken to every Cabinet meeting on financial procedure matters and any necessary amendments to the programme are included for consideration and approval. Separate reports may be taken to Cabinet where key schemes require major changes. Capital monitoring now includes whole life costing and post project review to give feedback on the effectiveness of the expenditure. The main focus of the capital monitoring report is now concerned with those budgets considered to be at the most risk. Departments must identify schemes which they consider pose a significant risk to the authority because of either funding issues, delays in delivering the scheme on time and those which are of a significant value.

6.9 Property Review

The establishment of the CAMG has greatly reinforced the principle of property as a corporate resource. The Group agree the property review programme, contribute to the review process where applicable and receive updates and reports.

As part of the AMP process, a full review of property is being carried out which will continually:

- consider deliver of the Corporate objectives
- identify opportunities to rationalise properties/investigate opportunities for joined up service provision and shared use
- challenge under-used or vacant properties and initiate disposal to feed the capital programme
- make more efficient use of buildings and minimise running costs
- identify future property requirements
- reconsider the future of surplus property
- challenge the holding of investment property
- challenge requests for additional accommodation
- consider property implications arising from Best Value Reviews.

Given the limited resources, it is proposed that the Asset Management Team will mainly concentrate on the following issues and reviews during 2007/10:

1. Central administration building review and

implementation.

2. Prepare the Corporate AMP and advise on Departmental AMPs.
3. Update the property strategy
4. Review the effectiveness of the asset management software and consider available alternatives.
5. Sufficiency, suitability and occupational space standards.
6. Vacant/surplus/under-used property review and disposal programme including a new disposal strategy.
7. Service reviews including community centres, sports centres and museums.
8. Review all property holdings in the 3 Master Planning areas.
9. Condition surveys programme for schools and corporate properties.

The reviews are generally co-ordinated by the Asset Manager with input from the maintenance section, service departments, users and Members as appropriate. Once fully implemented, the Asset Management software will facilitate future property reviews. The full review programme and progress is listed in Appendix 5 and considers issues raised in Service business plans and external influences and in particular increased customer expectations. This is particularly apparent in our sports centres where the facilities offered by private clubs are generally far superior to our own facilities. Therefore; in addition to looking at maintenance issues, planning to remodel to meet modern customer needs is essential.

The review process is now wider and also considers other public sector and partnership initiatives. Delivery of the Cityscape proposals will be dependant on council land holdings and our ability to use compulsory purchase powers, which were necessary to acquire the land needed for the major new "Westfield" shopping centre. Surplus land could assist in relocations from Castleward and to deliver affordable housing allocations which may not be economic in some central residential developments.

6.10 Acquisitions

Additional property is not acquired or developed without first considering accommodation already in the portfolio. In accordance with "Hot Property" recommendations, leasehold office space has been taken in the city centre to increase flexibility, pending the result of the Administrative Buildings Strategy. This policy is in line with the short term strategy arising from the Review and will continue. As an alternative to acquisition, new properties are developed in partnership using external funding, i.e. Surestart and LIFT schemes.

CAMG has introduced accommodation requirement application forms; to fully justify that additional new space is required, that full funding is available for all aspects of the acquisition and that the process flows smoothly. The new Area & Neighbourhood Teams working in the priority neighbourhoods have all recently been accommodated within existing buildings, particularly in libraries and local housing offices which already have good public access.

In response to concerns about the level of payment in dilapidation claims to landlords at lease end, officers are now reconsidering the approach to repairing covenants on all leased in property. The total end to end costs will be fully considered; as will negotiating reduced repairing responsibility, to mitigate against large lease end payments.

6.11 Disposals

Members of CAMG and CPG bring details of any likely; future, surplus properties to the group for debate and possible reuse by other departments. Currently disposals are carried out following a procedure resulting from work with the Scrutiny Management Commission. In addition there is a Surplus Property Procedure which identifies responsibilities for any vacant buildings. A new post has been approved to manage the disposal process and once filled, one of the first tasks will be to draft a new disposal strategy which will formalise the approach taken in respect of the following:

- Identification of opportunities for disposal
- Procedure for declaring property surplus
- Option appraisals prior to disposal
- Consultation in accordance with the corporate policy and use of the “Your City, Your Say” web pages to get a wider view on possible options
- Asset Transfer opportunities following the Quirk Review
- Climate change implications and appropriateness of conditioning sales. Impact on the natural environment and bio diversity
- Economic development implications
- Heritage and listed building considerations
- Capital receipt maximisation for reinvestment, balanced against possible reduced receipts for community, economic development or environmental reasons.

Appendix 3 shows the current disposal programme.

6.12 Property Management

Day to day management of operational properties is controlled by the occupying department with

assistance and advice from Property Services. In order to control the amount and nature of properties owned by the Council; various policies have been introduced and all plans to acquire, dispose or change the use of assets needs the consent of AMG.

Most non operational property is held corporately and managed directly by Property Services. Some lettings are of assets held by Departments i.e. craft village, and in these cases the leases and most of the management is by Property Services, but with departments consulted about specific issues and budgets.

6.13 Accessibility

Over the last few years in excess of £1.1 million has been spent on delivering access improvements to our buildings, as required by DDA legislation. It is recognised that further adjustments to features within our buildings are still required, and to meet this need £100,000 has been allocated this financial year. Also, this year for the first time a budget of £25,000 has been allocated to re-visit and undertake further and detailed access audits of a number of key public buildings. The adjustments identified in the audits will form the basis of future year programmes. Currently, identified adjustments still to be implemented total in excess of £500,000.

44% of buildings open to the public have public areas that are accessible to disabled people as recorded under BVPI 156. The returns to BVPI 156 are clearly important to giving an overview of building accessibility but they are not the whole picture. Many of the buildings that have benefited from adjustments are usable and independently accessible to disabled people but do not fully meet the Audit Commission criteria for accessibility. They fail perhaps on some minor features and therefore cannot be included in the percentage returns. The true measure of accessibility is feedback from our disabled customers, which has been and continues to be generally positive. One of the areas of work in the accommodation strategy, will be improvements to accessibility both for customers and staff with the building. Such an approach is key to the Council providing better customer services for all people and, jointly meeting its obligations under DDA legislation.

6.14 Environmental Issues

Our Energy Policy aims to minimise the environmental impact of services by reducing consumption and wastage of energy and water. New building and refurbishment projects incorporate energy efficient systems e.g. condensing boilers, comprehensive heating system controls, lighting controls and energy efficient lamps. Design solutions aim to reduce the consumption of fossil fuels and make best use of renewable sources of energy and combined heat and

power and sustainable materials.

The Council as part of the Local Authority Carbon Management Programme, has developed a strategy and implementation plan for energy savings/carbon reduction for its buildings. This will contribute significantly to the Councils overall reduction target of 25% over 5 years.

Through Prudential borrowing, £120,000 per annum has been allocated for the last 3 years for energy efficiency improvements. In addition, £100,000 Salix funding, with an equivalent match funding from the Council has created a £200,000 self sustaining fund for improvements.

Detailed feasibility has been carried out for the construction of a hydro-electric plant at Longbridge Weir which should provide sufficient output to power the Council House. The project is moving to the implementation stage.

The impact of any new developments or disposals on the natural environment and bio diversity are also considered.

operational but regrettably full implementation of the system has been somewhat delayed. This is balanced against indications that a new system should be more efficient, effective and easier to use. By virtue of it being web based it can easily accessed from any location and access made more widely available.

The planned outcome is to provide a comprehensive asset management system covering:

- integrated asset management information across all departments
- modular approach to specific solutions
- linkage with existing GIS software and other systems including financial.
- network access connectivity
- comprehensive and flexible reporting
- training for all users
- web-enabled in line with 'e Government' strategy.
- electronic storage of data to reduce use of paper and therefore storage space
- the ability to record decisions and make them more transparent and traceable

Data is continually updated to ensure the accuracy of the information held.

The assessment of suitability has been changed to a percentage figure rather than an alphabetical letter which better enables comparison between property types and the portfolio as a whole. This; together with other property information, will be used to carry out a detailed health check on all properties and for each property to be graded on a "traffic lights" system to identify more easily the buildings that have serious issues to be resolved in the future.

Sufficiency is also being assessed to identify properties where space is over or under-utilised, which inform of possible development or rationalisation opportunities. More detailed consideration of suitability and sufficiency takes place in property reviews. Condition surveys are updated annually by desktop and a rolling prioritised programme of detailed re-surveys is in progress.



7. PERFORMANCE MANAGEMENT AND DATA

7.1 Property Data

Good property data is critically important if effective asset management is to be practiced. But to be truly effective, it needs to be easily accessible to all officers and members who are involved in decisions affecting properties.

The software which was acquired to provide a corporate asset management database has proved to be disappointing in use and there are serious concerns about its ability to effectively inform and assist in making decisions. Other systems are being considered, including a web based system that was not previously available. At this stage it appears that acquisition and development can be contained within existing budgets and that revenue and costs in use could be reduced.

The core data, condition and lease modules are largely

Case Study

Analysis of performance data has highlighted to Officers that there are serious issues with the Kedleston Road Staff Training and Development Centre.

- *suitability 40% (County Council occupy half of the property and have also assessed their space at 40%)*
- *sufficiency – insufficient accommodation and parking to meet the service needs.*
- *condition – Category C – backlog £813,000*
- *the property has been made accessible but is generally unsatisfactory*
- *energy efficiency – well below average for gas*

and electricity. The building is performing badly and the heating system needs replacing.

- Site value estimated at £2m – County entitled to 50%

This data informed an option appraisal exercise to consider the future of this property. The cost of relocation was far more than the cost of the repairs and improvements. As a result, the buildings will be retained and improved. As Derbyshire County Council have a stake in the building they were also involved in the process and discussions have commenced to agree the basis of contributions and timing of works.

7.2 Capacity Building

The capacity to undertake strategic asset management has two elements. Firstly, the availability of staff to do the work and secondly the skills. Successful, strategic asset management is not a “part-time job” and sufficient staff resources need to be available. The service and financial benefits are likely to be high in the medium term, which will more than justify the staff commitment. The Corporate Property Officer has reviewed the composition and role of the Asset Management Group and the staffing priorities within Property Services, to create a small Asset Team within the Estates Division. The Children’s and Young Peoples directorate have a dedicated Asset Management Team to manage a significant Schools Capital Programme. Other services generally have at least one dedicated property officer and designated senior officers deal with asset management along with their other duties. It is proposed to implement an asset management awareness programme tied in with the launch of the software and Good Stewardship Guide.

Agency and partnership staff are used by Property Services to cover peaks in workload. Certain areas of the construction industry are already at capacity and it is difficult to recruit and retain suitably qualified and experienced staff.

8. THE CURRENT POSITION

Main Achievements during September 2006 to September 2007.

- Property Strategy redrafted and AMG split to allow more debate on strategic asset management and run workshop sessions on specific property issues.
- DCC has taken the lead role in the Derby Public Sector AMG which will act as a forum to share best practice and look for opportunities to integrate asset management.
- Major capital building schemes started/continuing/completed during 2006/7 including Pupil Referral unit, creative industries workshops, Library and Quad
- Continued partnership with Property consultants to assist the property disposal programme. Disposals during 2006/7 totalling £4m. Anticipated receipt for 2007/8 in excess of £10m.
- Sale of St Helens House (backlog in excess of £5m) completed. Private sector funding repair and refurbishment as a top quality hotel and residential.
- Local Authority Carbon Management Strategy and Implementation Plan developed
- Established project team for delivery of BSF and appointed technical advisors using BSF Framework.
- Development of new plans, policies and procedures including a new Maintenance Strategy– see Appendix 7
- Completed strategic review of sports centres and action now being taken to extend Springwood leisure centre and investigate feasibility of remodelling facilities at Moorways funded by land sale. Redundant centre let on long lease to a gymnastic club.
- New build replacement library at Mickleover completed and occupation of leasehold space for a new neighbourhood library in Derwent. Lottery bid submitted for 3 new district libraries.
- Learning Disability remodelling continuing with the closure and relocation of one property and options for future modernisation progressed.
- Continuation of review programme focussing mainly on Master planning areas.
- Successfully dealt with issues following a major fire at a secondary school including securing funding for complete rebuild with works having now started on site.
- Five new PFI schools successfully completed



- Use of the Nottinghamshire Framework of consultants
- Introduction of a “red box” in all appropriate operational properties containing property information needed in case of an emergency i.e. building plans, asbestos register etc.

indicators has recently been published by the National Audit Forum. Many of these are similar to the national indicators, but the remainder will be considered along with other possible indicators for 2008. As improvements are made to the asset management software more sophisticated use of the data should be possible. Property performance data is now being added to the Council's central performance management system which will enable better tracking of performance over time.

This year targets have been set (where appropriate) to challenge and improve performance. Full details of performance is given in Appendix 6 which shows the current position, trend, targets and some context and comparison data.



9. PERFORMANCE MANAGEMENT

9.1 Property Performance Indicators

Performance measures and benchmarking are being used to describe and evaluate how the Council's asset base contributes to the achievement of corporate and service objectives, including improvement priorities.

The National Property Performance Management Initiative (NaPPMI) Indicators have evolved over the last five years with a new set of revised indicators in place for 2007 and an additional 3 starting in 2008. They have been used for the year ending 31st March 2007 where the data is available. The published figures apply to the whole portfolio but for most of these, the data is collected on individual buildings. This detailed information is invaluable for reviews, option appraisals and to generally inform and influence decisions about the use and investment in that building.

The IPF Asset Management Network is used for benchmarking. As authorities are still in transition between the old and new indicators, comparison data is not particularly comprehensive. Benchmarking within the Octopus Group has also been difficult as authorities are at different stages of implementation. A full review of the property Pi's in comparison with other authorities is planned for 2008. Derby's results are communicated to members and senior officers as part of this CAMP. Scrutiny Management Commission comment on the plan prior to submission to Cabinet. Once approved by Cabinet, the electronic version of this plan will be available on the Council's web site.

Some local indicators are collected and once the asset management software has been fully implemented it will be easier to store and manipulate data so that a full set of indicators can be reviewed. A new set of



10. KEY ISSUES

The key issues for each Department's property portfolio are identified below, together with priorities for future capital expenditure which will feed directly into the capital and planned maintenance allocation programme. The Resources Directorate is non property holding. The HRA non-housing properties are covered in the Corporate and Adult Services section.

10.1 Corporate and Adult Services

Restructuring

Gain – Housing and Advice Services

Main Property Assets

4	Central Admin buildings	56	Houses let on long leases – mainly to housing associations and community groups
7	Other operational buildings	9	Shared ownership locations
5	Markets	11	Garage courts
85	Non-operational properties	2	Car parks
18	Surplus sites and buildings	45	sites/ground leases/long leases
11	Residential establishments	36	Shops
7	Day Care Centres	2	Operational offices

Total Asset Value: £49.75m

Key Issues	Cost	Proposed Strategy
Central Admin buildings – existing accommodation is generally in poor condition and unsuitable for modern ways of working.	Circa £30 million	Refurbish Council House for main customer facing services, cost estimated at £10-£12 million. Consultants appointed to drive down space requirements through new ways of working and to develop rationalisation strategy. Capital receipts set aside for resulting strategy.
Other operational buildings – Kedleston Road Training Centre has significant repair and improvements needed which will disrupt services.	£800k backlog - £400k approved and remainder to be prioritised. Further funding needed if County vacate	Negotiate with County over future occupation and contribution to repairs. Carry out works on phased basis to minimise disruption.
Markets – backlog maintenance issues at all markets. Occupancy at City Centre markets currently affected by development.	£576,000 allocated for planned maintenance in 2007/8 and feasibility work to be started on Market Hall roof	Continue to bid for capital and consider prudential borrowing. Allenton Market subject to potential redevelopment – to be assessed.
Surplus Properties – generally surplus properties are held corporately. Budget issues where costs are ongoing whilst bids are being considered. Capacity issues to progress some sales. Receipts could be affected by decisions on Asset Transfer.	£2.9 million anticipated receipt 2007/8 for general fund properties	Budgets to transfer with surplus properties. Sales completed as soon as possible to limit costs. Consultants retained to progress sales. Demolition where appropriate. Option appraisals for all newly surplus properties to consider asset transfer and other relevant factors.
Elderly Persons Service – Homes and day centres are not ideal for delivering modern services.	£160,000 grant for improvements. May be capital implications from review	Services review being undertaken. Option appraisals being carried out on future of some buildings, remodelling or redevelopment to meet user needs.
Learning Disability Service – residential and day care facilities are large and institutional in nature and inappropriate for modern day use.	Capital from any disposal will need to be reinvested as enabling development. Additional capital will be required	Minimise expenditure until review of service delivery has been completed. Consider partnership with independent sector.
Partnership working - improved use of property achieved by service delivery with partners or independent providers i.e. LIFT, Vitalise, Health, Derby Homes etc.	N/A	Continue to explore partnership working and provision of facilities.

Key Issues	Cost	Proposed Strategy
Sites and non-operational land – historically, development sites have been either sold on the open market or at reduced prices to housing associations. A third possibility is development for new housing stock by Derby Homes.	There is potential for considerable capital receipts if sold on the open market.	To continue investigations into each site and aim to maximise affordable housing provision in the city and/or to obtain market value. To use the receipt in accordance with the capital strategy and procedure on the approach for disposal is being developed. Consider land for Derby Homes development. Progress delivery of the Housing PFI.
Master planning – 3 areas of the city have been identified for master planning of the residential and supporting properties.	Will depend on the options selected. Some funding is already secured for the Rosehill scheme.	Boards and working groups have been set up for each areas backed up with advice from consultants to consider the possibilities and appraise the options. Implications and opportunities for our wider property holdings are also being considered.

Total backlog maintenance/refurbishment for operational property only – estimated £19.4m

Corporate & Adult Social Services Funding Priorities for next five years

Estimated Cost This excludes funding approved for 2007/8	
Central admin building strategy implementation	Circa £30 million
Kedleston Road repairs and improvements	Remaining £400,000 backlog – will need more if County move out
Wholesale Market rewire	£100,000
Market Hall roof	Estimated at £1million
Learning disability Service remodelling	To be assessed as part of review
Elderly persons services	To be assessed as part of review
Remaining Priority 1 and 2 maintenance backlog issues	TBC

10.2 Regeneration and Community

Main Property Assets

2 Theatres
 1 Dance Centre and proposed Visual Arts & Media Centre
 3 Museums and 4 stores
 11 Libraries
 3 Multi-storey & various surface car parks
 1 Leasehold Business Centre and 1 Creative Industries Workspace
 2 Leasehold City Centre Offices
 1 Tourist Information Centre
 Shared use of Works Depot
 Misc Properties & Land for Highway purposes
 Land Drainage and Flood Defence Assets £100 million
 Highways infrastructure and assets – not included in this plan.

Total Asset Value (excluding infrastructure) £38.4m

(Not open market value as some properties valued as depreciated replacement cost.)

Key Issues	Cost	Proposed Strategy
<p>Assembly Rooms & Guildhall – Total refurbishment and remodelling of Assembly Rooms required if it is to deliver a better quality service.</p> <p>Assembly Rooms Great Hall Stage needs replacing.</p> <p>Arts - Development of QUAD – Visual Arts and Media Centre.</p>	<p>Various options outlined in ten-year capital strategy.</p> <p>£20,000 for immediate essential repairs & feasibility study.</p> <p>Approx. £10.3 million of which £1.381 million is in the 2007/8 capital programme.</p>	<p>Technical feasibility being undertaken. Funding options and phasing to be explored. In the short-term immediate issues being considered inc a proposal to combine the Tourist Information & Box Office approx £460,000.</p> <p>Part of larger Public Realm bid to DDEP. Cabinet has agreed to fund £350,000 towards the Public Realm Scheme. Priorities for the funding of the various aspects within the Public Realm scheme will need to be agreed.</p> <p>Replace & improve stage in 2008/9.</p> <p>Funding in place, design finalised. Work progressing on site, opening planned Aug 2008.</p>
<p>Libraries – Central Library & some neighbourhood libraries are too small to fulfil a range of modern services. Some are in poor physical condition and poorly located. At the Local Studies Library environmental conditions are inadequate for the storage of important material on the history of Derby, and facilities for customers and staff are also poor.</p> <p>Chaddesden Library in urgent need of replacement. No suitable sources of external funding have been identified to date.</p>	<p>The new library which is being housed in the Springwood Leisure Centre extension is due for completion Sept 2008. Cost £172,000.</p> <p>Neighbourhood libraries bid for £2 million from Big Lottery. Remaining £750,000 funding & revenue implications agreed by Cabinet if bid successful.</p> <p>Costs estimated between £800,000 - £1.5 million. Essential maintenance work has been carried out over recent months in order to ensure library can remain open.</p>	<p>Replacement programme for neighbourhood libraries as funding permits. Various options for Central Library have been considered.</p> <p>Applied for Big Lottery funding for neighbourhood libraries at Allenton, Chellaston & Mackworth. If successful construction work on Allenton would commence by Sept 2008. All 3 complete by 2010. Result of bid known in September 07.</p> <p>Continue developing plans to replace Chaddesden Library. Continue to try to identify potential sources of external funding.</p>

Key Issues	Cost	Proposed Strategy
<p>Museums – The Central Museum and Silk Mill are in relatively poor condition. Part of Silk Mill remains out of use for Health & Safety reasons.</p> <p>Museum Square Atrium</p>	<p>> £10 million to improve the Silk Mill & rationalise storage with HLF and WH funding.</p> <p>£150,000 repairs to Sowter Mill for Fire Egress.</p> <p>£175,000 to enable the Silk Mill 2nd floor to be re-opened.</p> <p>TBC</p>	<p>A bid to the HLF to cover the refurbishment & extension of the Silk Mill will be submitted in December 07. Approx cost of £9 million (at 2011 prices). If this bid is successful it would also enable the rationalisation of storage by disposing of existing stores & purchasing a new external storage unit.</p> <p>Funding already agreed. Works to be carried out in 2007/8.</p> <p>Possibility of funding available in 2007/8.</p> <p>Part of the Public Realm Strategy. Growth Point Bid to be submitted.</p>
<p>Multi-storey car parks – major structural repairs required to Chapel Street, Bold Lane and Assembly Rooms car parks. Loss of places in surface car parks due to Connecting Derby scheme.</p> <p>Improve safety & security at MSCP.</p>	<p>£616, 000 to complete recommended minimum repairs.</p> <p>£300,000 - £400,000</p>	<p>2 years of 5 year programme completed. Continue to seek funding to complete works on a prioritised basis. Consider solutions to minimise loss of income due to surface parking space loss.</p> <p>Currently awaiting tender returns. Work should commence 2008/9 subject to cabinet approval.</p>
<p>Flood Defence – A large number of the City's culverts are in a poor structural condition in addition to open watercourses/culverts being under capacity in storm conditions due to continuous citywide encroachment & development.</p> <p>Renew the lining on a 120m stretch of Bramble Brook Culvert</p> <p>Littleover Brook CAMP (Catchment Area Management Plan).</p> <p>Bramble Brook CAMP (Catchment Area Management Plan).</p>	<p>Future costs of culvert maintenance & improvements TBC following condition assessment & classification of the culverts surveyed.</p> <p>Estimated £100,000 funded from LTP.</p> <p>Estimated £5 million (at 07/08 prices)</p> <p>Estimated £3 million (07/08 price)</p>	<p>Use recent CCTV culvert survey data to update LD asset management database & classify culvert assessment conditions (Category 1 – 5). Use this to develop a prioritised maintenance & improvement programme by March 2008 for delivery Summer 08 onwards. Potential sources of funding for works to be investigated.</p> <p>Tender returns by December 2007 latest to ensure works complete by 31st March 2008.</p> <p>Bid for 100% grant to be submitted to the Environment Agency following internal scheme approval. Bid timescale estimated at 2008 with scheme commencement 2009, subject to award.</p> <p>Bid for 100% grant to be submitted to the Environment Agency following internal scheme approval. Bid timescale estimated at 2008 with scheme commencement 2010/ 2011, subject to award.</p>
<p>Connecting Derby – Purchase of land & properties Abbey St – Osmaston Rd.</p> <p>Demolition of properties.</p>	<p>£1.1million</p> <p>£130,000</p>	<p>Complete Purchase by Dec 2007. Continue to purchase & demolish properties as required.</p>
<p>Area & Neighbourhood – The move to Ward based working from Oct 07 means that further office space/properties are required within specific wards.</p>	<p>Unable to quantify at the moment.</p>	<p>In some areas, existing properties are being used to house staff and deliver services.</p>

Regeneration and Community Priorities for next five years

Estimated Cost

Neighbourhood library provision including replacement of Chaddesden Library	£2.75 million for new libraries at Allenton, Chellaston & Mackworth through Big Lottery Grant & Capital Programme £800,000 - £1.5 million for Chaddesden Library replacement
Multi-storey car parks – improve safety & security	£1.02 million
Industrial Museum – Essential repairs for Fire Egress	£325,000
Connecting Derby	Completion of £33.28 million scheme
Museums remodelling	> £10 million anticipated mainly external although some match funding from the council funding will be essential
Culvert Maintenance & Improvement Programme Littleover Brook Catchment Area Management Plan (CAMP) Bramble Brook CAMP	£TBC. Est £250,000 per annum £5 million £3 million
Replacement of Assembly Rooms Great Hall Stage (2009)	Costs to be determined following feasibility study in 2007/8. £6, 000 interim measure repairs in 2007-8.
Combine Box Office and Tourist Information Centre	Estimated £460,000
Assembly Rooms refurbishment and remodelling	Continue to identify potential sources of funding.
Review of Stores Road as Highways Maintenance Depot	Options being explored.

10.3 Children and Young Peoples' Services

Main Property Assets

- 78 Primary phase schools, including schools with nursery units
- 13 Secondary schools
- 5 Special school
- 1 Pupil Referral Unit (currently on various sites)
- 2 Adult Learning properties – plus shared use of another
- 10 Dedicated youth centres – four of which are leasehold
- 10 SureStart facilities
- 3 Offices – two within Corporate buildings
- 5 Residential Children's homes
- 3 Area Social Services offices
- 7 Specialist Family Support centre

Total Asset Value **£250m**
(Not open market value as some properties valued as depreciated replacement cost.)

10.3a- Non school property

Key Issues	Cost	Proposed Strategy
Adult Learning Service Despite ongoing investment there are still high levels of maintenance backlog and capacity issues in many buildings.	£350,000 backlog maintenance Becket Learning Store £841,000 Rycote replacement at least £2million	Continue to use main capital and revenue resources to address maintenance. A programme of refurbishment has been started at Derby Multicultural Centre. Allenpark - a bid has been submitted to the Lotteries Fund to convert part of the building to a Library and refurbish. The building would then be shared between Libraries and ALS. Breadsall Hill Top Centre vacated and learning provision has transferred to other facilities throughout the city. Village Learning Store vacated for new school development. Administration has been re-located to the former housing office on Village Street. Learning provision has been dissipated to other venues. The service will ultimately move to Normanton Village Infants around Christmas 2008. Funding for this has yet to be secured.

Key Issues	Cost	Proposed Strategy
Youth Service <p>High wear and tear on existing buildings. The service has no dedicated base in some areas and given the nature of the service sharing space is not always possible. Several buildings are being used jointly with the PRU.</p>	£520,000 maintenance backlog	<p>Continue to use main capital and revenue resources to address maintenance. Continue use of rented premises within local communities. E.g. Oakwood and Spondon scouts.</p> <p>A replacement facility is needed in Sinfin. The Service is currently exploring use of some space in the proposed Children's Centre (conversion of former Carlton Nursery).</p> <p>The Outdoor Education Centre at Darley Abbey is due to open in the Autumn.</p> <p>Derwent Youth Centre is scheduled to be refurbished and extended to improve provision. This is to be funded by NDC and partner organisations funding.</p> <p>A bid for £1 million has been submitted to Government Office for funding for a major project.</p> <p>Funding of £300,000 is likely to be available for improvements and additional provision in 2008/09.</p>
Children's Centres and Surestart <p>These are being developed in local areas across the city providing a range of services and support to young people and their families.</p> <p>Some are part of the school or are located on school sites whilst others are standalone buildings.</p>		<p>To work with Early Years and Sure Start in developing their strategy for provision across the city.</p> <p>Children's Centres that are scheduled to be completed in October 2007 are Oakwood Junior, Cavendish Close Infants and Brookfield Primary</p> <p>Further Children's Centres are currently being planned at Sinfin (conversion of former Carlton Nursery) and Lakeside Primary. The latter will be funded from PFI credits.</p> <p>Surestart provision in the Rosehill area is being reviewed as there are currently two facilities in close proximity</p>
Specialist Services (former Children's social services) <p>Property issues are still currently managed by the Adult Social Services Property Manager. Ongoing works to Children's homes to comply with National Care Standards and BDA.</p>	Share of the capital allocation for NCS 2006/8 - £400,000	<p>Property issues to be managed by CYP by 2007. All properties being considered in the Strategic Review of CYP and in particular in Area and Neighbourhood service delivery for 2007/8. All Homes will comply with current standards but ongoing work is required to keep up to standard given the high wear and tear of these properties.</p>

Children & Young People's Department Priorities for next five years (non-school)

Total backlog maintenance – based on current surveys – approx. £600,000

Additional capital requirement – to be assessed.

Service Funding Priorities for the next Five Years

	Estimated cost
1. Lifts in Madeley and Youth House – DDA	£75,000 each site
2. Kitchen refurbishment at Madeley	£10,000

Major projects	Estimated cost
1. Village Learning Store replacement	To be assessed
2. Rycote Centre replacement/refurbishment	>£2 million
3. Becket Learning Store	£841, 000
4. Sinfin Children's Centre & Youth Provision	£1.3 million
5. Lakeside Children's Centre (PFI)	£1.4 million
6. Young Peoples Project – Derwent	£800,000

10.3b Schools

Children's Social Services priorities still being assessed 10.3c – School Property

The Children and Young People's Service (CYPS) has been undertaking asset management planning of schools since becoming a unitary authority in 1997.

The department has its own Asset Management Plan (AMP) and strategy documents, comprising Local Policy Statement and Statement of Priorities, which have been compiled in accordance with policy and guidance from the Department for Children, Schools and Families DCSF (formerly DfES).

The AMP covers all 105 community, foundation and voluntary schools and pupil referral units. A complete list of schools can be found at www.derby.gov.uk

The capital work included in the AMP relate to:

- Targeting AMP priority one school condition projects
- Site acquisition and disposal
- School place provision and surplus place removal
- Replacement, remodelling and improvements
- Devolved capital work, extensions, improvements and updating of facilities to meet curriculum needs and development

Our aims are driven by assessment of existing buildings and needs of the service. The following criteria contribute to the priorities of CYPS:

Condition

Condition Surveys are updated every four years on a rolling programme. The condition backlog currently stands at £56 million (including the PFI schools). Priorities for capital funding focus on urgent health and safety issues, which may result in school closures. The key priorities for categories of work in the Asset Management Plan are:

- re-wiring projects
- replacement of obsolete boilers/heating systems
- glazing works
- structural/cladding issues
- roofing

Despite significant investment; as condition surveys are updated and more intrusive surveys undertaken, the level of urgent needs appears to be increasing. Many urgent; often complex, costly schemes have to be prioritised. The level of funding obviously restricts the number of projects that can be undertaken.

Suitability and Sufficiency

Suitability is assessed every 3 years in accordance with DCSF guidelines. Surveys were reviewed and updated earlier this year. Sufficiency is assessed twice a year in accordance with DCSF policy. A place planning strategy has

been developed. This acknowledges the issue of removal of 'surplus places' or re-use of spare space for other purposes.

Suitability and Sufficiency schemes can only be prioritised where funding streams are available, or where Condition issues can be removed at the same time. Any potential scheme focused on the wider government priorities will have to make best use of funding sources available in order to be prioritised ahead of Condition issues.

Accessibility

A survey of disabled access was undertaken in 2002 and schools have recently prepared individual access strategies. More comprehensive surveys will be undertaken following completion of the Departmental Accessibility Strategy.

Funding

There are a number of properties in the portfolio that are reaching the end of their life and will need replacement or significant work to ensure that they remain safe for occupation. Where possible; we are taking a planned approach, however any replacement relies on sufficient funding.

The main source of funding is New Deal for Schools Modernisation funding. This is discharged directly from the DCSF and is based on the assessment of condition needs. Derby currently receives £4 million on average per annum. This may seem significant but needs to be used to fund a variety of schemes, including match funding for major projects, e.g. £2.9 million contribution to Targeted Capital Schemes for Village Primary School and replacement Ivy House School.

Funding is and has been available from various sources:

- Targeted Capital (DCSF)
- PFI (DCSF)
- BSF One School Pathfinder
- External funding bodies e.g. New Deal for Derwent, Big Lottery – Formerly NOF
- Section 106
- Disposal of assets
- Schools devolved budget

Wherever possible, funding streams are combined in order to make the best use of resources. For example at Derby Moor Sports College; specialist status funding has been combined with the schools devolved and a grant from the football foundation to deliver an Artificial Turf Pitch and changing facilities. Schools are required to contribute devolved funding towards condition projects. This is based on an agreed formula.

All of the schools in the Grouped Schools PFI project were open by September 2006. The £44 million contract has enabled the replacement of 3 primaries and 2 secondaries which had significant condition, suitability and sufficiency issues. This should reduce the maintenance backlog by a substantial amount.

Future developments

There are various initiatives that will impact on the CYP building stock.

Building Schools for the Future

The government has given a commitment to replace, remodel or refurbish all secondary schools. Derby will be considered in Wave 5, with work scheduled commence 2010/11.

Sinfin Community School, which was substantially damaged by fire earlier this year, is in the process of being replaced. The new facility is scheduled to be available by September 2008.

The BSF programme is also being extended to Primary schools. This funding will enable renovation and refurbishment of a number of Derby's schools but will be insufficient to enable replacement as the secondary programme aims to do.

Extended Services

The government has given a commitment to ensure that facilities and activities are available in localities from 8am until 6pm throughout the year, including during schools holidays. It is anticipated that a substantial amount of provision will be delivered in school buildings.

External Funding Bodies

Asset management planning also seeks to obtain funding from external bodies such as the Football Foundation and the Big Lottery Fund. Two artificial turf pitches have recently been completed at Derby Moor and Lees Brook and

several other sports facilities have been completed – Woodlands Swimming pool upgrading, Littleover Sports hall extension.

Re-use of buildings

When buildings are about to become vacant consideration is given to whether they can be used for alternative service delivery within the department e.g. Breadsall Hill Top ALC and Sunnyhill Infants are being considered as additional bases for the Pupil Referral Unit.

Disposal of assets and land sale

Sale of land is avoided unless significant benefit without loss of school fields can be achieved. For example, land sale funded a significant project at Woodlands that allowed the school to build a new sports hall and purchase additional school fields. Any disposal of asset must be considered and agreed by the DCSF. Schools must maintain a minimum playing field size, which is set by the DCSF.

Conclusion

The assets of CYPs are being improved, replaced and maintained using a diverse range of funding sources. Health and safety is addressed as quickly as possible. Other work is prioritised depending on service needs and considering information from the AMP.

Over the next five years significant improvements will be seen in the existing stock and wherever possible the future needs of the service will be addressed.

Estimated Education Capital Programme Commitments/Funding Sources

Funding Source	2005/2006	2006/2007	2007/2008	2008/09
NDS Modernisation	£4,897,378	£4,389,338	£4,452,750	£4,452,750*
NDS Schools Devolved Capital	£3,340,167	£4,158,113	£4,382,108	£4,382,108*
Schools Access Initiative	£432,604	£433,366	£433,366	£433,366*
Targeted Capital	-	£3,782,471	£5,723,543	£2,861,771
Specialist Status	-	-	£100,000	-
NRF	-	-	-	-
Building Schools for the Future One School Pathfinder	-	-	£14,731,000	-
LCVAP Targeted Capital Bid	-	-	-	-
Voluntary Aided	£277,965	£566,049	£598,742	£598,742*
Voluntary Aided Devolved Capital	£454,484	£564,909	£595,393	£595,393*
Derwent New Deal for Communities	-	>+£1,000,000>	>	-

* Estimated figures as DCSF allocations for 2008/09 have yet to be agreed

< Indicates funding allocation grouped together from a number of previous years

> Indicates funding allocation grouped together for a number of subsequent years

Current and future projects

Project	Estimated cost/budget	Proposed/actual opening date
Kingsmead KS3 Pupil Referral Unit	£3,425,100.00	September 2007
Ivy House replacement	£6,980,952.00	December 2008
Normanton Primary School	£7,327,906.00	September 2008
Darley Abbey Barn	£700,000.00	Autumn 2007
Sinfin Community replacement	£18,600,000	September 2008

10.4 Environmental Services

Main Property Assets

2	works depots
790	(hectares) Public Open Space
45	parks including city parks, district and neighbourhood parks
255	open spaces including 56 playgrounds, 52 operational buildings and 37 community assets
5	cemeteries and crematorium plus responsibility for closed burial grounds
17	houses – some vacant
5	sports centres
27	community centres
7	public conveniences (excluding those in parks)
1	hygiene depot

Total Asset Value

£25.7m

(Open spaces and community assets e.g. pavilions are excluded as these are recorded at fixed historic cost. The Asset register holds considerable sums for parks capital improvements.)

Key Issues	Cost	Proposed Strategy
Depot improvements and rationalisation – some existing offices are not fit for purpose and refurbishment is required. The service is split across two depots one of which is shared with an external contractor.	Depot rationalisation would depend on the location. Maintenance backlog at London Road estimated at £617k and £636k at Stores rd	The future of the depots is currently under consideration.
Sports Centres A strategic review of sports facilities has confirmed major concerns over maintenance backlog and suitability and capacity of existing leisure centres	The cost for a basic refurbishment to remodelling centres range from £6.14 million to £16.8 million. New build is estimated at £48.2 million.	An indoor Sports Facility Strategy has been produced for the City and the overall aim is: The development of a strategically located network of quality, accessible and affordable indoor facilities, providing for local participation needs and aspirations, in a range of sports and physical activity. Identifying options for partnership working with the University of Derby, Derby College and through the Building Schools For The Future programme.
Community Centres -A review of community centres has been undertaken which has confirmed a high level of maintenance backlog suitability issues and evidence of under use and opportunities for rationalisation or change of use. The impact of the Be Active Strategy needs to be assessed.	Will depend on the decisions taken and the action plan produced from the research and consultation which is taking place during 2007. Opportunities for external funding have been and are continuing to be explored by the Sport & Leisure Funding Officer. Capital receipts achieved will need to be retained to improve retrained facilities.	A more in depth review of community centres is being carried out which is exploring property, operational, management and capacity issues. Research has been undertaken with independent centres and officers for Council run centres and consultation will be undertaken on the results of this work resulting in recommendations and an action plan.
Dog & Pest Control Hygiene Centre, City Road – a small, stand alone facility in poor condition where the facilities are unlikely to meet future standards. Substantial investment will be required.	Although the site is small, it has good development potential and could release a significant capital receipt. The surrounding land is currently being re-developed.	Staff have been relocated to existing space within Heritage Gate. Part of the receipt is planned to provide new facilities at Stores Road Depot, including modern dog kennels and chemical storage.
Crematorium - Emissions control improvements at the Crematorium and continuing relining of cremators.	Estimated in excess of £2.5m.	Needs to be in by 2012 to meet legislation but may need to be introduced in the next 2 years if required by the DOE.

Key Issues	Cost	Proposed Strategy
Alvaston Park/Racecourse Replace both the fire damaged Alvaston Park sports pavilion and the Racecourse sports pavilion.	Potential match funding from the Football Foundation The cost of both the buildings is likely to be in the region of £3.5m. External funding will also be pursued for further improvements in the park.	Master plans have been developed for both parks. Individual designs have been produced for the replacement of the pavilions.
Markeaton Park Improvements.	A funding application has been submitted for a project officer to undertake to co-ordinate a large project bid. Likely to be informed in March 2008 regards the success of Phase 1 bid for £50k. The package of works is expected to be in the region of £7m.	A master plan for the park improvements will be developed in order to identify the key aspects of work and to enable the submission of the bid.
Playgrounds - Continue to develop a number of playground refurbishments and provision for young people as part of the Play Strategy.	Potential of match funding for playgrounds and sports facilities but requires match funding which may include the Council's own contributions.	Improvement are being implemented on a 3 year rolling programme for playgrounds improvements and facilities for young people. The majority of the schemes are joint funded and have the potential to attract external funding.
Major Park Improvements (including) Osmaston Park Phase 2 Improvements.	Some potential match funding has been secured and further bids are being pursued to secure the outstanding amount.	Provide community centre and sports pavilion accommodation to compliment the football pitches and other facilities already available on site.
Refurbishments of Listed Buildings Darley Abbey yard, and Rowditch Recreation Ground buildings and grounds which are in a decaying state and need major improvement works and / or developing.	Depends on extent of works undertaken.	Feasibility studies for usage and development need implementing.
Major Golf Courses and Buildings Improvements There is a need to look at the infra structure for both the City's two golf courses including the clubhouses at both Sinfin and Allestree. The provision of a golf driving range would benefit the facility at Sinfin.	No funding in place at present. There is potential for the facilities including the golf driving range to be self financing over a longer term period.	There is a need to be competitive with other private golf courses. And to provide decent car parking and buildings to compliment the golf courses in line with the business case and feasibility.
Bass's Recreation Ground.	Potential match funding has not been identified or secured yet.	The site next to the riverside is in need of improving with facilities and pathway infrastructure to mirror it's potential well placed location.
New parks and Open Spaces – New parks are planned at Littleover, Chellaston, Mickleover and Spondon. Significant land which is unlikely to be met from Section 106 agreements.	Difficult to determine at this stage. Land acquisition costs alone are likely to be several million pounds.	Consider funding opportunities and submit bids. To open discussions with landowners to determine value and willingness to sell.

Environmental Services – Funding Priorities

The following are the main priorities in no particular order.

Depot rationalisation
 Emission Control improvements
 Alvaston and Racecourse pavilions
 Markeaton Park Improvements
 Playgrounds
 Major Park Improvement
 New Parks and Open Spaces
 Dog and Pest control Hygiene Centre, City Road

Sports centres

Community Centres

Will depend on solution
At least £2.5m.
£3.5m
Total cost estimated at £7m
Tbc – external funding available
tbc
tbc
Disposal at anticipated six figure sum. Part to be used to fund relocation.
Moorways remodelling anticipated to be largely funded from receipt from land sale. External funding possibilities being actively investigated. Some capital is likely to be needed to finalise the modernisation of the service.
£50k public priorities – plus planned maintenance funding.

10.5 Cross Service

Key Issues	Cost	Proposed Strategy
DDA – buildings need to be accessible to all customers and staff and comply with the Disability Discrimination Act.	£100,000 allocated for 2007/8.	Continue programme of detailed access audits. Continue bid for capital and consult with the advisory committee over prioritisation. Respond to any challenges over DDA compliance.
Property Management and Safety – condition of property in a 'red risk' in Property Services risk assessment. Robust systems are required to ensure safety and managers need to be clear about levels of responsibility.	£720k specifically allocated for safety works and £150k for boundary walls. Other funding allocated from R and M budget as needed	Continue with the fortnightly Property Services Team Leaders' meetings to assess known risks. Buildings at risk programme with a programme of condition surveys underway including bi-annual overview visit to all operational property. New programme of Good Stewardship training including fire, asbestos and water hygiene of duty holders to begin in autumn 2007.
Integrated Children's Services & Neighbourhood Agenda – a number of neighbourhood bases are likely to be needed in each of the five localities.	To be accommodated within existing property where possible to minimise cost.	To work closely with the project team and area managers to find suitable existing buildings wherever possible. To link with the children's centre capital programme.
Procurement – must contribute to the realisation of the Council's vision and strategic objectives. This includes construction projects. Gershon savings need to be achieved.	To be at best value.	Property Services has strategic partnering arrangements in place for both professional services (Notts CC Framework) and construction. Regional procurement is being considered with the East Midlands Centre of Excellence Group.
CityScape – the delivery of the Cityscape vision does rely on both council owned land and buildings and also on our ability to use CPO powers.	External grant and private sector funding to meet majority of costs.	Accommodation strategy, consider future of Middleton House. Exploit opportunities for relocating Castleward businesses and capital recycling. Consider sites for affordable housing. Progress Cathedral green and the Public Realm Strategy. Assess impact of connecting Derby and use of any surplus land.
World Heritage Site – The WHS status will give greater scope for external funding for projects within the site.	Some match funding will be needed.	Remodel the museum properties facilitated by improving the Silk Mill Museum through external funding. Progress proposals for Abbey Yard stables at Darley Abbey.
Customer Service – Property adaptations needed to deliver the Customer Service Strategy. Future accommodation decisions need to consider customer service delivery.	Initiatives to be contained within the Accommodation Strategy funding forecast.	Continue to improve the contact centre in the Council House and build on the aspirations of the Customer Service Strategy to establishing an integrated call and contact centre taking up much of the existing ground floor space.
Extended Schools Agenda – increased use of school buildings.	To be determined – greater usage but increased wear and tear and overall running costs.	Joined up use of school buildings for longer hours and for community purposes. The effect on other facilities such as community centres needs to be considered.
Planned v Reactive Maintenance – with high levels of maintenance backlog, it is essential to curb reactive spending to divert funds into planned works to reduce the backlog.	66% of revenue spending on repairs and maintenance is planned works.	The planned maintenance programme diverts funding into planned works identified as priorities from the condition surveys. The review programme is looking at rationalisation opportunities of the worst properties.
Environmental Issues and Energy Policy – need to minimise the environmental impact of services by reducing consumption and wastage of energy and water and by promoting the use of renewable sources of energy.	Start of a rolling programme	Energy policy agreed by Cabinet April 2005. Funding to be used to address energy efficiency issues. Carbon Trust SIP developed. Environmental Policy drafted to improve sustainability in design and maintenance.
Fire Regulatory Reform (Fire Safety Act – requirement for technical fire risk assessments on all buildings.	2007/8 assessment programme - £200k	Prioritised rolling programme of technical assessments commenced on buildings considered highest risk. Management assessment guidance drafted – to be issued Autumn 2007.

Key Issues	Cost	Proposed Strategy
Asset Transfer – increased opportunities to empower communities to take control of the buildings which they use.	Need to be assessed on a case by case basis. Possibility for external funding for improvement prior to transfer.	Continue with the policy of letting community buildings on a peppercorn rent basis with support to the associations in the form of maintenance. The opportunity cost of holding surplus and underused property to be assessed. Option appraisals for disposals to consider the possibility of asset transfer.
Heritage buildings at risk – the Council has an additional and costly responsibility to properly maintain listed buildings.	Opportunity to reduce the backlog significantly	A strategy for 3 key surplus Heritage properties at risk was established in July 2007 (appendix 8) and 1 property has since been sold and another is due to complete Sept 07. The strategy to be extended to other surplus listed buildings in due course.
Derby Public Sector Property – To date public agencies in the city have worked together on specific projects but have planned asset management in isolation.	None	To continue to develop the Derby Public Sector AMG to undertake joint reviews and asset management planning.

11. SUMMARY & CONCLUSION

An Overview by Chris Edwards, Corporate Property Officer

As Corporate Property Officer, it is my responsibility to ensure that our property supports and enhances service delivery. This is often challenging as our building maintenance backlog continues to rise, since buildings deteriorate and we gain better knowledge of their condition through intrusive surveys. In addition, changes and greater awareness of regulatory requirements place further strain on our resources. Buildings are increasingly unable to keep pace with changes to service delivery and customers' enhanced expectations. Property condition and suitability has a great impact on staff morale, revenue costs and customer satisfaction. It is an expensive resource and one that cannot readily adapt to change.

In terms of asset management, the key issues and challenges facing the Council are;

- establishing the medium to long term property requirements given the change agenda which includes:
 - integrated children's services
 - adult services
 - area working
 - business process re-engineering
 - partnership working

property solutions, particularly the accommodation strategy, must consider these possible developments and be flexible in use, including the possibility of sub-division.

- addressing the £109 million backlog maintenance and refurbishment requirements across the whole portfolio
- dealing with the increasingly onerous health and safety requirements in managing the corporate estate; including building inspection and monitoring, fire safety, asbestos issues and water hygiene management
- Increasing the energy efficiency of our buildings and making a major contribution to the Council's commitment to reduce carbon emissions by 25% over 5 years, beginning 2007/8
- making sure our buildings are accessible to all
- suitability and sufficiency - ensuring that all properties are fit for purpose and adequately used. Opportunities for rationalisation to be identified.

Strategic Asset Management planning identifies our procedures, policies and plans to ensure that our assets are used as effectively as possible and that available funding is targeted at the highest priorities. It takes a holistic view across the whole Council and encourages a pro-active, co-ordinated and collaborative manner.

12. CONTACT INFORMATION

Chris Edwards	Corporate Property Officer	01332 255070
Steve Meynell	Chief Estates Officer	01332 255557
Julie Basford	Asset Manager	01332 255545
Derek Jinks	Design Services Manager	01332 255919
Tim Findlay	Maintenance Manager	01332 255082

APPENDIX 1

LINKS TO CORPORATE PLAN 2007-2010

Priority 1 – Making us proud of our neighbourhoods

Key outcome	Link to Asset management	Milestone and/or measure
1.1c	Develop a homeless assessment centre at Green Lane	Site acquisition, design and project managing build
1.3a	Improve and enhance the opportunities for residents to get involved in decisions about their neighbourhoods	Building completed on time and budget Client satisfaction with product and service End user satisfaction with product
1.3d	Implement the Rosehill Master Plan working with local people to improve housing, environments, transport infrastructure and general facilities	Consultation on proposed disposals and new buildings. Opportunities for Asset Transfer
1.3e	Undertake and implement Osmaston Master Planning	Asset Manager on project team. All council land holdings within the study area identified and reviewed. Opportunities for relocating services under consideration.
1.3f	Undertake and implement Master Planning within the Derwent New Deal for Communities area	Complete master plan Suitability assessments Number of changes to the nature and use of properties following scheme delivery

Priority 2 – Creating a 21st Century city centre

Key outcome	Link to Asset management	Milestone and/or measure
2.1a	Deliver projects in the city centre in partnership with Derby Cityscape Ltd: <ul style="list-style-type: none"> Roundhouse St Georges area North Riverside Public Realm 	Influencing project development through property ownership and ability to use CPO powers.
2.1d	Produce an action plan for the development of the eastern fringes area – the Castle Ward and DRI areas	Roundhouse transferred to Derby College St Georges – future of St Mary's Gate offices established through Accommodation Strategy Land assembly facilitated , including demolition order for Exeter House Acquisitions completed on time and budget
2.2a	Prepare for and construct Connecting Derby project	Freehold ownership of the Castle Ward industrial ground leases, car parks and land. Use of surplus land elsewhere in the city to facilitate relocation.
2.3a	Submit stage one bid to lottery for refurbishing the silk mill museum	Continue acquisitions by agreement and using CPO powers once approved

2.3b	Open QUAD, Derby's visual arts and media centre	Design, procurement and construction of building Negotiate lease to Derby Community arts	Building completed on time and budget Client satisfaction with product and service End user satisfaction with product Lease completed
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Priority 3 – Leading Derby towards a better environment

Key outcome		Link to Asset management	Milestone and/or measure
3.1a	Take forward the framework provided by Derby Declaration on climate change	Assisting in identifying a carbon emission baseline. Consideration of climate change implications in property decisions.	Develop Carbon emissions baseline Energy and water costs
3.1e	Implement a strategy and implementation plan under the Local Authority Carbon Management Programme	Energy efficient design of new buildings and -improvements to existing buildings	Actions completed in accordance with the Programme Reduction in CO2 emissions in Council Property
3.3c	Develop an action plan for Derby's buildings at risk	Three council owned buildings have been identified as being at risk	Develop and implement a strategy to bring properties out of risk

Priority 4 – Supporting everyone in learning and achieving

Key outcome		Link to Asset management	Milestone and/or measure
4.1b	Building schools for the future	Design, costing, procurement and construction	Develop procurement process to select private sector construction partner by Dec 2009 Buildings completed on time and budget Client satisfaction with product and service End user satisfaction with product Reduction of backlog maintenance Increases in suitability and sufficiency
4.2e	Improve peoples access to libraries in Derby	Review and assessment of current library stock. Identification of sites for proposed new libraries under lottery bid. Planned maintenance works. Design, procurement and construction of new builds as appropriate. DDA works.	Mickleover library completed on time and budget Client satisfaction with product and service End user satisfaction with product Additional measures to be set if lottery bid successful Suitability and backlog improvements

Priority 5 – Helping us all to be healthy, active and independant

Key outcome		Link to Asset management	Performance measure/Indicator
5.1f	To enable more people with learning disabilities to play a more active role in the community by modernising day and residential services.	Review property holdings and assist in considering options for future modern property requirements. Valuation advice. Closures and demolitions. Ultimately design and project delivery. Advice on short term relocation options.	Suitability and backlog improvements Closure of Knoll by April 2008 Closure of Humbleton view Demolition of properties Delivery of improvements to the Wetherby Centre

5.2a	Improve leisure facilities within the city	Strategic review of leisure centres. Deliver gym extension and remodelling of Springwood Leisure Centre. Letting of Lancaster sports centre to gymnastics club. Options for Moorways and Shaftsbury under consideration	Suitability and backlog improvements Springwood: Completed on time and budget Client satisfaction with product and service End user satisfaction with product Option appraisal on Moorways completed Options for Shaftsbury incorporated into Rosehill master planning
5.2b	Improve parks facilities within city	Design, costing, procurement and construction of new buildings or replacements. Use of planned maintenance programme to demolish unfit property	Suitability and backlog improvements Deliver new changing facilities at Alvaston Park and Racecourse by 2010 and on budget Provide new community facility at Osmaston park by 2009 and on budget Completions on time and budget Client satisfaction with product and service End user satisfaction with product
5.2c	Refurbish 12 play areas in the city	Prioritisation of funding in order to attract external funding	Number of play areas refurbished
5.3b	Deliver integrated services for children and families through children's centres, extended schools and Area One Trailblazer	Design, costing, procurement and construction of new buildings or extensions. Identification of an office for area one.	Completions on time and budget Client satisfaction with product and service End user satisfaction with product Opening of Area one office

Priority 6 – Giving you excellent services and value for money

Key outcome	Link to Asset management	Milestone and/or measure
6.1c	Develop plans to improve central office accommodation including seeking to address working inefficiencies	Lead role in planning and delivery of improvements to central office accommodation
		Phased completion of Council house refurbishment Appointment of consultants, completion of study and strategy developed by March 08 Suitability, backlog and sufficiency improvements

Appendix 2 – Draft Property Strategy

Derby City Council Property Strategy

To develop a lean and well planned property portfolio that enhances service delivery and meets Corporate priorities and objectives by challenging the use, management and retention of all property holdings

Issue

Resources are mainly being used to minimise the negative impact of property condition and suitability on service delivery	Safety of staff and the public in and around Council property is of paramount importance	Some properties are unsuitable for modern service delivery and not "fit for purpose"	Property holdings are capital and resource hungry	Maintenance backlog is £109,000,000 and is rising annually in real terms	The development and use of property impacts on the environment
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Strategies

To develop a greater understanding of the long term corporate aims and plan to use property and capital to help drive the agenda and make significant improvements to the way services are	To introduce a "Good Stewardship Guide" to clarify the roles of all parties involved in property management, backed by a training package and monitoring system.	To review all properties to identify clear reasons for holding. Renew and rationalise the estate to meet changing service needs and Corporate priorities	To release value from property holdings by minimising running costs, releasing underused space and intensifying use of retained properties—"squeeze and sweat"	To ensure that resources are strictly prioritised and allocated according to identified business need and option appraisal.	To ensure that property is as sustainable as possible in design, construction, maintenance and operation
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Tactics

<p>Clearly identify asset management links to the Corporate Objectives</p> <p>Resources are stretched over too many properties and a reduction in "roofs" is necessary</p> <p>The reduction must be achieved in partnership with Services and Members to retain those buildings which are fully utilised and fit for purpose and to challenge the holding of all property</p> <p>To work with DCP, Cityscape and other voluntary and community groups to ensure that retained and surplus assets are used in an optimum way to contribute to the development of the city</p> <p>To raise awareness of property as a resource and a greater understanding of the opportunity cost, investment and resources needed.</p> <p>Ensure that property decisions are compatible with other council policies</p> <p>Use performance information to evaluate the portfolio and assess how it contributes to corporate objectives</p>	<p>Annual inspection of all identified properties by a building surveyor.</p> <p>Rolling update of the Good Stewardship Guide policies to manage elements that have known risks. Annual audit of compliance</p> <p>To react promptly to any safety concerns reported on properties or discovered during inspection.</p> <p>Fortnightly Maintenance Team Leaders Group meeting to review safety issues and allocate resources.</p> <p>Buildings at Risk Programme to ensure appropriate action is taken and that all risks are managed and monitored.</p> <p>Clear communication of responsibility and relevant training and advice available.</p> <p>To balance the resources allocated to risk management against projects which will deliver real changes</p> <p>Ongoing assessment of Priority 1 condition related backlog issues</p>	<p>Develop a comprehensive and accessible property information system to inform decision making</p> <p>Detailed assessment suitability and sufficiency using a "Traffic Light" System.</p> <p>Property ownership is not critical to service delivery</p> <p>In partnership with services to develop a review programme to identify opportunities for improvement, and rationalisation</p> <p>Disposal of property following rationalisation and use of receipt in accordance with the Capital Strategy.</p> <p>Ensure buildings are accessible and DDA compliant through access surveys and improvement programme</p> <p>Property is a Corporate resource</p> <p>Review holdings on an area basis and in conjunction with other public sector organisations in the city</p> <p>Proactively progress opportunities to use properties in a better way or dispose or partner to maximise returns</p>	<p>Monitor running costs to target potential savings</p> <p>Develop corporate procurement and billing for utilities and benchmark both internally and externally</p> <p>To "sweat" assets by maximising use, combining complimentary services and increasing joint and multi-agency working</p> <p>To prioritise the disposal of surplus buildings to minimise costs once out of use</p> <p>Innovate funding generation using the portfolio and seek ways to lever in external funding</p> <p>To use Whole Life Costing in design to minimise running costs and maximise building element life</p> <p>To control time and cost predictability and make continuous improvements to processes based on experiences and customer feedback</p> <p>To assess and monitor space usage in central office accommodation and control office moves to increase efficiency</p>	<p>Carry out a detailed condition survey of all properties on a five-year rolling programme</p> <p>To use the survey information in accordance with the maintenance strategy to initially prioritise planned maintenance funding</p> <p>Control reactive maintenance expenditure to release funding for planned maintenance.</p> <p>Prioritise capital funding to address the most serious issues where safety or service delivery is at threat</p> <p>To ensure the design of future buildings considers the cost in use to reduce the future liability</p> <p>Where possible to pass responsibility for the cost of maintenance of non-operational property to the tenant</p> <p>Dispose quickly of surplus property</p> <p>Challenge all maintenance hotspots against other options such as disposal</p>	<p>Ensure that property decisions are sustainable and support the climate change agenda</p> <p>Implementing LA Carbon Management Strategy and Implementation Plan</p> <p>Sustainable design and construction of buildings</p> <p>Consideration of improving energy performance in maintenance projects</p> <p>Good Housekeeping through staff awareness including Seven C's project</p> <p>Consider whole life costing in design decisions</p> <p>Targeting and monitoring of energy use</p> <p>Consider environmental issues in appraising options for disposal or development</p>
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Documents

<p>Corporate Plan 2007-2010</p> <p>Derby Local Area Agreement</p> <p>Corporate Asset Management Plan</p> <p>Cityscape Masterplan</p>	<p>Good Stewardship Guide, September 2007.</p> <p>Building related health and safety policies</p> <p>Buildings at risk guidance</p> <p>Specific guidance</p>	<p>Suitability Questionnaire</p> <p>Property Health Check (under development)</p> <p>Surplus Property Strategy</p> <p>Surplus property programme</p>	<p>Disposal Strategy 2007</p> <p>Energy policy</p> <p>Capital prioritisation procedure</p> <p>Sustainable design guide (draft)</p> <p>Space standards</p>	<p>Maintenance Backlog Reduction Strategy, updated September 2007</p> <p>Planned Maintenance Strategy 2007</p> <p>Capital prioritisation procedure</p> <p>Project Management and Option Appraisal guidance</p>	<p>Energy Policy</p> <p>Sustainable design guide (draft)</p> <p>LACMP strategy and implementation plan</p>
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APPENDIX 3

DISPOSAL PROGRAMME - AUGUST 2007

Asset	Holding	Estimated completion	Notes
SOLD BETWEEN 1/4/07 AND 1/9/07			
Peet Street work shop	General Fund	Sold 5/4/07	-
The Mount	General Fund	Sold 10/4/07	-
15 Whiston Street	General Fund	Sold 13/4/07	-
54 Silverhill Road	HRA	Sold 5/6/07	-
Raynesway Sites (a) "New Raynesway"	General Fund	Long lease completed 17/8/07	-
St Helen's House	General Fund	Sold on long lease 16/8/07	-
Total receipts 1/4/07-1/9/07	£3.86m		
COMPLETION ANTICIPATED 2007/8			
69 Woods Road	HRA	2007/8	To be auctioned 18/10/07
Land at Vicarage Road	General Fund	2007/8	Subject to planning application approval
Roundhouse – Pride Park	General Fund	2007/8	Sale to Derby College imminent
Full Street remainder	General Fund	2007/8	Agreed – Finalising costs
Merrill School – Surplus Land	Education	2007/8	Under offer – issue with ground contamination following demolition which could impact on value. Receipt to be split subject to agreed formula.
Wilmorton Primary School	Education	2007/8	Completion due 12/9/07
Leytonstone Drive, Mackworth site of scout hut – Affordable Housing	HRA	2007/8	Under offer – sale anticipated shortly

Land at Swallowdale Road, Sinfen	HRA	2007/8	Under offer – sale anticipated shortly
Horsa building, Vicarage Road, Mickleover	General Fund	2007/8	Under offer, sale anticipated shortly
Grove House – Affordable Housing	HRA	2007/8	Under offer – sale on long lease anticipated shortly
Britannia Court	HRA	2007/8	Under offer but issues around planning and flooding issues to be resolved before going to cabinet
Estimated receipts 1/9/07 – 31/3/08	£10m		
COMPLETION ANTICIPATED 2008/9			
Loudon Street site	General Fund	2008/9	Option appraisal and consultation to be completed
Learning to work depot, Grampian Way	General Fund	2008/9	Internal redevelopment under consideration and then option appraisal and consultation to be completed
Depot St site	General Fund	2008/9	Option appraisal and consultation to be completed
Land adjacent to 32 Peel Street	General Fund	2008/9	Option appraisal and consultation to be completed
Wilmot Street land	General Fund	2008/9	Possible land swap for Connection Derby
Belgrave Street site	General Fund	2008/9	Option appraisal and consultation to be completed
City Road depot	General Fund	2008/9	To be marked jointly with neighbouring site
Land at Normanton Road Junior School	Education	2008/9	To be marketed once school relocates to new building. Part receipt earmarked for new build.
Estimated receipt 2008/9	£3.48m		
COMPLETION ANTICIPATED AFTER 2008/9			
Raynesway Sites (b) West Land	General Fund		Dependant on new junction
Rowditch Rec – Cottages and Tennis Club	General Fund		Option appraisal and consultation to be completed
Ivy House Special School site	Education		School being relocated and site expected to be vacant December 2008
Allestree Hall	General Fund		Still in negotiation
Crayford Road site	HRA		Option appraisal and consultation to be completed
St Mary's school playground	Education		Option appraisal and consultation to be completed
Havenbault Lane site (13)	HRA		Under consideration with other neighbouring land owners

Oaktree Avenue site	HRA		Delayed pending the Osmaston master planning which affects this site
Vivien Street Garages	General Fund		Option appraisal and consultation to be completed
Estimated total will depend upon basis of sale			

CORPORATE BACKLOG MAINTENANCE STRATEGY 2007 TO 2012

NON-SCHOOLS BUILDINGS

Group of buildings	Backlog £000	Strategy	Reduction in backlog/year					Outcome dependent	TOTAL
			07/08 £000	08/09 £000	09/10 £000	10/11 £000	11/12 £000		
CORPORATE									
<i>Main administrative buildings strategy</i>									
Backlog									
- Council House	6632	Administrative buildings Strategy	500	1500	3000	1632			6632
- St Mary's Gate	2986					2986			2986
- Roman House	230		70						70
Kedleston Rd training centre	400	Capital Programme	100	300					400
<i>Investment property</i>									
Shot Tower Corner	75	Rent free lease	75						75
Rowditch cottages and associated buildings	146	Dispose/partnership			146				146
<i>Surplus buildings - Disposal</i>									
- Roundhouse	2558	Dispose	2558						2558
- Allestree Hall	2500	Dispose		2500					2500
- 5 Whiston Street	10	Dispose	10						10

REGENERATION AND COMMUNITY									
<i>Public conveniences</i>									
- 4 sites closed	500	demolition/refurbishment programme	100	100	100	100	100		500
<i>Museums - Art Gallery</i>									0
Backlog	1064	£10.7m HLF and WH fund bid						1064	1064
<i>Arts</i>									0
		10 year capital strategy. Technical feasibility, funding options and phasing being explored							0
Assembly Rooms	2391							2391	2391

ENVIRONMENTAL SERVICES									
<i>Community Centres</i>	2628								0
Sunnyhill	45	repair/refurb	103						103
St Augustine's	282	£281,500 External Funding	282						282
Roe Farm	76	Replacement project		76					76
		Review of community facilities							0
		£50K annual programme of repair from public priority fund	168	69	50		50		337
<i>Depots</i>	3627	Look at rationalisation to either one site or an alternative site							0
Hygiene Centre	274	Relocate and dispose	274						0
									274

<i>Parks</i>									
Parks changing rooms / pavilions	374	Replace - External funding						374	374
Darley Park Stableblock /yard etc	868	World Heritage Corridor - Big lottery fund bid						868	868
<i>Sports Centres</i>									0
Moorways	2113) Sports Centre review - strategy being developed							0
QLC	909)						3590	3590
Springwood	99)							0
Shaftesbury	469)							0

SOCIAL SERVICES									
Area offices	340	Rationalised as part of Accommodation Strategy					340		340
Homes for older people	728	Review and rationalisation						728	728
Learning disability	618	Review and rationalisation						550	550
		Wetherby centre refurbishment	68						68
			4308	4545	3296	2986	490	9565	26922
		Total Maintenance backlog - Corporate Buildings Outstanding - to be funded from Revenue / Capital Planned Maintenance Rolling Programme							47000
									20078

APPENDIX 5

REVIEW PROGRAMME

Issue	Progress/Action to date	Action Proposed	Target
Central Administrative buildings	<ul style="list-style-type: none"> Affordable solution not established. £5 million Council House refurbishment programme commencing 07/08. Consultants appointed to look at new ways of working. 	<ul style="list-style-type: none"> Report recommendations to Cabinet and implement approved policy 	<ul style="list-style-type: none"> Cabinet late 07 then ongoing
Vacant/surplus properties	<ul style="list-style-type: none"> List reviewed at monthly Asset Management Group meetings Continued disposals in a controlled manner in Partnership with property consultants Significant receipts generated and revenue savings 	<ul style="list-style-type: none"> Continually update list and circulate to AMG monthly for review Redraft disposal procedure in line with policy and legislation changes Appoint new post to deal with disposals, option appraisals and reviews 	<ul style="list-style-type: none"> Ongoing and linked with generating receipts forecast in the Capital Strategy By Dec 2007 and policy draft to be early priority
Geographical reviews	<ul style="list-style-type: none"> Initial geographic reviews in Mickleover, Sinfen, and Spondon completed New area reviews in conjunction with the 3 master planning areas of Rosehill, Osmaston and Derwent 	<ul style="list-style-type: none"> Prioritise reviews to areas where there are specific issues or opportunities to link with other projects Extend to include other public sector owned property 	<ul style="list-style-type: none"> Ongoing and somewhat dependant on other programmes
Community Buildings Review	<ul style="list-style-type: none"> Completed initial review which included Youth and Adult Education Some actions implemented Detailed review of Community Centres now underway and consultations held (service led) 	<ul style="list-style-type: none"> Progress actions from first review Complete detailed review 	<ul style="list-style-type: none"> Ongoing December 2007
Rowditch Recreational Ground	<ul style="list-style-type: none"> Vacant possession of two cottages One cottage sold under RTB Planners and English Heritage consulted Sale dependant on park restructure to achieve planning and park restructure dependant on funding The buildings are deteriorating 	<ul style="list-style-type: none"> Agree extent of redevelopment Decide on park improvements to facilitate sale Consultation Market for sale 	<ul style="list-style-type: none"> First phase by Spring 2008 and marketing to commence
Social Services Learning Disability Service	<ul style="list-style-type: none"> Service project manager in post Opportunities for rationalisation and redevelopment identified and reported to Cabinet One Hostel closed, day centre out to consultation on closure and funding allocated to repair retained day centre and demolish hostel 	<ul style="list-style-type: none"> Progress decanting of service users Consider options for cleared site and alternative locations for new build project. Review retained units and possible alternatives generated from receipts and savings 	<ul style="list-style-type: none"> Knoll by Dec 07, Humbleton by June 08 March 2008 depending on options and affordability Ongoing

Normanton Area Review	<ul style="list-style-type: none"> Review meeting held and Action Plan drawn up School rationalisation plan agreed and funding secured Other actions progressing Funding allocated to rebuild Sunnyhill Community Centre 	<ul style="list-style-type: none"> Aerials to be relocated asap Marketing and sale of Junior school Decisions needed on future of 2 infant schools 	<ul style="list-style-type: none"> Dec 2007 Sept 2007 Start marketing Complete Sept 08 Dec 2007
Darley Abbey Yard	<ul style="list-style-type: none"> Delayed due to lack of funding Old Barn developed for outdoor pursuits centre 	<ul style="list-style-type: none"> Robust option appraisal needed 	<ul style="list-style-type: none"> March 2008
Suitability	<ul style="list-style-type: none"> Revised guidance and approach 74% assessments by services 	<ul style="list-style-type: none"> Complete 100% of operational property assessments Review all properties where suitability is less than 50% Use results to inform a detailed health check on all properties and use a "traffic lights" system 	<ul style="list-style-type: none"> March 2008 for 90% March 2008 Dependant on property software implementation
Museums	<ul style="list-style-type: none"> Planned programme of improvements and rationalisation drafted and costed Some HLF funding approved Approved by Cabinet 	<ul style="list-style-type: none"> Apply for remaining capital Work through phased programme of remodelling and dispose of properties once surplus 	<ul style="list-style-type: none"> Ongoing in accordance with the plan
Sports Centres	<ul style="list-style-type: none"> External consultants and officers completed a strategic review including costing all maintenance backlog works and options to refurbish or replacement of centres Funding secured to extend and remodel Springwood Leisure Centre Detailed proposals for major remodelling of facilities at Moorways in progress The future of Shaftsbury sports centre being considered as part of the Rosehill master planning 3 cities growth delivery plan – may provide additional funding for sports facilities 	<ul style="list-style-type: none"> Assess costs and funding opportunities Progress opportunities to redevelop facilities in partnership and to release development site Shaftsbury – establish partnerships to form a joint venture Queens - £5-6M needed. Recognised in Capital Strategy but no allocation 	<ul style="list-style-type: none"> Ongoing Springwood completion by Sept 08 Moorways recommendation by Jan 2008 Ongoing

Other reviews and opportunities

Allenton Market – possible redevelopment/remodelling opportunities

Central Markets – consideration of the impact of major City Centre redevelopment and action plan prepared

Public Conveniences – some sites closed – consider future or retained facilities – funding approved to demolish 2 closed properties

Garages – responsibility, management and rationalisation. The future of the Grayling St. court is being considered

Allotments – under use and opportunities for full or partial redevelopment

Derby Homes non-housing properties – future review

Residential Homes for the Elderly

Children's Social Services – especially area offices

Area and Neighbourhood working – review future property requirements

District Libraries – lottery bid submitted for 3 new libraries, 2 new libraries recently opened. Decisions needed on another sub standard library building with a limited life.

Youth Service properties

Pupil Referral Unit – locations, shared use and capacity

National PPI 1 – Condition and Maintenance

Objectives

- To show the severity and extent to which maintenance problems affect the portfolio
- To assist in development of detailed information on required maintenance
- To encourage investment in planned maintenance
- To show year-on-year changes in required maintenance
- To show the annual spend on repair and maintenance.

Required Maintenance (Backlog)

Required Maintenance is the estimated cost to bring the property from its present state up to the state reasonably required to deliver the service and/or to meet statutory or contract obligations and maintain it at that standard. This excludes improvement projects but includes works necessary to comply with new legislation.

Definition of condition categories:

- A: Good – Performing as intended and operating efficiently
- B: Satisfactory – Performing as intended but showing minor deterioration
- C: Poor – Showing major defects and/or not operating as intended
- D: Bad – Life expired and/or serious risk of imminent failure

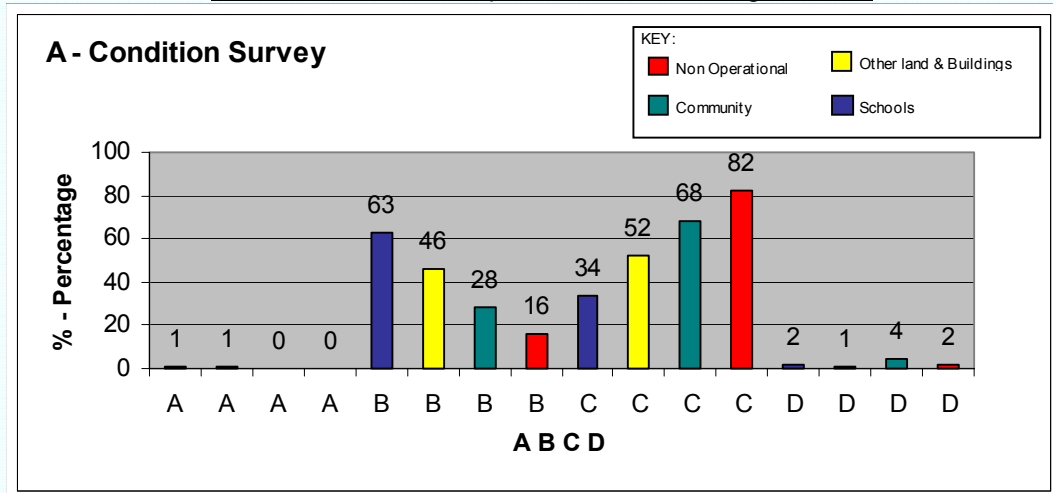
Definition of priority levels:

1. Urgent works that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation.
2. Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation.
3. Desirable work required within three to five years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of the occupants and/or a minor breach of the legislation.

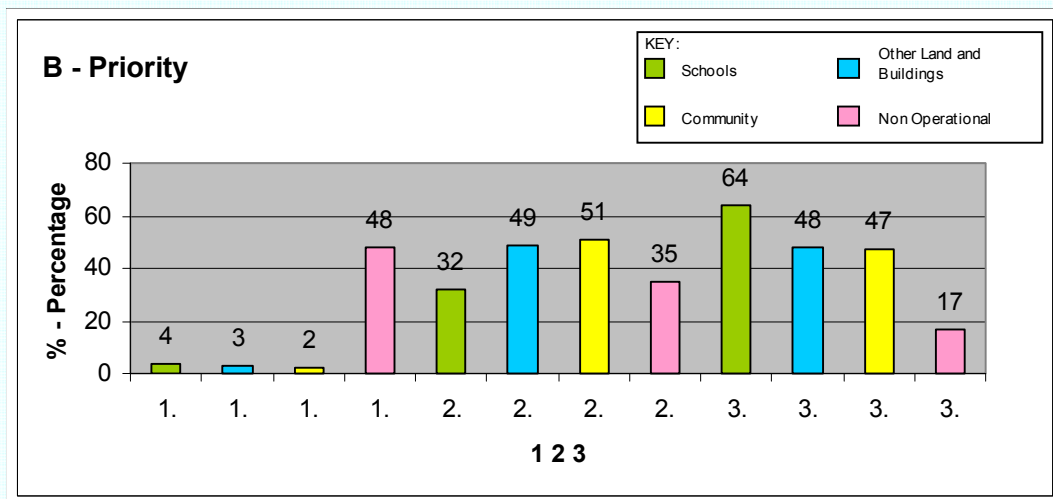
Performance Data and interpretation

With changes to the national guidance and grouping of results it has been difficult to establish trends. Data will continue to be collected in the current format to enable better year on year comparison. There has been a reduction in priority 1 repairs as a direct consequence of the additional funding for planned maintenance and prioritisation in accordance with the new strategy. By the end of April 2008 we hope to have carried out all priority 1 repairs, have works planned and funding allocated or be carrying out option appraisals or planned disposals for the remaining properties with priority 1 works. There has been little change to the percentage of property within each condition category although Category D has been reduced through repairs, demolition, rationalisation and disposal. Efforts are being concentrated at improving category D and C rather than improving B's to condition A. The aim is to improve the condition of our stock and the maintenance strategy has slowed the decline. However, intrusive surveys are more accurately identifying the true condition and high building inflation is continuing to increase the backlog. When more detailed Mechanical and electrical surveys are carried out the backlog figure, when updated with M&E information will be significantly higher despite great efforts in achieving reductions through repair and rationalisation.

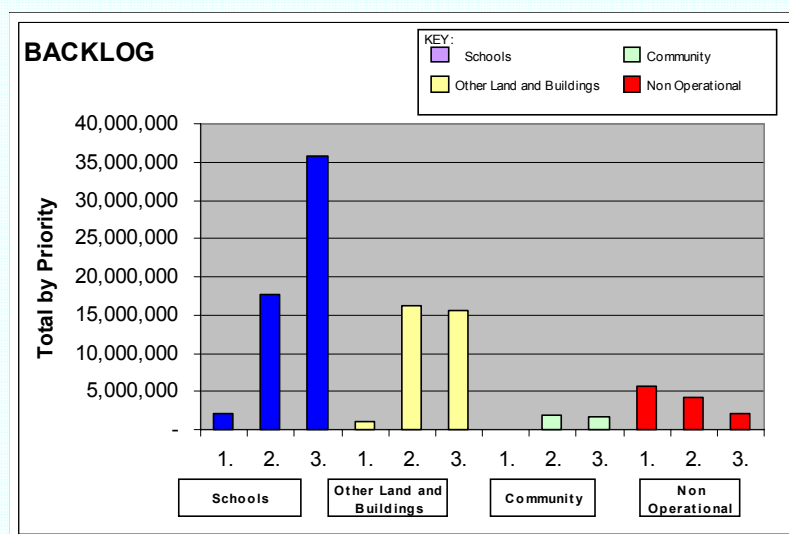
% Gross internal floor space in condition categories A-D



Required MTCE by cost expressed as total cost in priority levels 1-3



Require MTCE by cost expressed as a % in priority levels 1-3



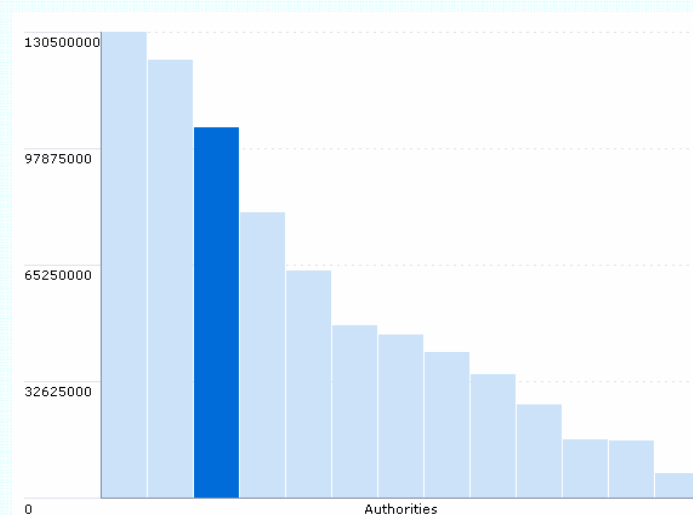
		2004/5	2005/6	2006/7	Target 2007/8
B.iii	Require MTCE by cost	£49,987,000 (excluding schools)	£108,500,000		See note
	expressed overall cost per square metre GIA	-	£236.37	£109,230,952	See note
				£237.97	
C	Annual % change change to required MTCE figure over previous year	-	+10.23%	+1%	See note
D.i	Total spend on MTCE in previous financial year (capital and revenue excl schools)	-	-	£5,628,770	tbc
D.ii	total spend on MTCE per square metre GIA	-	-	£28.48	tbc
D.iii	% split of total spend on MTCE between planned and responsive MTCE	-	66%	66%	tbc

A target has not been set for backlog for 2007/8 as it will be influenced by additional data on mechanical and electrical elements

Benchmarking

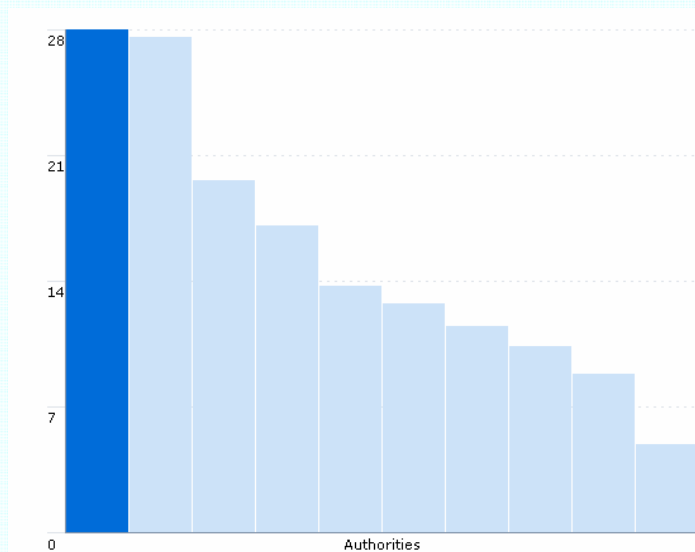
The IPF Asset Management Network is used for benchmarking. As authorities are still in transition between the old and new indicators, comparison data is not particularly comprehensive. Benchmarking within the Octopus Group has also been difficult as authorities are at different stages of implementation.

Total cost of required maintenance – Unitary Authorities (Derby dark blue)



Data on the IPF network for unitary authorities indicates that Derby's figure is high even without full Mechanical and Electrical data. To date only 2 other Octopus authorities have returned backlog figures and we are substantially higher than either of these.

Spend on maintenance per square metre GIA– Unitary Authorities (Derby dark blue)



Spend per sq m in Derby compared to other unitarys who have provided a return is high. This reflects our increased commitment to reducing the maintenance backlog during 2006/7 and which is now ongoing.

Action

- **Progress the Mechanical and Electrical surveys to assess backlog and include in the overall required maintenance category.**
- **Continue to prioritise maintenance in accordance with the strategy to eradicate all priority 1 items and category D properties either through repairs, demolition or disposal.**
- **To continue to implement the backlog reduction strategy.**
- **To benchmark results and share best practice with other authorities and consider alternative approaches to resolving the backlog issue.**
- **To continue with condition surveys on a 5 year rolling programme with an annual desktop update.**

National PPI 2 – Energy/environmental property issues

Objectives

- To reduce environmental impacts of Council owned property
- To highlight areas of poor or mediocre energy and water efficiency / performance and act as a catalyst for improvement
- To compliment the process for 'Energy Certificates'
- To support the LA's assessment of property performance together with condition and suitability within the framework of Asset Management Planning
- To inform the Climate Change Board and monitor the impact of carbon reducing initiative.

Definitions

Local Authorities must also be able to obtain this information on a per building basis to comply with EU directives regarding Energy Certificates, (and thus providing useful base information to build up by Service etc). This only applies to operational buildings.

Energy incorporates electricity, gas, coal and oil. (Excludes Water).

Gross Internal Area (GIA) inclusive of stairwells, landings, partitions, circulation space etc.

CO2 Emissions

- CO2 emissions data will fit with the UK's Climate Change Programme targets
- To be reported for operational properties occupied by the Local Authority, including schools, (excluding housing / dwellings)

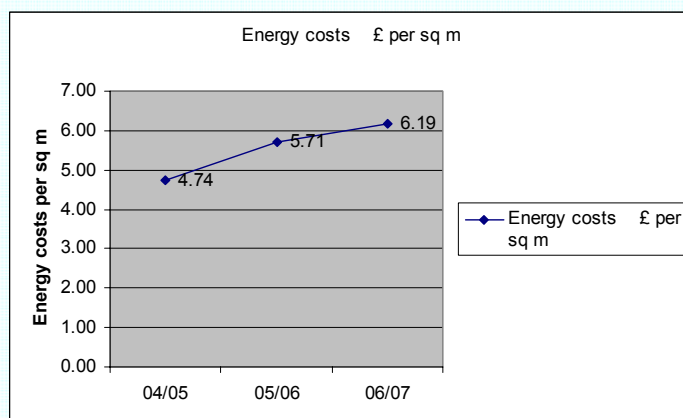
Further information on this circulation can be obtained from: The Energy Efficiency Best Practice Programme:
<http://www.energy-efficiency.gov.uk/document/factfigs/emiss.htm>

The figures apply to all operational buildings (Including schools). Overall figures are given for the purposes of this report.

GIA – Gross internal area in sqm

Performance Data and Graphs

Energy costs/consumption - £ spend per m2 GIA



Energy costs per sq m have continued to rise in line with general high energy cost inflation. In order to reduce costs we are now planning various projects eg lighting refurbishment, insulation – cavity, roof, pipework, voltage optimisation. A better comparison would be consumption per sq m which we are collating from 2006/7 and which is used below for benchmarking.

Benchmarking energy consumption per sqm against other Unitary authorities

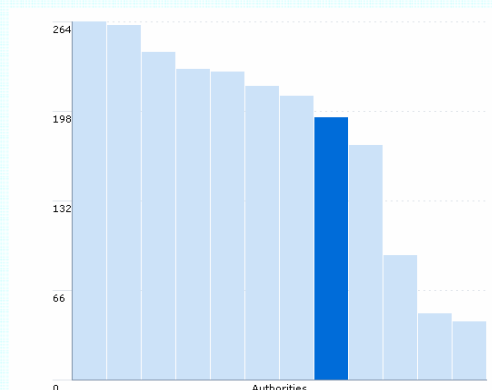
Derby compares well against other authorities on consumption per sq m

Additional information for 2006/7

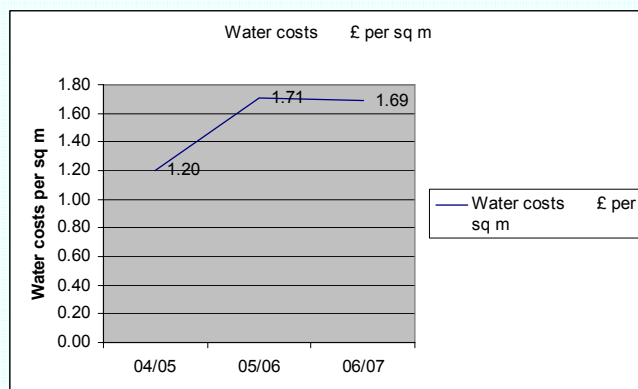
Total spend - £2,634,018

Consumption kwh – 82,210,746

Consumption sqm kwh – 193.15



Water costs/consumption - £ spend per m2 GIA



Water costs per sq m have generally to risen in line with inflation but with a small dip in 2006/7.

Additional information for 2006/7

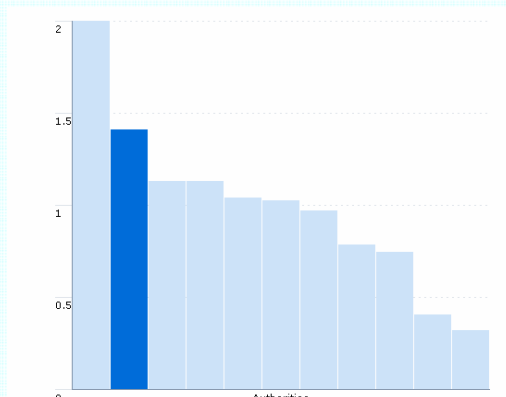
Total spend - £719,258

Consumption m3 – 449,536

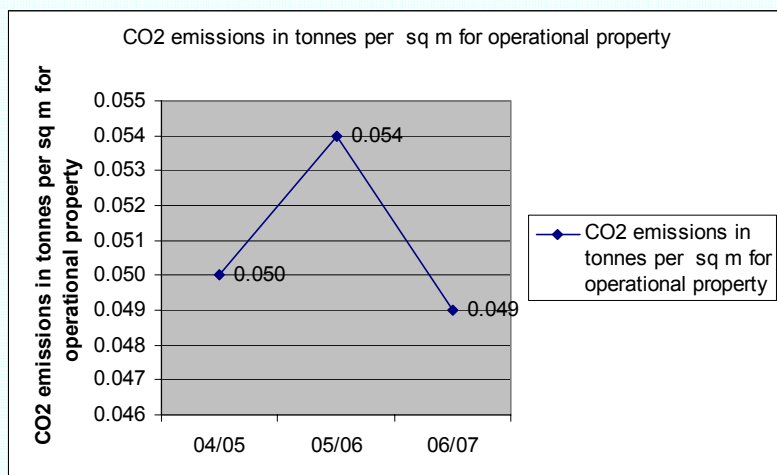
Consumption sqm m3 – 1.06

Benchmarking water consumption per sqm against other Unitary authorities

Derby's water consumption per sq m is relatively high compared to other unitary authorities. At the minute our prime target is carbon emission reduction and water is taking a 'back seat'. We've just started a complete meter survey – and when that's complete we'll be putting the water onto the electronic invoicing system. Then we can establish benchmarks and target poor performers.



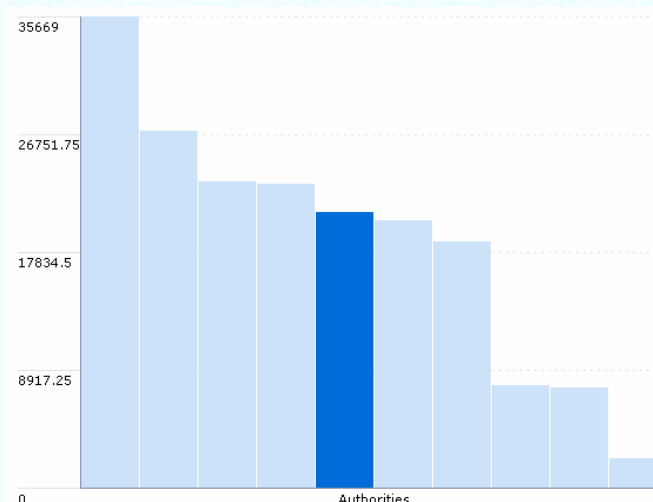
CO2 Emissions - tonnes of carbon dioxide per m2 GIA



We cannot link the slight reduction to any energy saving projects that we've done. Most of the reduction in emissions could be as a result of the relatively mild winter in 06/07 and the subsequent reduction in heating demand.

Benchmarking total CO2 emissions against other Unitary authorities

Derby is showing as around average for total CO2 emissions. A better benchmark would be CO2 emissions per sq m but the IPF network data has been badly affected by one incorrect entry which has affected the graph. Derby is slightly lower than the other two Octopus authorities who have submitted results



Actions

The Local Authority Carbon Management Strategy and Implementation Plan, a three year programme of energy saving measures, developed in partnership with the Carbon Trust, together with more energy efficient facilities resulting from replacement and maintenance, will see a significant reduction in both energy use and carbon emissions. This will make a significant contribution to the Council's climate change action programme and commitment to reduce the Council's carbon emissions by 25% over the next five years. Individual actions and targets are included in the Plan and these will be monitored by the Climate Change Board.

PMI 3 A and B – Suitability Surveys

Objectives

The objective is to carry out suitability surveys to identify how assets support and contribute to the effectiveness of frontline service delivery i.e. are they fit for purpose?

Definitions

There is no national standard for assessing suitability and each authority is free to develop their own process. Whilst this does enable factors that are most important to this authority to be included it does make benchmarking difficult. That said, when compared to the approach used by the other Octopus authorities the assessments are very similar. Rather than using an alphabetic score the assessment has been changed to a percentage with the opportunity to add weighting to any factors that are particularly important to the service or indeed which are not relevant. Suitability for schools is assessed on a national standard and reported directly to the DFES. The assessments below exclude schools and non operational property.

Performance Data and Graphs

The new assessment form was used for the first time last year. Given limited capacity efforts this year have concentrated on assessing properties for the first time but work has now started on analysing the results and concentrating particularly on buildings that have been assessed as unfit. Mickelover library is a good example where the old library scored 18% and has now been replaced with a new building which has been scored at 100%. Funding has been allocated to demolish other properties that scored badly and where the use could be relocated ie some buildings on parks. Whilst the performance data gives an overall snapshot of the portfolio the individual assessments are most valuable in informing investment and other decisions. For the remainder of this year efforts will be concentrated on improving the suitability of all buildings assessed at less than 50% or to consider relocation. As a result the % of properties graded good or satisfactory may not increase significantly but the % of properties graded unfit will reduce. To reflect this, a local indicator has been compiled to show all 4 categories.

	1/4/2006	1/4/2007	Target 2008
% of property portfolio by number, for which a Suitability Survey has been undertaken over the last 5 years		74%	90%
Number of properties, for which a Suitability Survey has been undertaken over the last 5 years		124	-
i - % of properties graded as good or satisfactory		60%	See below
ii - % of properties for which grading has improved since the last suitability survey was carried out at the property		To be assessed from 2008	5% pa

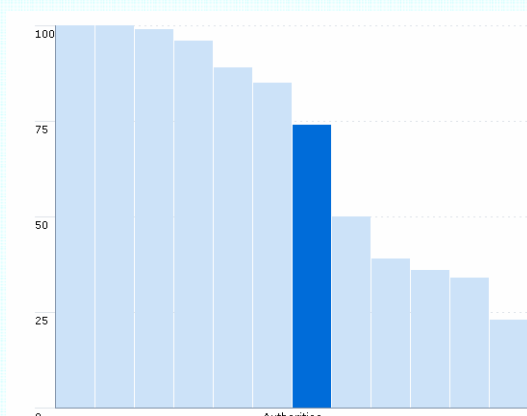
Local Indicators

	1/4/07	Target 1/4/08
% graded unfit - less than 39%	11.86%	10%
% graded poor – 40-59%	27.97%	25%
% graded satisfactory – 60-74%	31.36%	35%
% graded good – 75% and over	28.81	30%

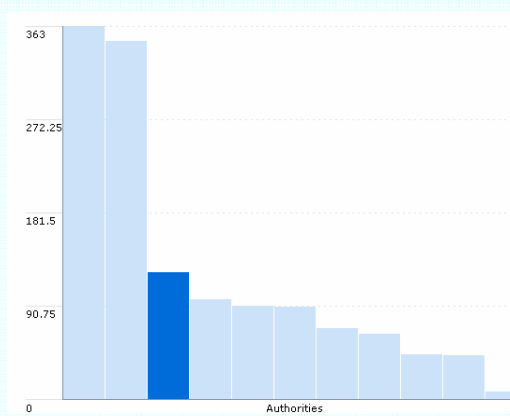
Benchmarking

Benchmarking on suitability has been possible to a limited extent against the IPF data for unitary authorities. Derby compares reasonably well on percentage of surveys but with the exception of 2 particularly large portfolios has carried out a larger number of assessments. Only one other Octopus authority has shared the information to date. That authority has carried out a similar percentage of assessments but has 85% as satisfactory or good. Once proper benchmarking is possible the results will be analysed and underlying reasons for variances examined to discover any best practice that could be applied in Derby.

% of properties surveyed



Number of properties surveyed



Actions

- **Continue to encourage suitability assessments by service managers and where these are not forthcoming to carry out joint assessments lead by Property Services**
- **Re-assess the database to ensure that all operational property is included**
- **As asset management software improves to carry out more sophisticated analysis and integrate the assessments with other data to inform decisions**
- **For 2007/8 to prioritise examination of all assessments producing a return of less than 50% to identify the causes of the low grading and an action plan for improvement or an exit strategy.**

9.8 COROP PMI 4 A, B, C and D – Building Accessibility Surveys

Objective

To monitor progress in providing access to buildings for people with disabilities and for data on individual properties to influence decisions.

Definitions

- To be reported for Operational Properties excluding Schools.
- To be reported for Local Authority buildings, from which a service is provided and which are open to the public
- **Competent person** is defined as “someone who has received appropriate training, and who has appropriate levels of skill, knowledge and expertise, to perform the task(s) required”.
- **Access Audit** is defined as “an examination of a building its facilities or services reported on against pre-determined criteria to assess its ease of use by disabled people”.
- **Accessibility Plan** is defined as “observations following Access Audits which can be used to identify the actions to be undertaken.”

Performance data

This year for the first time a budget of £25,000 has been allocated to re-visit and undertake further and detailed access audits of a number of key public buildings and the results will be reported from 1/4/08. The adjustments identified in the audits will form the basis of future improvement programmes.

Previously there were 28 buildings where access audits have been carried out and accessibility plans are in place. These are the properties that are accessed by the public i.e. Libraries, Sports Centres, Concert Halls etc. 44% of buildings open to the public have public areas that are accessible to disabled people as recorded under BVPI 156. The returns to BVPI 156 are clearly important to giving an overview of building accessibility but they are not the whole picture. Many of the buildings that have benefited from adjustments are usable and independently accessible to disabled people but do not fully meet the Audit Commission criteria for accessibility. They fail perhaps on some minor features and therefore cannot be included in the percentage returns. The true measure of accessibility is feedback from our disabled customers, which has been and continues to be generally positive. One of the areas of work in the accommodation strategy, will be improvements to accessibility both for customers and staff with the building. Such an approach is key to the Council providing better customer services for all people and, jointly meeting its obligations under DDA legislation.

BVPI 156 - Accessibility

	1/4/06	1/4/07	Target 1/4/08
The percentage of buildings open to the public in which all public areas are suitable for and accessible to disabled people.	TBC	44%	TBC

Actions

- To carry out the detailed access inspections for all operational properties with public access based on a prioritised list
- Continue to make a dedicated allocation from the planned maintenance programme for works specifically targeted to improve access to buildings. The initial prioritisation to be carried out in consultation with the Disabled Peoples Diversity Forum, sanctioned by AMG and approved by the Cabinet Member with responsibility for asset management.
- Target funding to improve access to a broad range of properties that have been identified as a priority by disabled users rather than on reaching the full Audit Commission standard for a reduced number.

New indicators for 2007/8

Three new national indicators have been introduced which are being collected, as appropriate, during 2007/8 and which will be reported next year.

PMI.5 A & B – Sufficiency (Capacity and Utilisation) Office Portfolio	
OBJECTIVES	To measure the capacity and utilisation of the office portfolio. There is an implicit assumption that services should be delivered in the minimum amount of space as space is costly to own and use. For a similar reason an authority should occupy a minimum of administrative accommodation.
INDICATOR: A.1	a) Operational office property as a percentage of the total portfolio and b) office space per head of population (use definition 4) all calculations of space based on GIA
A.2	Office space as a percentage of total floor space in operational office buildings using NOS to NIA (use Definitions 3 and 5)
A.3	a) The number of office or operational buildings shared with other public agencies. (use Definition 6) b) The percentage of office or operational buildings shared with public agencies. (use Definition 6)
B.1	Average office floor space per number of staff in office based teams(NIA per FTE) (use Definition 7)
B.2	Average floor space per workstation (not FTE) (use NIA and Definition 8)
B.3	Annual property cost per workstation (not FTE) (use Definitions 8 and 9)
PMI.6 A, B, : SPEND	
OBJECTIVES	<ul style="list-style-type: none"> To measure the overall property costs and changes over time. This will be backed up by a number of local indicators relating to the various elements of buildings Could be used as a trend indicator within each authority and as a comparator with other similar authorities
INDICATOR: A	Gross Property Costs of the operational estate as a % of the Gross Revenue Budget
B	Gross Property Costs per m2 GIA by CIPFA Categories / Types
PMI 7 – A, B, C & D : Time and Cost Predictability	
OBJECTIVE	To measure time and cost predictability pre- and post-contract. To identify variability through the design and construction phases of the project, with the added flexibility of optional “local” indicators to start the measures at an earlier stage
INDICATORS A	Time Predictability, Design : The percentage of projects where the actual time between Commit to Design and Commit to Construct is within, or not more than 5% above, the time predicted at Commit to Design.

B	Time Predictability, Post-Contract : The percentage of projects where the actual time between Commit to Construct and Available for Use is within, or not more than 5% above, the time predicted at Commit to Construct.
C	Cost Predictability, Design : The percentage of projects where the actual cost at Commit to Construct is within +/- 5% of the cost predicted at Commit to Design.
D	Cost Predictability, Post-Contract : The percentage of projects where the actual cost at Available for Use is within +/- 5% of the cost predicted at Commit to Construct.

In addition to these national indicators other measures have been identified by xxx as informing good asset management. Collection and analysis of data is currently difficult due to shortcomings with the software but as this improves the range of measures collected and reported will be re-assessed.

Additional Local Indicators – from the Property Services Business Plan

SERVICE PERFORMANCE MEASURES

Ref	Indicator Description	2005/06 Actual	2006/07 Actual	2007/08 Target	2008/09 Target	2009/10 Target
5A&B	Improvement in Delivery of New Capital Projects against Set Time/Budgets Targets					
	A1. Cost Predictability (local): percentage of schemes completed within + 5% of original budget	73	67	73	75	80
	B. Time Predictability: percentage of schemes completed within + 5% of original programme (from commit to invest to practical completion)	58	55	60	65	70
L1.1	Stakeholders' satisfaction					
L1.1A	Product %	87	84	87	90	90
L1.1B	Service %	84	81	85	90	90
L1.1C	Cost predictability +/- 5%		55	65	75	80
L1.1D	Efficiency of final account preparation – final accounts prepared within 18 months of practical completion	34	28	40	60	75
L1.1F	Reduction of defects at project completion Scale 1-10 where 10 = defects free	8	10	10	10	10
L1.1H	No of completed projects delivered by constructor partnering arrangements	14	4 of 9			

L1.2	Effectiveness of Asset – asset surveys reviewed Condition (% of total stock)	13	13.5	20	20	20
L2.4	Capital Programme Delivering Corporate Objectives					
L2.1B	End-user satisfaction with product (questionnaire within three months of practical completion) %	86	92	95	95	95
L2.2D	% planned maintenance spend to total maintenance spend (revenue + capital)		66			
L2.2F	% Completion of programmed works (including capital) by number	90.5	95	N/A	95	95
L2.2G	% Completion of programmed works (including capital) by value	93	90	N/A	95	95
L3.5	Estates - Satisfaction survey %	68	75	80	85	90
L3.2	Average % of market stalls let	89	90	91	92	92
L3.3	% of income achieved vs budget target for markets	100	100	100	100	100

Further indicators are being developed to measure performance in managing the non-operational and investment portfolio.

Indicators and Milestones linked to delivering Corporate Objectives

In addition to the property related indicators reported in previous CAMP's a set of local indicators and milestones is being reviewed this year linking to the delivery of the Corporate Objectives – see appendix 1.

Current Policies

- Corporate Asset Management Plan - September 2006
- Corporate Property Strategy – 2000 (being reviewed)
- Capital Strategy - 2005 (2006 plan being prepared)
- Surplus Property Procedure - 2005 (revised)
- Energy Policy - 2005
- Maintenance Strategy - 2007
- Water Hygiene Policy - 2005
- Asbestos Policy 2005
- Peppercorn Rent Policy - 2004
- Occupancy Space Standards - 2002
- Occupation Agreement - 2004
- New Office Accommodation Request and Checklist - 2004
- Departmental AMP Guidance - 2000/2005
- Accommodation Business Continuity Strategy 2006
- Fire policy and risk assessment – 2007
- Asbestos Management Guidance – 2007
- Review of Water Hygiene Policy – 2007
- Maintenance backlog reduction strategy – see Appendix 4

New Policies – awaiting approval

- Good Stewardship Guide - Autumn 2007
- Review of Property Strategy – Autumn 2007 – Appendix 2
- Sustainable Design Policy
- Sprinkler policy

Strategy for Council owned Heritage buildings at risk

The council own three properties that are currently included on the English Heritage buildings at risk register. The strategy in respect of each property is different.

a) St Helens House

A long leasehold interest was offered in this property in spring 2006. An offer was accepted from Richard Blunt Limited and a 299 year lease with a series of conditions was completed in August 2007. The relevant condition is for the lessee to carry out works listed in a schedule being those prescribed by English Heritage as necessary for the property to be removed from the register. The strategy for this building is therefore to monitor those pre-conditions and in particular the pre-condition regarding these works.

b) Allestree Hall

An offer has been accepted from Prime Holdings Limited to take a long leasehold interest in the Hall and carry out a scheme of refurbishment and redevelopment. This would include completion of the works needed to remove the property from the buildings at risk register. However agreement over the siting and extent of enabling development has not been reached. The strategy is to agree with the developer and the local planning authority and English Heritage the location of this enabling development which will then allow the refurbishment and redevelopment of the Hall and its removal from the list. If such agreement is not possible the Council will need to reconsider the future of the Hall.

c) The Round House

In September, 2006, Cabinet approved a sale by conditional contract of the Roundhouse and adjoining listed buildings and land to Derby College. The sale price agreed was nominal, in recognition of the "conservation deficit". Contracts were exchanged in December, 2006. The College have since achieved Planning Permission and Listed Building Consent and funding from Derbyshire LSC, plus core gap funding from the Heritage Lottery Fund, DDEP/emda and via ERDF. Completion has been arranged for September, 2007. The College's contractor is expected to start on site immediately thereafter.