

Borough of Poole Council

Corporate Asset Management Plan 2008 - 09

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1. Introduction

1.1 Our Assets Portfolio

The Council's Corporate Asset Management Plan is a framework to ensure we maintain sufficient property of the right type in the right location so that high quality public services can be provided. Poole owns and operates nearly 5,500 land and building assets of various sizes and types currently valued at £556m. The Plan should be read in conjunction with the Property Strategy approved in November 2007.

The 2007 - 08 Plan recognised that in common with many local authorities, the Council's property portfolio has accumulated over time and its content has been affected by particular circumstance. The result of these circumstances was a property portfolio that had not been specifically planned to support current and predicted future service delivery requirements. The portfolio had been adapted as best it could in a reactive manner. However that approach, whilst common throughout the public sector, was a restraint upon the Council's achievement of its corporate objectives.

Within the 2007 - 08 Plan the Council expressed its commitment to transform the management of property assets. It was recognised that property was, by nature, illiquid and that a medium to long-term approach was required. Whilst change and improvement would thus be gradual such an approach would not restrict short-term improvements where this represented a considered investment decision.

The Council remains determined to deliver considerable improvements to the management of its property assets in order to deliver its strategic objectives and priorities. This change process is making good progress. This is being delivered against a background of continuous change in service demand and requirement. These changes can appear from many sources some more predictable than others. For example demographic change and its impact can be predicted within certain degrees of error. Government requirement however can change at very short notice and create new property requirements that require a rapid response.

Issues facing the Council regarding its property portfolio include stock condition, sustainability, access strategy including DDA, planning for and delivering a rationalised portfolio, driving value from the portfolio to support service delivery and compliance with legislative requirements. The property portfolio also represents an asset in influencing and shaping the economic vitality and sustainability of the town.

Associated plans currently produced regarding Council owned assets are the Children's Services Asset Management Plan, PHP Housing Asset Management Plan and the Transport Asset Management Plan.

The table below gives an indication of the property portfolio by service sector: -

OPERATIONAL DIRECT (SERVICES DELIVERED BY COUNCIL STAFF)

	NUMBERS OF ASSETS	BUILDING GIA (m²)	VALUE IN £M
Schools	35	103,799	£141.03
Museums & Libraries	13	7,817	£9.55
Elderly & Disabilities	5	4,775	£7.94
Environmental & Trading Standards	31	2,432	£4.25
Leisure & Amenities	90	10,702	£13.12
Youth Centres	6	1,715	£2.13
Children	7	1,309	£1.74
Car Parks	32	69,816	£10.97
Other	15	980	£0.05
TOTAL	234	203,345	£190.78

OPERATIONAL INDIRECT (SERVICES CONTRACTED OUT)

Elderly & Disabilities	9	9,891	£5.56
School Caretakers' Houses	11	918	£2.22
Leisure and Amenities	54	32,561	£26.1
Youth Centres	2	385	£0.68
Children	5	472	£0.14
TOTAL	81	44,227	£34.70

OPERATIONAL – OFFICE AND ADMINISTRATION PROPERTIES

ADMINISTRATION BUILDINGS	26	28,848	£16.47
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NON-OPERATIONAL- INVESTMENT PROPERTIES

Leisure and Amenities	20	7,282	£2.14
Transportation	2	0	£0.18
Others	84	79,421	£16.80
TOTAL	106	86,703	£19.12
NON-OPERATIONAL - SURPLUS	32	5,460	£7.90
COMMUNITY ASSETS	262	0	See note ¹
COUNCIL DWELLINGS (PHP) ²	4,644	0	£287.00
GRAND TOTAL	5,385	368,583	£555.97

¹ Asset Valuations are carried out in accordance with the Current RICS Appraisal and Valuation Standards 5th Edition UK PS1, which includes Accounting Standards FRS 15 and SSAP 19. Community Assets not valued in accordance with RICS / CIPFA Guidance and are assets that the authority intends to hold in perpetuity.

² Excludes 538 leasehold flats (PHP) and 75 units of short-term leasehold properties (H&C)

The 2008 - 09 Corporate Asset Management Plan describes the Council's overall approach to asset management and the detailed processes and proposals in place to drive portfolio change. It should be read in conjunction with the Council's Property Strategy. The Corporate AMP draws together the key issues identified in the Children's Services, Poole Housing Partnership (PHP) and Transportation Asset Management Plans. Summaries of these are contained in Appendix 1.

1.2 Role of Asset Management

Asset management plays a key role in the successful provision, utilisation and maintenance of all of the Council's property assets.

The Corporate AMP 2007 - 08 recognised that its land and property resource represents a significant and valuable asset base to use in achieving policy aims and service objectives in support of its Corporate Strategy. In order to achieve the significant improvements envisaged in that plan a strategic corporate approach has been adopted that increasingly seeks to manage assets in an active, effective and efficient manner. A future corporate service delivery model was agreed by the organisation in November 2007 and work is underway to implement that decision.

Asset management planning is becoming an integral part of the Council's corporate planning and strategy framework. Embedding this change and achieving the organisational culture change that places consideration of property assets at the heart of decision-making will continue. The coordinated management of this strategic resource will continue to gel the constituent parts of the organisation together and resolve the tensions and conflicts that may appear within a broad, complex organisation such as the Council.

Improved income streams are resulting from the Council's more commercially minded management of corporate property investment estate. This approach will continue to be developed although the impact of the current global economic crisis is unpredictable.

To successfully deliver the Council's ambitious objectives the approach to management of property assets will need to be bold, innovative and cross cutting with risks identified and managed rather than avoided. The AMP sets out in greater detail the way in which the Strategy will be delivered. At Appendix 5 an updated Action Plan indicates the significant progress that has been made in the last 12 months.

The 2008 - 09 Corporate Asset Management Plan is formulated in accord with guidance from the Royal Institution of Chartered Surveyors (RICS) led working group.

1.3 Asset Objectives

Five headline aims and objectives have been adopted to ensure that the Council's assets are fit for purpose. These are:

- **Assets must meet the needs of those that use them.** This includes staff, members, visitors, customers and general public, disabled people and other

minority groups. This means creating a comfortable and accessible environment that makes a positive contribution to the use to which the asset is put. It also means asking people what they think about our property assets and responding to their needs.

- **Assets must be affordable.** This means keeping running costs down, prioritising capital spending, proper option appraisal incorporating whole life costing and assessing opportunity costs. It also means making sure that any borrowing for capital works follows a robust business case and can be afforded.
- **Assets must be safe and comply with the law.** This means ensuring that buildings are competently managed with planned process to manage hazards. In addition to prescribed management requirements associated with asbestos, water hygiene / legionella, fire safety and gas safety there are a broad range of more general safety related activities requiring systematic management and record keeping. Physical condition surveys and Disability Discrimination Act (DDA) audits and other general safety management audits are undertaken to test the adequacy of arrangements. Key safety and management information and data relating to land and buildings needs to be collated centrally and made conveniently available to building managers, designers and contractors.
- **Assets must make a strategic impact.** Ensuring that our property decisions are linked to decisions on other Council resources (staff, IT, finance) and that asset management contributes to our corporate goals and vision including influencing and shaping the town in support of a vibrant economy.
- **Assets must be sustainable.** Monitoring and reducing energy consumption and CO₂ emissions, ensuring that asset decisions take into account both the local and global environment and make a positive contribution to a sustainable community.

The deliverables described within this Corporate Asset Management Plan are informed by the improved processes introduced last year. These processes are new and will need time to embed and mature.

2. Strategic Objectives

2.1 Corporate Strategy

The Council's mission is expressed in its Corporate Strategy "Striving for Excellence... for the people of Poole". The Corporate Strategy provides the framework within which the Council plans, develops and delivers its services. It sets out what we aim to achieve over the next four years and identifies our contribution to the wider Community Plan "Shaping Poole's Future", the Local Area Agreement (LAA) "Closing the Gap", the South East Dorset Multi Area Agreement with Bournemouth and Dorset (MAA – agreed July 2008) and other joint strategies and plans. The Corporate Strategy clarifies the Council's corporate objectives, priorities and key areas of action and activity for the year ahead. It helps set the scene for Poole and explains why these objectives and priorities are important to us. A summary follows:

2.1.1 Vision

Poole is a vibrant town, with strong communities, where people enjoy healthy lifestyles, care about their environment and support each other.

2.1.2 Corporate Objectives

- Supporting Children and Young People.
- Promoting Health and Well-being.
- Protecting Poole's Environment.
- Strengthening our Communities.
- Developing a Dynamic Economy.

2.1.3 Priorities

- Revitalising our Town Centre.
- Transforming our Schools for the Future.
- Improving Housing for Local People.
- Reducing Poole's Carbon Footprint.
- Meeting the Needs of our Ageing Population.
- Improving Efficiency and Effectiveness.

Striving for Excellence has been developed with due consideration for the changing make-up and diversity of the community, the current and potential risks faced by the Council and our desire to be business efficient and provide good quality, value for money services that effectively meet the needs of all. Supported by a range of internal processes - including Medium Term Financial Planning and Workforce and Asset Management Planning - the corporate Strategy drives the annual business planning process and fulfils the requirements of our Best Value Plan.

The strategy is ambitious and wide in its scope and reach. Significant demands will be made upon current assets to support its successful delivery. Property assets have features that place particular importance on their proper management: -

- They are expensive.
- They need to be carefully managed over their lives to ensure best value.
- It takes time to determine carefully new property needs and to procure and provide them.
- The Council's approach will need to be bold, innovative and cross cutting with risks identified and managed rather than avoided.

The Council's Property Strategy guides the overall organisational approach to the management of its property assets.

2.2 Government Policy and Statutory Responsibilities

The Council recognises that Government and European policies, directives and legislation have far-reaching implications for the strategic planning of a diverse property portfolio whose principal objective is the delivery of services to the community.

As a result of the Comprehensive Spending Review, efficiency savings, both financial and in service delivery are being actively sought through co-location, rationalisation of externally procured accommodation and services and the rollout of innovative working practices. Particular areas under scrutiny are: -

- Procurement of external services
- Anomalies in running costs especially energy and cleaning
- Capital and revenue savings from property rationalisation and co-location
- The financial, legal and practical implications of reciprocal co-location arrangements with third parties
- The provision of services to other local authorities
- Improved and more efficient use of accommodation.

2.3 Property Strategy

The Property Strategy, which was approved by Cabinet on the 6th November 2007 provides a high level vision for the Council's property portfolio and is summarised below. It guides the overall organisational approach to the management of its property assets. The AMP complements the Strategy by providing the gap analysis and consultative processes to translate the vision into implementation: -

Purpose

To maximise the value derived from the property portfolio in terms of service delivery, influence or financial benefit.

Aim and Objectives

The Council's aim is to use only property that supports and sustains excellent service delivery.

- *Through the effective management of Council property, to support and sustain excellent service delivery that meets the needs of our diverse community.*

- *To maximise value through property management and investment, using the property portfolio to influence and shape the economic prosperity of the town.*
- *To effectively and efficiently use property within the Council.*
- *To implement and sustain a high performing property service and supply chain.*

Guiding principles

- *Working corporately – making decisions consistent with the Council's goals and priorities, managing our property assets as corporate resources, ensuring that property makes an active contribution to service delivery and is not a barrier to it.*
- *Customer Focus – we have properties to deliver and enable improved services. Our strategy is to locate our customer service points close to the communities they serve and ensure they are all physically accessible.*
- *Efficiency – maximise asset use and support flexible working (including sharing of work-stations, home working and other innovative solutions). The design and location of our buildings will support sustainable development policies and environmental aims.*
- *Collaboration – sharing accommodation with partner providers, the voluntary sector and other agencies, to offer public services from consolidated locations.*
- *Value for Money – continually reviewing the costs of the property portfolio ensuring value for money is achieved.*

2.3 Understanding Future Changes

Some of the key change drivers over the long and short term include: -

- The ambitious and demanding Schools for the Future programme.
- Asset management implications of integrated children's services e.g. planning property usage jointly between school and other education uses, social care and health service providers and making links to regeneration programmes and policies.
- Regeneration of the town centre area.
- Housing pressures (10,000 new homes by 2026) and the requirement for affordable housing.
- The need to review office accommodation provision and current direct service delivery points in parallel with the development of a customer access policy.
- Demographic changes (population increase by 2026) particularly the ageing population factor and the impact upon health and social services.
- Pace of economic growth.
- Sustainability and reducing the Council's carbon footprint.
- The development of innovative service delivery mechanisms to fully exploit the efficiencies offered by IT.
- Financial constraints.

- Meeting the challenges of affordability in the proper management of listed and historic buildings.
- Shared and joint service delivery exploiting the efficiencies of partnership working.
- Increased service demand and expectation of performance increase.
- Space (harbour and green belt) and environmental constraints (eg Heathland policy).

The environment within which the Council provides services is fast moving and the Council must match or exceed that pace of change. It requires high quality research and intelligence capability to ensure decisions are made on the basis of quality data that has been the subject of expert analysis and is consistent across the organisation. Improvements in data quality achieved in 2007 - 08 are being built upon and to assist this a Research and Consultation Database has been established by the Corporate Research Team located in the Strategic Planning Unit.

Strategic asset planning will reflect the Council's longer term strategic planning. It is recognised that property assets have a degree of illiquidity making medium and long term planning paramount. However, circumstances do arise where the requirement for change can be short notice or opportunistic and sufficient flexibility to react to such demands, where possible, must be retained.

2.3 Key Priorities for 2008 - 09

- To introduce and embed a common Project Management Methodology across the authority and to develop Programme Management functionality across the principal change programmes.
- To align governance arrangements for the Council's property assets and capital management processes.
- To introduce and embed clear processes to ensure the Council achieves best value in its utilisation of property assets.
- To develop an Office Accommodation Strategy that meets the high level objectives contained within the corporate strategy and further detailed in the Business Transformation Strategy. This will be progressed by a high level review in 2008 - 09.
- To develop and adopt a Corporate Acquisitions and Disposals Policy.
- To develop processes to improve the security of supply lines for goods and services that support the property management function and consequentially deliver best value.
- To achieve planned capital receipts as identified in the medium term financial plan.
- To identify and develop plans to deal with property that is having a significant blighting impact within its locality.

- To review the accounting practice relating to income from investment property.
- To complete the procurement of a corporate property database and populate it with validated data.
- To develop a corporate approach to the provision of affordable housing that supports the delivery of the Council's objectives.
- To introduce a revised Asbestos Management Plan
- To introduce a revised water Hygiene / Legionellosis Management Plan
- To develop improved facilities Management arrangements
- To procure a response repairs service
- To support the development of Customer Services through geographic review to initiate neighbourhood / partnership services delivery.
- To support the property related requirements of the Building Schools for the Future and Primary Capital Programmes.
- To continue to promote equality through building design and alteration so as to provide access for all those who use them. To provide guidance to other service units on the responsibilities arising from property and project management.
- To support the Housing Stock options appraisal process.
- To support the continuity and development of the dementia care programme.
- To provide support and develop more robust links to other Service Unit Asset Management Plans.
- To progress the major projects identified in Appendix 3.

3. Structure, Roles and Responsibilities

3.1 Embedding Asset Management

Embedding asset management across the Council is fundamental to a strategic approach to the management of the Council's property assets and to effective use of resources. This requires a clear organisational understanding of roles, responsibilities and structures.

3.2 Management Arrangements

The Council's Head of Property Services is the Council's nominated Corporate Property Officer (CPO). The CPO is responsible for the strategic management of the Council's property assets as indicated in the Council's Property Strategy and Council Constitution.

3.3 Asset Management Group

An Asset Management Group (AMG) will provide an opportunity for all Service Units to be engaged in the process of overseeing the strategic management of property assets. The group's formal terms of reference were set out in the AMP 2007-8.

A Strategic Director chairs the AMG and provides a conduit for property asset matters to the SMT. Meeting monthly, the AMG minutes will form a standing item upon the SMT agenda.

3.4 Senior Management Team

Receives minutes of the AMG. Ensures the Council's strategic objectives are achieved.

3.5 Portfolio Holder Resources

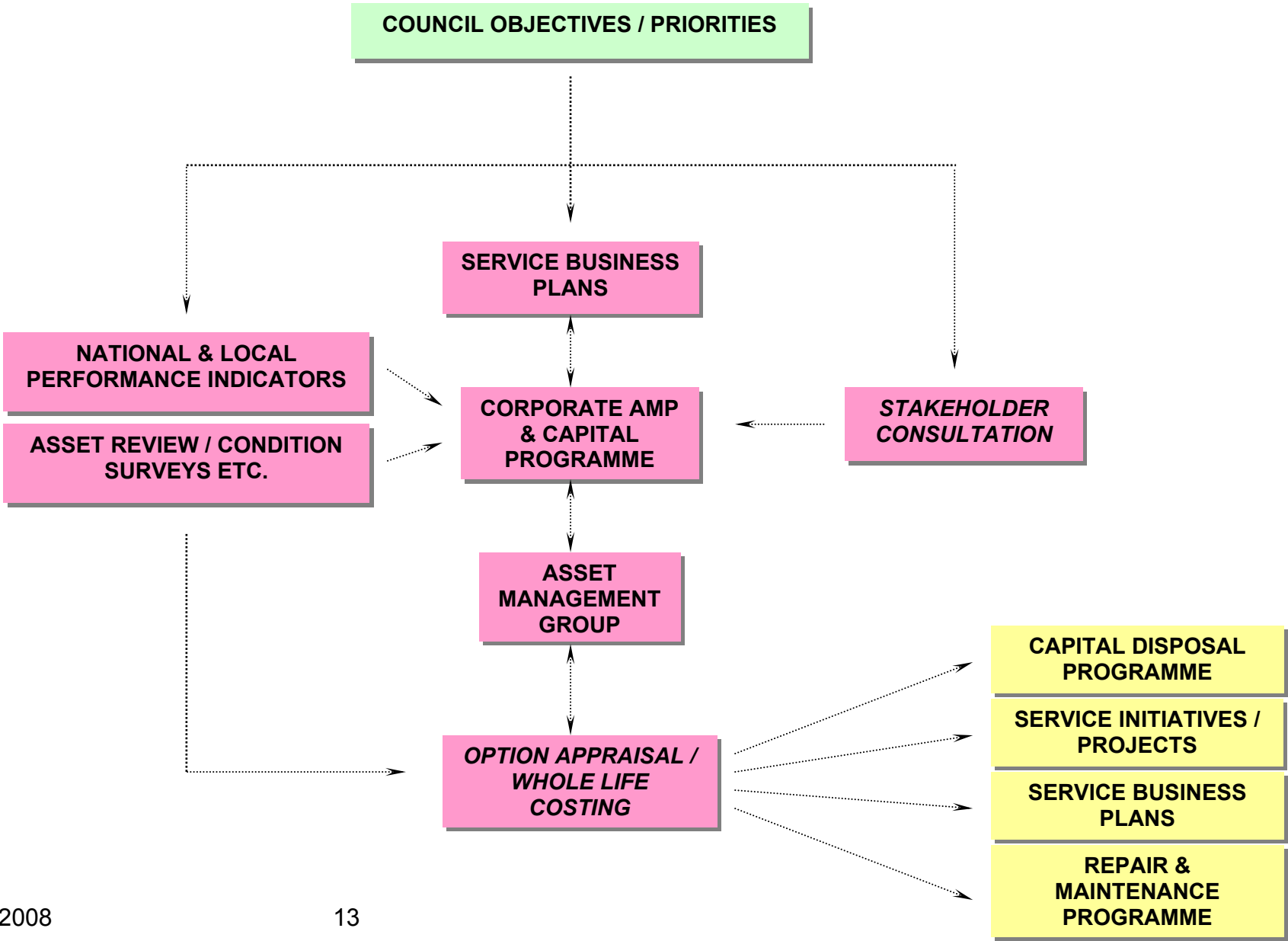
The Portfolio Holder for Resources has responsibility for strategic management of property assets. The Portfolio Holder is a member of Cabinet, the executive body of the Council, and provides a conduit to Cabinet for all relevant property matters. The Portfolio Holder also has strategic responsibility for Financial, Human and ICT resources which supports an understanding of the cross cutting nature of initiatives in these areas.

3.6 Cabinet

Cabinet will receive relevant strategic, policy, performance and procedural recommendations for consideration and decision. Matters required constitutionally to be approved by Council will additionally be routed to that body.

The strategic process for consideration and consultation of property related issues is set out in the flow chart below: -

THE STRATEGIC PROCESS



4. Property Asset Management

4.1 Option Appraisal

The essential element of the Council's option appraisal model consists of a scored and weighted matrix for the projected outcome of each option. Each criterion should address one or more corporate objectives and priorities together with service objectives and project deliverables. In the case of property projects, this will be a two-phase process, initially highlighting strategic options available for delivering the outcome and secondly considering the different property options.

4.2 Whole Life Costing

Whole Life Cycle Costing is a valuable aspect of evaluating the option appraisal / business case process and is used as an integral part of establishing that a best value approach has been followed not only at day one but also as part of an ongoing process as projects develop.

4.3 Risk Analysis

The analysis of risk presented by each option, and risk mitigation for each scenario. A corporate standard process is applied to all projects.

4.4 Sensitivity Analysis

More detailed work is carried out to assess the sensitivity of the cost or the deliverables of the project to one or more variables. Generally speaking this type of analysis is reserved for high value schemes such as PFI contracts.

4.5 Energy Management

Poole has signed up to the Nottingham Declaration. To support and reflect this commitment to sustainability, the Council will develop appropriate strategies, plans and policies. These will build upon current activity that is focused upon energy usage reduction and procurement of energy from green sources.

Basic information regarding energy use-age is monitored. The process of capturing of relevant data and its subsequent analysis has improved but will be further refined to better inform policy development. The Council is working closely with the Carbon Trust to reduce carbon footprint that will in turn improve energy performance.

The Council's proposals in respect of its Carbon Management Plan will be submitted to Cabinet in February 2009 with a view to formal sign by the end of March 2009.

4.6 Financial Planning

The Council, in support of its priorities, has operated a medium term approach to financial planning since 2000 - 01. This approach has enabled the Council to plan

effectively into the future, taking account of local and national priorities whilst always seeking to deliver value for money. The recent Comprehensive Performance Assessment (CPA) review of the Use of Resources, conducted by the Audit Commission rated the Council as a three in a system where four is the maximum.

Capital Planning

The Council's approved Capital Starts Programmes - Estimated cash flows for 2008 to 2012 are set out as follows: -

Portfolio	Current Approved Programme 2008 - 09	Estimated Allocations 2009 - 10	Estimated Allocations 2010 - 11	Estimated Allocations 2011 - 12	Total Programme 2008 - 12
Children's Services	£7,589,000	£11,026,000	£20,059,000	£14,457,000	£53,131,000
Environmental Areas	£3,415,000	£2,207,000	£236,000	£87,000	£5,945,000
Community Support	£884,000	£2,043,000	£307,000	£565,000	£3,799,000
Housing Areas	£1,648,000	£1,715,000	£1,052,000	£641,000	£5,056,000
Local Economy (Including Transportation)	£4,646,000	£6,157,000	£3,349,000	£2,996,000	£17,148,000
Resources	£3,062,000	£2,531,000	£1,956,000	£1,161,000	£8,710,000
Uncommitted Capital Schemes	£0	£1,900,000	£4,900,000	£1,475,000	£8,275,000
Contingency	£1,000,000	£0	£0	£0	£1,000,000
Total Programme	£22,244,000	£27,579,000	£31,859,000	£21,382,000	£103,064,000

Funding	2008 - 09	2009 - 10	2010 - 11	2011 - 12	2008 - 12
Revenue Contribution	£1,488,000	£1,353,000	£1,140,000	£1,108,000	£5,089,000
Capital Receipts	£1,355,000	£6,231,000	£750,000	£750,000	£9,086,000
Capital Fund / Reserve	£2,366,000	£23,000	£6,832,000	£932,000	£10,153,000
Capital Replacement Reserve	£211,000	£145,000	£0	£0	£356,000
Prudential Borrowing	£1,247,000	£0	£0	£0	£1,247,000
Total Council Contribution	£6,667,000	£7,752,000	£8,722,000	£2,790,000	£25,931,000
Supported Borrowing SCE(R)	£3,990,000	£7,445,000	£5,950,000	£2,373,000	£19,758,000
Miscellaneous Grants	£3,498,000	£5,582,000	£3,312,000	£3,149,000	£15,541,000
Education Grants	£5,327,000	£5,173,000	£13,188,000	£12,559,000	£36,247,000
Third Party Contributions	£2,762,000	£1,627,000	£687,000	£511,000	£5,587,000
Total External Contribution	£15,577,000	£19,827,000	£23,137,000	£18,592	£77,133,000
Total Funding	£22,244,000	£25,974,000	£31,609,000	£21,132,000	£103,064,000

Revenue Planning

The Net Expenditure across Portfolios for 2007 - 09 is summarised as follows: -

Portfolio	2007 - 08	2008 - 09
Children's Services	£17,826	£22,859
Environmental	£15,960	£16,199
Community Support	£31,807	£37,545
Housing & Community	£1,961	£2,157
Local Economy inc. transportation	£11,533	£12,692
Resources	£5,603	£6,591
Total	£84,690	£98,043

4.5 Capital Project Prioritisation Approach

The Council has developed criteria to aid project prioritisation, these are set out within the annual budget book. The main criteria for project appraisal are:

- The extent to which the project meets key policy / priority areas of the Council.
- An assessment of the project against the asset management requirements of the Council.
- An assessment of the impact of the project on service delivery and its urgency.
- The contribution the project makes to raising the performance of the Council in areas of weakness.
- The opportunities, which exist for external funding opportunities.
- The level of project appraisal undertaken.
- Evidence of consultation and performance measurement being in place to achieve the outcomes and outputs described.
- Whether the opportunities of working partnerships has been examined.

These criteria require refinement and alignment with the work being undertaken in regard to Project and Programme Management. This work will be undertaken during 2008 - 09

4.6 Procurement

The Council's [Corporate Procurement Toolkit](#) sets out in detail terms the Council's approach to procurement. This toolkit has been written for Service Units and Schools in order to comply with the financial regulations and contract standing orders of the Council and all relevant statutory obligations. It contains current procurement best practice, new ways of working as laid down in the National Procurement Strategy and other subject related projects. The Corporate Procurement Strategy will be reviewed as a project within the Business Transformation Programme during 2008 - 2010.

4.7 Project Management

The Council has designed Corporate Project and Programme Management processes to establish consistency across the organisation, enable better understanding of the requirements and impacts of diverse programmes and improve the delivery of project objectives. These processes will be introduced during 2008 - 09 with an expectation of being fully embedded by 2009 - 10. Post project reviews are a mandatory element of this methodology.

Improvements to the Corporate Planning Framework to ensure each service unit considers its property needs over the timeframe of the Medium Term Financial Plan were made in 2007 - 08 and become live in 2008 - 09 cycle. Known property requirements beyond that time horizon (3 years) should also be identified. This process together with the formation of Asset Management and Project Support Groups will improve the corporate management of property projects.

4.8 Business Resilience and Continuity

A corporate approach to business continuity has been adopted in order to improve the Council's resilience to the wide range of events that might put at risk its ability to deliver services to the community. The provision of suitable buildings in normal circumstances and the ability to support identified critical services in abnormal circumstances is a key part of this approach. This work is continuing within the governance arrangements previously indicated in this plan with the addition that the Council's Emergency Committee oversees the overall arrangements for business continuity and resilience. These plans are scheduled to be fully operational by April 2009.

The asset management process informs the property implications of the overall corporate strategy and will continue to monitor year-on-year change.

5. Inclusion and Engagement

5.1 Consultation with Stakeholders

A strong focus on research, consultation and community engagement drives decision making across the Council and partnerships. Residents' needs and aspirations are established using a range of techniques from the Resident's Satisfaction Survey, Poole Opinion Panel and service specific consultation and research. Council and partnership strategies and specific initiatives are developed on the basis of detailed engagement and consultation with residents.

Poole Opinion Panel (POP) is the Council's main consultative group. POP is made up of 1,600 people aged 18 and over who reflect a cross-section of Poole in terms of age, gender, area and mosaic group. Consultation with this group takes place on a regular basis and informs service design, which in turn informs the property requirement of such service design.

Ward Members' views are sought prior to the disposal of assets within their wards whilst the Council actively engages with a range of local community groups, which include PRO Disability, Disability Wessex, DOTS Disability Group and other specific user groups, including Dorset Blind Association, Sign It, and Broadstone Access Group whose feedback is also used to inform service design and delivery.

To ensure co-ordination and minimum standards are met the Council has introduced a Research Governance Framework and specific consultation with the community regarding property issues will be undertaken within this framework and the support of the Council's Research and Intelligence team.

Improved engagement and consultation methodologies for both minority and hard to reach groups are being developed corporately. When fully embedded these processes will be utilised to engage and develop responses to particular property requirements.

PERD (Promoting equalities respecting diversity) is a cross-organisational group who are able to consider all equalities matters and are utilised as a consultee on property related issues.

VOICE, the disabled employees group is currently supporting a Property Services project to develop comprehensive guidance for personal emergency evacuation plans for disabled visitors and employees to Council buildings.

The Council has a strong record of securing means via which communities can manage appropriate property assets within their localities. The Council will build upon this position in consultation with local communities and with due regard to the Quirk review.

Internally, stakeholders are further consulted through the corporate planning framework, the Asset Management Group, the Project Support Group and through regular liaison between Service Units and Property Services Unit.

5.2 Learning from the Experience of others

The Council is fully supportive of learning from best practice elsewhere and making use of external resources to improve its performance in all areas of activity. It actively seeks to improve capacity and capability by careful procurement of strategic support and by partnership working.

The Council has previously sought support from IDeA / IPF and during 2008 - 09 will utilise external expertise as appropriate to supplement internal capacity and capability. The Council will continue to engage in constructive dialogue with a range of support networks including, where necessary, contracting specific skills, knowledge and experience.

Membership of the IPF Asset Management Planning Network, the Association of Chief Corporate Property Officers in Local Government (COPROP), the Chief Building Surveyors Society (CBSS) and the Association of Chief Estates Surveyors and Property Managers in Local Government (ACES) are maintained and closer working relationships with neighbouring local authorities, particularly Bournemouth Borough Council and Dorset County Council continue to be developed.

6. Cross-Cutting Initiatives

6.1 Corporate Asset Issues

6.1.1 Building Management

The Council spends significant funds on the maintenance of its property.

MAINTENANCE BUDGET ALLOCATION & EXPENDITURE (excl. Schools and PHP Housing)

	2007 - 08		2008 - 09	
	BUDGET	EXPENDITURE	BUDGET	EXPENDITURE
RESPONSE MAINTENANCE	£922,469	£549,598	£200,300	Ongoing to year end
SERVICE MAINTENANCE	£234,840	£195,585	£186,123	Ongoing to year end
PLANNED MAINTENANCE	£478,600	£557,258	£488,000	Estimated outturn £488,000
TOTALS	£1,635,909	£1,302,441	£874,423	

6.1.2 Building Maintenance

Whilst the Council's Building Maintenance Policy was reviewed in 2005 - 06 the need for a further review was identified in last years plan. That review will be conducted as soon is expedient linked to the work currently being undertaken regarding management of property assets within the Council. In November 2007 the Cabinet approved the adoption of a corporate approach to property asset management that will replace the current fragmented Unit based approach. The Council is developing a corporate "Intelligent Client" model of asset management. This model will be supported by corporate framework contracts for the supply of goods and services related to property matters.

Implementation of the previous Building Maintenance Policy will remain hampered by the current organisational and operational methods until the introduction of the Intelligent Client model. That introduction will be supported by a full-scale review of the policies currently operated and those policies, including the maintenance policy, are likely to be fundamentally changed.

Current allocation of resources to planned maintenance is based upon a priority system. The programme is focussed initially upon Priority 1 work with remaining items having been selected from the Priority 2 list on the basis of condition and need – giving priority to works such as external painting and roof repairs which are required to avert additional damage to building fabric. Buildings whose future is known to be in question (for disposal or major alteration) have been omitted from the programme unless there is very clear justification for the work to be completed without delay. Priority is advised by a planned programme of non-intrusive surveys.

The repair and maintenance backlog is the amount of work due in previous years

that has not been done and is therefore “overdue”. The figure given is basically that required to maintain the current installation, rather than to replace it to modern standards. It is the value of this “strategic maintenance” investment that is absent from our condition surveys and causes the projected maintenance need to be understated.

6.1.3 The rolling programme of surveys is based on a five-year time horizon with 20% of properties surveyed each year. Once this year’s surveys have been completed (by March 31st 2009) we shall have surveyed all the buildings, which Property Services monitor. The survey establishes the condition of the property and prioritises work on a four-tier basis. These are:

- Priority 1** Urgent work that will prevent closure of premises and / or address an immediate high risk to health and safety of occupants and / or remedy a serious breach of legislation.
- Priority 2** Essential work required within two years that will prevent serious deterioration of the fabric or services and / or address a medium term risk to the health and safety of occupants and / or remedy a less serious breach of legislation.
- Priority 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 occupants and / or remedy a minor breach of legislation.
- Priority 4** Long term work required outside the five year planning period that will prevent deterioration of the fabric of services.

6.1.4 The maintenance register for 2008 – 09 indicates that investment of £3.95 million (excluding fees) is required to deal with the repair and maintenance backlog and bring properties up to a satisfactory standard. This figure is based upon visual non-intrusive surveys and does not take in to account Council Housing, Schools or Non Operational Investment property where the maintenance responsibility is not with the Borough. It also does not address suitability issues or compliance with statutory requirements such as DDA. Therefore, the figure indicated above is considered to be significantly understated. This total figure is priority identified as:

Priority 1	£ 265,211 (historic survey estimate – upgraded by 30% + fees)
Priority 2	£ 1,917,550
Priority 3	£ 1,525,419
Priority 4	<u>£ 246,690</u>
Total	<u>£3,954,870</u>

A budget of **£488,000** is allocated in **2008 - 09** for planned repairs and maintenance. This is set out in the capital programme and the Medium Term Financial Plan. It is based upon historic budget levels linked to cost inflation indices and current identified Priority 1 expenditure is indicated in Appendix 4.

PLANNED MAINTENANCE BUDGET BREAKDOWN 2008 – 09

	Priority 1	Priority 2	Priority 3	Priority 4	Total
Programmed Works	* £348,160	£59,840	£0	£0	£408,000
Reserved (Contingency) Programmed Work Items	£0	£50,000	£0	£0	£50,000
Fire Precautions	£10,000	£0	£0	£0	£10,000
Asbestos	£20,000	£0	£0	£0	£20,000
	£378,160	£109,840	£0	£0	£488,000

* See Appendix 4

This system of identifying and allocation of resources is to be reviewed to ensure its application is delivering best value to the Council.

Large-scale refurbishment, improvement and renewal schemes are outside the scope of the programmed maintenance budget. These will be considered as part of the Capital Programme.

Specialised inspections and surveys are commissioned as required. Maintenance investment decisions should consider the planned future life and use of individual assets. In particular, it is necessary to recognise any future major investment requirements to deal with legislative change, end of planned life, wear and tear, or service delivery redesign.

6.1.5 Facilities Management

The responsibility for the management of buildings varies considerably across the organisation in relation to both office accommodation and front facing service delivery functions. This fragmented approach was demonstrated in last years plan and informed the decision to adopt a corporate intelligent client model of service delivery going forward. The Property Strategy acknowledges the highly specialised nature of this area of work. The Council's approach is to have serviced accommodation fully managed by skilled professionals to a high standard that achieves best value for the organisation. Work has commenced that will place the Council in a strong position to plan and implement the changes agreed in November 2007.

Poole recognises its corporate, organisational and individual duties to ensure the safety of its buildings in ordinary use and when impacted by construction or maintenance work. The Council has developed a competency framework, identifying key building hazards and ensuring that those who manage them, including contractors, have appropriate skills, information and training. Competencies and awareness training in respect of the remaining disciplines are actively being progressed.

6.1.6 Disability Discrimination Act

Poole has 53 buildings currently categorised as being open to the public with 24 assessed as being fully compliant leaving 29 with some access issues. The Council is committed to improving the functionality of public buildings for disabled groups and those minority groups that have special requirements. It is recognised that full compliance with Part M of Building Regulations is difficult to achieve other than in a new build situation. However the Council will utilise its limited resources to drive change that will have the most positive quantifiable benefits for identified groups. A review of the options available to meet obligations with regard to DDA will be submitted to Cabinet during the currency of this Plan in accordance with item 6.1.6 of the AMP Action Plan (Appendix 5). A report is being submitted to Asset Management Group in November 2008 to address DDA strategy and resources. Asset Management Group will in turn be reporting to Cabinet in December on the current position regarding physical access to buildings.

For a number of years the national Best Value indicator BV 156 has been used by the Council, as a measure of accessibility to local authority buildings. This indicator did not allow for the test of reasonableness to assess compliance (an important element of the DDA) and it applied to only a specific group of buildings, and excluded for example education properties, public conveniences and commercially let properties. The government has now withdrawn BV 156 and the Council has discontinued its use.

In 2007 - 08 a new Local Indicator BoP 190 was introduced to address the drawbacks of BV 156. This new indicator is currently applied to the same group of buildings referred to as Public Access Buildings (PAB).

The overall position is currently: -

	BoP 190
Compliant	24
Access Issues	29
Total	53

2007 - 08 outturn	46%
Current position	47%
2008 - 09 target	50%

Improvements will be designed into work conducted within the Council's Capital Programme and, where possible, planned and response maintenance programmes. A specific fund of £125,000 per annum up to 2009 – 10 has been established to address priority works that are not captured within these planned programmes.

During 2008 - 09 this fund will deliver: -

- Civic Centre. Improved DDA access by constructing an additional lift and improved ramping.
- Seaview day Centre.
- Works to improve the indicator proposed at Newfields and Poole Central Library and other minor priority works at various properties.

6.1.7 Legionella

Based upon Legionella risk assessments conducted in 2007 - 08 the Council will design and roll out measures to ensure that all premises are managed in accordance with Health and Safety Executive guidance regarding water hygiene and legionella. This will include the appointment and training of responsible persons for all buildings and the use, where required, of specialist contractors. A budget of £56,000 will support this work and the roll out of an improved Water Hygiene Plan in 2008 - 09.

Corrective works have been undertaken as urgent priority at the two premises which were assessed as having the highest risk of legionella (Hatchpond Depot and former Caretakers flat in Poole Law Courts building) and alterations at other buildings are also planned to simplify routine water management procedures which are otherwise required at a range of other buildings.

A further audit of water hygiene arrangements has been undertaken to confirm the prioritisation of these works.

6.1.8 Asbestos

The Council has conducted non-intrusive 'Type 2' surveys of all non-housing premises and this data has supported the development of an improved Asbestos Management Plan that complies fully with current requirements. This plan will be rolled out during 2008 - 09 and will include training and the appointment of "responsible officers" for all buildings.

6.1.9 Fire Safety and Means of Escape

All operational buildings have had fire risk assessments conducted and Fire Safety Plans prepared in order to protect building assets from this risk. The scope includes the needs of disabled staff and visitors and records the presence of any special hazards that might be faced by the emergency services. These plans will be regularly reviewed.

6.2 Programme for Property Reviews

The Council has recognised the need to regularly review its property estate if it is to achieve optimum performance from its assets. Custom and practice has seen these reviews conducted on a relatively narrow service specific basis. Future reviews will have a corporate base and positively look for cross service opportunities including with partners. Such reviews will need to be guided by an agreed corporate vision as to the shape of future service delivery models including, vitally, access to face-to-face services in localities. The Asset Management Group will begin to develop this vision during 2008 - 09. The group will need to consider the Corporate Strategy, service delivery requirements, business transformation, the emerging Access Strategy, the impact of Customer First (particularly channel change), legislative requirements, government policy, demographic change, regeneration and economic activity and developing partnership working particularly with Bournemouth Borough Council, Bournemouth and Poole PCT, the voluntary and third sectors, and the Local

/ Multi Strategic Partnerships. Importantly the group will need to project forward in time in order to anticipate, as best it can, future property requirements.

Reviews planned for 2008 - 09 are: -

- Office Accommodation - a high level initial review.
- Car Parks - to be scoped and conformed.

Future reviews are planned to place emphasis on integrated locality service delivery as opposed to service specific services.

6.2.1 Corporate Projects

The Council is progressing a significant programme of major projects, which have adopted the principles of asset management planning. These include “Building Schools for the Future” and the “Primary Capital Programme” as well as major infrastructure work to develop a second harbour crossing from the Old Town to Hamworthy. The construction of an iconic lifting bridge will open up 22 Hectares of brown field land for regeneration.

A number of projects are also seeking a joint solution with Bournemouth Borough Council. The acquisition of land for the construction a joint use of a Multi Recycling Facility and the search for joint depot facilities are both active at this time.

These projects are set out in Appendix 3.

6.2.2 Non Operational Estate

Lease Management

The Council owns 138 non-operational investment properties (including surplus property but excluding Council Housing) worth some £27.02 m. These range from holdings such as the Dolphin Shopping Centre to kiosks. The Council has improved its performance in managing these properties in the last year and will continue to drive change that brings a more commercial and entrepreneurial approach to generating revenue from these investments. An overall ethical and moral consideration will be applied to this work to increase revenue streams.

The number of rent reviews and lease renewals varies each year with approximately 62 undertaken in 2007 - 08 and 47 estimated for 2008 - 09. In 2007 - 08 an overall increase in rental income base of £300,000 was achieved representing a 6% increase (excluding variable additional Dolphin Shopping Centre income). The target increase for 2008 - 09 is a 5% increase on the same basis.

Covenants

During 2007 – 08, 121 covenant approval / modification negotiations yielded a capital receipt of £74,000. During 2008 - 09 it is estimated that between 120 - 150 covenant approvals / modification applications could produce £215,000 in capital receipts. This work is conducted on a fee recovery basis.

Disposals

Capital receipts from the disposal of surplus or underperforming assets are difficult to precisely predict in scale and timing. This is particularly true with the developing

global economic situation. The Council has a statutory obligation to dispose of assets for best consideration. Meeting this obligation will invariably require the CPO to test and challenge proposals that emerge from service areas even when those proposals broadly support the Corporate Strategy. Capital receipts will remain an important element of funding future Council investment in services. Despite the illiquidity of property assets it is important that the Council continuously refreshes its property portfolio to optimise value and avoid a build up of liabilities that may restrict future service delivery aspirations.

The Council continues to monitor the performance of the non-operational (investment) portfolio to ensure that its retention to influence strategic planning issues is reinforced by performance. This is benchmarked against the Public Works Loan Board Rate (PWLB - 4.8%) which the current rate of interest at which the Council could expect to borrow capital. This exercise identifies the following under-performing assets, which in turn inform options to reclassify these assets as held for strategic reasons; dispose; or renegotiate the rental income. This is in line with the Council's policy to make assets "sweat" in order to ensure the best return: -

PROPERTY	IRR	COMMENT
2a Douglas Road	2.38%	Ground rented residential property
4 Shillito Road	-1.89%	Ground rented residential property

These properties are recommended for disposal at an appropriate point in the investment cycle (see Appendix 2).

Surplus operational assets (e.g. Hamworthy First School, 88 Alexandra Road, and Poole and Branksome Cemetery Lodges), vacant land (e.g. Turlin Moor Community Centre, Terrace Row, Anjou Close) and those investment properties underperforming the PWLB have all been identified for disposal and are set out in Appendix 2.

The Council's Medium Term Financial Plan identifies annual capital receipts on a three-year rolling basis. Failure to deliver identified capital receipts would negatively impact upon the Council's financial flexibility. Planning must therefore be robust, astute and err upon the conservative whilst not being over cautious.

Capital receipts are regarded as a corporate resource with hypothecation being the exception rather than the norm.

7. Performance Management and Data

7.1 Performance Management

The Council has committed to significantly improve performance in relation to the management of its property assets. The scale of the task facing the Council is considerable and will impact upon every service area as a corporate approach to managing property is developed and implemented. Industry standard performance measures will allow progress to be monitored and managed. Data collection systems require improvement and procurement of ICT systems will aid this. Target setting in some areas is hampered by lack of historic data.

A full list of the current performance indicator together with available performance data for 2008 - 09 and targets for 2009 - 10 can be found in Appendix 6.

Benchmarking processes are being developed in order to bring context to performance management. The Council is determined to become an exemplar in the field of property asset management but recognises this will involve considerable organisational, procedural, process and policy change. The Council has procured a corporate performance measurement and reporting system that will support these improvements.

7.3 Data Management

Efficient and effective management of the Council's property assets needs to be informed by accurate, accessible data that is structured for the particular service or strategic use. Currently there are 23 systems and formats used to store property data.

A review of IT support systems has enabled a product to be identified that will provide core systems for the organisation. The product is already being successfully used to manage educational property needs. During 2008 - 09 data transfer and implementation work to utilise this product corporately will be progressed.

8. Capacity Building

The Council recognises that in order to meet its ambition to become an exemplar in asset management it must significantly strengthen the skills and competencies available to it. Seisin Ltd have been engaged by the Council to support the design and implementation of the future operating model agreed by Cabinet in November 2007. The current fragmentation of roles, responsibilities and accountabilities for property matters through the Council make this a complex piece of work. In parallel with this structural and cultural change a fundamental review of the procurement of property related goods and services is underway. This will lead to the development of corporately managed strategic framework contracts being developed and let. It is envisaged that such contracts will be medium to long term in nature and will significantly reduce the scale of procurement activity associated with property and bring greater consistency and security of supply. Proposals to strengthen the capacity and capability for education based property requirements will be progressed in 2008. These changes will be designed in order to fit precisely with and become part of the corporate provision within 12 to 18 months time.

The Council will be open to entering into joint procurement arrangements with partners where this is likely to be beneficial. In addition the Council will explore where it might be advantageous to consider joint employment arrangements for skills that are rare but likely to be under utilised in a single Council setting.

The Council is committed to improving the availability of core skills and competencies. Detailed business analytical work will be conducted in 2008 - 09 to identify resources currently employed in all aspects of property management within the Council. This work will inform a redesign of use of these fragmented resources in order to deliver improvements in capacity and capability within current resources. The Council will continue to work with other organisations to make better use of resources, compare performance and examine new, improved ways of working. Professional networks will be maintained and methods developed to extract value from the investment made in the development of such networking arrangements.

The Council has a good record in accessing outside funding sources to add value to its own investment plans. Examples are PFI; grant applications to lottery funding, or by the leveraging in of private sources of finance. The Council will examine the merits of such outside sources of funding on a case-by-case basis. In particular the Council will ensure it has the internal capacity to deliver successfully, that such initiatives are aligned to Corporate Strategy and are not adversely impacting upon the ability to deliver the Council's priorities.

APPENDICES

APPENDIX 1 – SERVICE ASSET MANAGEMENT PLANS

CHILDREN AND YOUNG PEOPLE

From March 2005 there has no longer been a statutory requirement for the Authority to have an Education AMP as this duty has been superseded by the requirement to have a Children and Young People's Plan (CYPP). However, in line with good practice, it was recommended and agreed by the Learning Overview Group that a new plan be written to sit underneath the CYPP.

The Learning Overview Group agreed on 29th November 2005 that consultation should be undertaken on education priorities to inform the drafting of the AMP. Consultation was undertaken with schools and other stakeholders and the following priorities were agreed: -

Statutory Priorities

- Meeting statutory requirements and ensuring health and safety of school premises

Local Priorities

- Delivering the Targeted Capital Fund project for the re-organisation of Central Poole.
- Progressing changing the age of transfer.
- Developing Special Schools as centres of excellence.
- Co-ordinating educational provision with the Council's regeneration plan for the Town Centre and Hamworthy areas.

Government Priorities

- Preparing and planning for Building Schools for the Future (joint bid with Bournemouth).
- Preparing and planning for the Primary Capital Programme.
- Delivering the requirements of the 14 - 19 Implementation Plan.
- Achieving the target to develop six children's centres by 2008.
- Developing the extended schools agenda.

In June 2006 Cabinet endorsed the need for a Capital Strategy for the whole of the Education Capital Programme to illustrate how the Schools for the Future project could be funded. Officers from Children and Young People's Services – Strategy, Quality and Improvement (CYPS SQI) and from Financial Services drew together the capital strategy for the period 2007 - 14. This strategy set out details of estimated income for 2007 - 14 and estimated costs associated with implementing the actions needed to achieve the agreed AMP priorities.

The purpose of the Strategy is to give the Council a structured plan regarding how it intends to deliver the AMP priorities based on forecast funding streams and capital requirements. The funding streams and costs, particularly from 2008 onward, were estimates at this stage and not confirmed sums. As capital allocations for the period 2008 - 11 have now been announced; the capital strategy will be updated in the light of this information.

The Children's Services Asset AMP sets out in detail how the Council will work in partnership with schools and other partners to ensure that funding for buildings is used as efficiently and effectively as possible to support the Every Child Matters agenda through Poole's Children and Young People's Plan and the Borough of Poole's corporate aims and

priorities. The AMP sets out the information needed and the criteria used by the Authority and schools to make decisions about spending on school and Children's Services premises. It covers all categories of maintained schools in Poole: Community, Foundation, Voluntary Controlled and Voluntary Aided.

The Children's Services AMP is organised in four sections: -

- a. The Local Policy Statement is a strategic document which explains how the processes underpinning the AMP, such as roles and responsibilities, consultation, building assessment and prioritisation, work in practice.*
- b. The Statement of Priorities shows how the capital investment strategies and plans will deliver specific projects, within the context of statutory, local and Government priorities and other local plans.*
- c. The Capital Strategy sets out the estimated income the Council expects to receive over the period 2007 - 14 and the estimated costs associated with implementing the actions needed to achieve the agreed priorities.*
- d. The Capital Programme sets out the specific projects to be funded by the Council in the current year and will be revised annually.*

The Children's Services AMP 2003 - 06 covered a three-year period. However, a number of the agreed priorities, including changing the age of transfer, Building Schools for the Future and the Primary Capital Programme, will run for a much longer period and will draw on funding streams that have yet to be confirmed by the Department for Children, Schools and Families (DCSF). Therefore, it was proposed that the new plan should cover the period 2007 - 14 and be subject to annual review. The new Plan is currently being drafted and will be presented to Members for approval in 2008.

Four schools will be in Wave 6 for the BSF initiative together with 5 schools in Bournemouth. Joint working with Bournemouth Borough Council has identified one academy within the shared catchment (Rossmore Technology College) and work is progressing to implement this by September 2010. The remaining six schools will be in waves 13 – 15 but a strong case will be made to bring these schools forward to enable the change in the age of transfer throughout the whole borough to take effect.

Responsibility for preparation of the Children's Services AMP rests with Children and Young People's Services Strategy Quality and Improvement (CYPS SQI) in partnership with schools and other partners. SQI also monitors governing body responsibilities as the responsible custodians of school premises. The collection and maintenance of data needed to formulate the AMP is undertaken by SQI. Data held includes accommodation schedules, site and floor area measurements, pupil forecasts, property data, condition survey data, suitability survey data and survey reports relating to asbestos, fire safety and accessibility. Schools and other services are asked to assist in data collection exercises and in keeping the data up-to-date and accurate. The data relating to the AMP is held in the Technology Forge Facility asset management database which all schools and Diocesan partners are able to access via the Internet. SQI is also responsible for responding to DCSF data gathering exercises.

The Children's Services AMP forms part of the overall Corporate AMP, which sets out the Council's corporate property and asset management principles and organisation framework, and the supporting structures for project delivery.

HOUSING

Housing is a long-term asset and requires long-term asset management. On behalf of the Borough of Poole, Poole Housing Partnership uses the 30 Year HRA Business Plan as the key tool in asset management.

A focus of the strategy has been to bring the stock up to the Decent Homes Standard (and the Poole Standard) by 2010 and keep it at that condition thereafter.

There is a Stock Condition Database, which holds comprehensive stock information on over 40% of the stock covering internal and external condition and energy rating. There is partial information on over 80% of the stock. The un-surveyed stock uses 'cloned data' to assess likely investment requirements. The database is updated as the Decent Homes investment continues, and is independently tested for accuracy.

The re-investment model uses a traffic lights system to control re-investment to ensure it is going into stock that should have re-investment. This looks at investment needs and demand for the housing stock.

Currently, there is high demand across almost all areas of the stock. Some lower demand stock will be considered in the Stock Options Appraisal.

The 30-year Business Plan shows that, once the Government's ALMO funding runs out, there is not enough money to keep the stock up to the Decent Homes Standard. As a result, the Council, supported by PHP, is carrying out a whole Stock Options Appraisal to establish the best option to enable re-investment and deliver further resident empowerment. This is due to reach conclusion in 2009.

TRANSPORTATION

The key findings arising from the first TAMP are: -

- In general the condition of the Highway Network infrastructure is good and the majority of the indicators are either above median or top quartile compared with other Highway Authorities in the South West.
- In order to maintain the structural condition of the carriageways in their existing state a Structural Maintenance budget in the order of £1,700,000 is required per annum. This represents an overall average life of 68 years. If investment falls below this figure then the condition of carriageways will deteriorate at rates set out in the table in Section 5.3.11 of this document.
- Investment in the maintenance of footways at an average of an average of £403,000 per annum is inadequate and represents a replacement lifespan of 158 years. An

aspiration of a 100-year life would require a budget in the order of £600,000 per annum.

- Under investment in highway lighting over many years has resulted in almost a third of the stock (5,800 columns) being over 40 years old. The average age of highway lighting columns is increasing year on year and an investment of approximately £460,000 per annum is required in order to prevent further decline.
- Overall Routine Maintenance (excluding the items listed above) is generally falling below that required to maintain the serviceability of the assets and to demonstrate an adequate duty of care to highway users (i.e. drainage, highway trees etc).
- The Improvement Action Plan in Section 9 of this document identifies 30 actions recommended in order to meet the Authority's duty of care and maintain continual improvement of the service. Of the 30 actions identified the following are the top 5 highest priority and require action in 2008 - 09: -

ITEM	ESTIMATED COST
➤ Implementation of TR22 risk assessments for lighting columns in order to establish a risk based approach to the inspection / replacement of lighting columns.	£15,000
➤ Investigate initiatives to reduce the carbon footprint of highway lighting: <ul style="list-style-type: none"> • Reduce lighting levels by dimming existing lamps etc • Reduce time of operation by installation of new photoelectric cells. • Procurement of energy efficient equipment. 	£23,000
➤ Complete the initial survey of highway trees within a 5-year programme.	£18,000 per annum for 5 years
➤ Prepare written Policies and Procedures for key areas of risk identified in Section 6.3	£12,000
➤ Undertake a detailed gap analysis comparing Borough of Poole practice with the National Code of Practice for Highway Maintenance Management.	£12,000

APPENDIX 2 – CAPITAL DISPOSALS PROGRAMME

PROPERTIES SOLD 2007 – 08

Land at Sterte	HRA land
Land at Merley Hall Farm	Land surrendered from farm tenancy
14 St James Close	Freehold reversionary interest of property
Land at Pergins	Land – sold to adjoining Housing Association
Land at 27 – Stansfield Close	HRA land
26 Ashley Road	Freehold reversionary interest of property
Land at 17 Emerson Road	Land – former site of Emerson Road store
Land at 14 Ballard road	HRA land
Land at 16 Ballard Road	HRA land

PROPERTIES UNDER NEGOTIATION 2008

350 Poole Road	Vacated HRA property
Land adjoining 1 Peverell Road	HRA land
Land at Highview Gardens	HRA land
Land at Merley Ways	Land surrendered from farm tenancy
146 Ashley Road	Property – repossessed ex-leasehold property
213 Herbert Avenue	Property – disposal of Borough's long leasehold interest
Land at Willett Road	Land surrendered from farm tenancy
Hamworthy First School	Land/Property – vacated school site
5 Balston Terrace	Vacated HRA Property

PROPERTIES TO BE MARKETING 2008 onwards

Turlin Moor Community Centre	Land – former community centre site
7 Patchins Road	HRA land
40 - 48 Egmont Road, Turlin Moor	HRA land
88 Alexandra Road	Property – former HRA homeless hostel
Poole Cemetery Lodge	Property – vacated service tenancy
Branksome Cemetery Lodge	Property – vacated service tenancy
Land to the rear of 19 – 25 Cynthia Road	HRA land
Terrace Row	Land – formerly held for Town Centre Regeneration
Anjou Close, Bear Wood	Land – formerly held for Library site

UNDERPERFORMING ASSETS

2a Douglas Road	Residential property subject to ground lease
4 Shillito Road	Residential property subject to ground lease

NB Disposals of residential land and buildings may be deferred pending market recovery in order to ensure that best consideration is achieved in the longer term.

APPENDIX 3 – MAJOR PROJECTS

PROPERTY / PROJECT	DRIVER	RESPONSIBILITY
OFFICE ACCOMMODATION REVIEW	Corporate initiative	Property Services
TWIN SAILS BRIDGE REGENERATION	Corporate initiative	RTC Strategy Group
TOWN CENTRE NORTH REGENERATION	Corporate initiative	TCN Strategy Group
MATERIALS RECYCLING FACILITY	Service initiative	ECPS / Property Services
FOURWAYS	Service initiative	Adult Social Services / Property Services
HUNGER HILL GYRATORY	Service initiative	Transportation / Property Services
HATCHPOND DEPOT	Service initiative	ECPS / Transportation / Leisure / Property Services
PUPIL REFERRAL UNIT REDEVELOPMENT	Service initiative	Childrens' Services / Property Services
HAMWORTHY LIBRARY	Service initiative	Library Services
ASHDOWN TECHNOLOGY COLLEGE	Building Schools for the Future (BSF)	Children's Services / Property Services
MONTACUTE SCHOOL / LODGE HILL		
ROSSMORE TECHNOLOGY COLLEGE		
WINCHELSEA SCHOOL		
POOLE GRAMMAR SCHOOL	Building Schools for the Future (BSF) – future waves	
PARKSTONE GRAMMAR SCHOOL		
POOLE HIGH SCHOOL		
CARTER COMMUNITY SPORTS COLLEGE		
ST EDWARDS RC / CE VE SCHOOL		
CORFE HILLS		
LILLIPUT CE VC FIRST SCHOOL	Primary Capital Programme (PCP)	Children's Services / Property Services
HILLBOURNE COMMUNITY SCHOOL		
HEATHERLANDS FIRST SCHOOL		
SYLVAN FIRST SCHOOL		
BRANKSOME HEATH MIDDLE SCHOOL		
LONGSPEE SCHOOL		
CHILDREN'S CENTRES	Service initiative	Children's Services / Property Services

APPENDIX 4 – PLANNED MAINTENANCE PROGRAMME 2008 - 09

PROPERTY ADDRESS	PROJECT	BUDGET COST
PRIORITY 1	APPROVED	
ASHDOWN LEISURE CENTRE	Repairs to Studio roof	£1,295
BEARWOOD COMMUNITY CENTRE	Roof	£3,289
BRANKSOME CHINE BEACH LIFEGUARD STATION / BEACH SERVICES BUILDING	Roof	£972
BRANKSOME CHINE BEACH	Repair / refurbish 10 beach huts	£21,400
BRANKSOME DENE CHINE BEACH HUTS	Repair and replace floors and stairs. New railings	£25,385
BRANKSOME DENE PUMPING STATION	External repairs	£972
BRANKSOME CHINE SHELTERS	External repairs	£3,364
BROADSTONE RECREATION GROUND CRICKET PAVILION	Rot repairs	£2,691
CANFORD HEATH LIBRARY	Radiator replacement	£5,980
CIVIC CENTRE ANNEXE	Redesign Domestic Hot Water system and replace calorifier. Rust contamination to water pipes	£23,920
CIVIC CENTRE OFFICES	Works to interior and exterior, rooves, walls, doors, windows, floors and mechanical services	£62,693
DOLPHIN SWIMMING POOL	Replace felt roof weathering plus upgrade insulation Refix loose parapet roof edge trims and timber fixing grounds	£112,125
HAMWORTHY PARK MARINE ACTIVITY CENTRE	Renew ceiling & refix timber boards.	£733
HASKELLS RECREATION GROUND PAVILION	Renew fire escape door.	£538
HATCH POND ROAD	Investigate / repair floor and stairs, replace defective ceiling tiles	£24,518
HOLLY LODGE OFFICES	Repair building for use or demolish create new parking space	£8,000
LODGE HILL SWIMMING POOL	Renew electric heaters	£5,382
POOLE CENTRAL LIBRARY	Replace air conditioning with new air cooling unit	£4,186
POOLE DAY CENTRE	Works to electrical services and stairs	£4,410
POOLE PARK CRICKET PAVILION	Asbestos inspection and renew doors	£3,887
ROSSMORE LEISURE CENTRE	Works to roof	£9,718
SANDBANKS COMPOUND	Install earth electrode	£449
SHORE ROAD BEACH HUTS	Install level access over channel	£748
TURLIN ROAD YOUTH CENTRE	Carry out inspection, clean and service so as to ensure extractor fans are in full working order	£598
UPTON HOUSE AND REFRESHMENT KIOSK	Works to internal and external walls windows and doors	£12,386
WATERFRONT MUSEUM	External walls, windows and doors. Electrical services	£7,056
WHITECLIFF RECREATION GROUND PAVILION	Floors, stairs and mechanical services	£1,420
TOTAL *		£348,115

PROPERTY ADDRESS	PROJECT	BUDGET COST
PRIORITY 2	APPROVED	
BRANKSOME DENE CHINE BEACH HUTS	Joinery repairs and decorations	£3,275
BRANKSOME DENE COMMUNITY BEACH HUT	Render and timber repairs	£1,116
BRANKSOME DENE CHINE LODGE	Fencing repairs	£748
CIVIC CENTRE ANNEXE	Replace boiler controls	£7,993
CIVIC CENTRE OFFICES	Replace wall fan	£523
HASKELLS REC PAVILION	Adjust floor and stair level	£748
HATCH POND ROAD DEPOT	External walls, doors, windows and roofs	£8,970
OAKDALE COMMUNITY PARTNERSHIP	Internal walls and doors	£4,140
PARK FARM COTTAGES	External redecorations	£4,025
POOLE DAY CENTRE	Renew kitchen units	£3,646
UPTON COUNTRY PARK PEACOCK TEAROOMS	External windows and doors	£2,875
UPTON HOUSE AND REFRESHMENT KIOSK	Install key switch	£690
POOLE MUSEUM	External repairs to wall and roof	£6,440
SELDOWN LODGE	Renew porch	£2,875
SHORE ROAD PUBLIC CONVENIENCES	Replace wallgate handwash units	£5,428
TED WEBSTER FAMILY CENTRE	External walls timber repairs	£4,025
SELDOWN LODGE	Renew porch	£2,323
SUB TOTAL *		£59,840
PRIORITY 2	RESERVE ITEMS	
SHORE ROAD PUBLIC CONVENIENCES	Replace wallgate handwash units	£5,428
TED WEBSTER FAMILY CENTRE	External walls timber repairs	£4,025
UPTON HOUSE AND REFRESHMENT KIOSK	Roofing and external redecorations	£40,547
SUB TOTAL *		£50,000
TOTAL *		£109,840

SUMMARY	BUDGET COST
PRIORITY 1 APPROVED	£348,115
PRIORITY 2 APPROVED	£59,840
PRIORITY 2 RESERVED	£50,000
FIRE PRECAUTIONS	£10,000
ASBESTOS	£20,000
TOTAL	£487,955

* Excludes work to properties scheduled for disposal in the short-term

APPENDIX 5 – PROPERTY STRATEGY AND CORPORATE ASSET MANAGEMENT ACTION PLAN

REF	ACTION	LEAD OFFICER	MEASURE	TARGET COMPLETION DATE	STATUS
2.1	Development and adoption of a Property Strategy and a Corporate AMP for 2007 - 08.	Peter Pawlowski	Council approve Strategy	Dec 07 - Completed	
			Cabinet Approve Corporate Plan	Nov 07 – Completed	
	Annual review of the Corporate AMP	CPO	Approval by Cabinet of annual plan	Annually - Ongoing	
	Consideration of the current practice of Property Asset Planning which produces four plans	Management Team	Agreed future planning model	Apr 08	
5.5 Pt 2	To improve the corporate consideration of service property requirements through planning mechanisms, specifically the Service Unit Business Planning process.	Peter Pawlowski	Corporate planning process amended AMG established	Jul 07 - Completed Jan 08 – Completed	
5.6 Pt 2	Review of the corporate property function in order to improve capability and capacity and ensure the Council is achieving best value.	Peter Pawlowski / CPO	RTG / Cabinet agree future delivery model	Nov 07	
	Organisational analysis of the current delivery mechanisms to include role, responsibilities, budget allocation, resource utilisation and data management	CPO	Tbc	Tbc	

REF	ACTION	LEAD OFFICER	MEASURE	TARGET COMPLETION DATE	STATUS
5.6 Pt 3	Strengthen the ability to commission property related services from strategic partners and improve the security of supply lines. (This will inform a wider consideration of the Council's procurement capability).	Peter Pawlowski	Tbc	Tbc	
5.6 Pt 5	Agree a Corporate Project Management methodology, which will be rolled out across the organisation. Programme Management will be introduced to control the change management programmes that support the delivery of the Council's objectives.	Peter Pawlowski / Katie Lacey / AMG Project Board / CPO	Approved by Cabinet	Jan 08	
			Roll out complete	Jul 08 - Completed	
5.6 Pt 6	Property Assets will be made to sweat in order to derive both capital and revenue income which will be reinvested in protecting and where it is a priority, improving services.	CPO	Capital receipts	Annual targets	
			Income from investment properties	Annual targets	
5.6 Pt 7	Align management of the Capital Programme and Asset Management with the capital receipts element of capital funding supported by a disposals programme.	CPO / Head of Finance	Report to Resources Theme Group (RTG) / Cabinet	Jul 08 and ongoing	
5.6 Pt 8	Acquisition and disposal will be reviewed with a view to developing an Acquisitions and Disposal Policy.	CPO	Agreed by Cabinet / Council	Apr 08	
5.6 Pt 9	The Council's Repairs and Maintenance activity will be reviewed with a view to developing a new policy that will recognise backlogs and better places the Council to address them.	CPO	Policy agreed by Cabinet / Council	Apr 09	

REF	ACTION	LEAD OFFICER	MEASURE	TARGET COMPLETION DATE	STATUS
5.6 Pt 10	Review Facilities Management to achieve consistency of approach and make progress towards the goal of providing serviced accommodation is managed by skilled professionals.	Peter Pawlowski	Report to RTG / Cabinet	Cabinet agreed future delivery model. Detailed implementation being planned	
5.6 Pt 12	The Council will consider any opportunities provided by the Quirk Review.	CPO / AMG	Tbc	Tbc	

CORPORATE ASSET MANAGEMENT PLAN 2007 - 08

REF	ACTION	LEAD OFFICER	MEASURE	TARGET COMPLETION DATE	STATUS
2.2	Improve method of capturing relevant data and analysis to inform Energy Management Policy.	CPO	Tbc	Tbc	
2.3	The development of an Office Accommodation Strategy which meets the high level objectives contained within the corporate strategy and further detailed in the Business Transformation Strategy progressed by a high-level review in 2008 - 09.	Peter Pawlowski / CPO	High level option report to Cabinet	Dec 08	
2.3	To identify and develop plans to deal with property that is having a significant blighting impact within its locality eg Rossmore Library (old).	CPO	AMG support proposal.	Apr 09	
2.3	To review the accounting practice relating to income from investment property.	CPO / Head of Finance	Management Team agree proposal	Apr 08	

REF	ACTION	LEAD OFFICER	MEASURE	TARGET COMPLETION DATE	STATUS
4.8	Development and Implementation of a Corporate Business Continuity Strategy.	JP / Head of Finance	Emergency Committee agree proposal and monitor progress	Jul 09	
6.1.5	Develop a competency framework, identifying key building hazards and ensuring that those who manage them, including contractors, have appropriate skills, information and training.	CPO	Framework produced and rolled out with supporting processes in place	Sept 08	
6.1.6	Undertake a review of the options available to meet obligations with regard to DDA during 2007 - 08.	CPO	Update to RTG in Corporate AMP2008 - 09	March 08	
6.2	Develop a process of Property Reviews, including selection criteria, during 2007 - 08, which involve stakeholders and be designed to support the delivery of corporate objectives and improve effectiveness.	CPO	Update to RTG in Corporate AMP2008 - 09	March 08 - ongoing	
6.7	Contract with a strategic partner to obtain support for the development and implementation of the proposals for future delivery of property related functions.	Peter Pawlowski	Strategic Partner engaged	Apr 08	
7.1	Continue to develop and establish benchmarking processes to bring context to performance management.	CPO	Update to RTG in Corporate AMP 2008 - 09	Tbc	

APPENDIX 6 – ASSET PERFORMANCE 2007 – 08 AND 2008 – 09 TARGETS

REF	BVPI DESCRIPTION	ACTUAL 2007 - 08	TARGET 2008 - 09
BoP177	Percentage gross internal floor space in condition categories A	2.25	*
BoP 178	Percentage gross internal floor space in condition categories B	43.52	*
BoP 179	Percentage gross internal floor space in condition categories C	49.01	*
BoP 180	Percentage gross internal floor space in condition categories D	5.22	*
BoP 181	Backlog of maintenance by cost expressed as a percentage in priority level 1	7.15	*
BoP 182	Backlog of maintenance by cost expressed as a percentage in priority level 2	51.71	*
BoP 183	Backlog of maintenance by cost expressed as a percentage in priority level 3	41.14	*
BoP 184a	Overall average internal rate of return (IRR) for the agricultural investment portfolio	5.89	11.75
BoP 184b	Overall average internal rate of return (IRR) for the industrial investment portfolio	18.88	12.8
BoP 184c	Overall average internal rate of return (IRR) for the retail investment portfolio	12.74	12.5
BoP 186	Energy costs per square metre GIA (gas, electricity, oil, soil fuel) (assuming zero water price inflation)	4.61	4.60
BoP 187	Water costs per square metre GIA (assuming zero water price inflation)	1.0	1.07
BoP 189	Expressed as a percentage, the number of satisfied customers who have received data they requested from the service	-	70
BoP 190	Percentage of properties DDA compliant in accordance with ODPM good practice guide	46	50
PSI 1	Cost predictability - percentage of project costs where outturn falls within 5% of the estimated outturn, expressed as a percentage of the total projects completed in that financial year (was DETR 1)	75	95
PSI 2	Time predictability - percentage of projects falling with 5% of the estimated timescale, expressed as a percentage of the total projects completed in that financial year (was DETR 2)	75	90

* Target performance indicators for these elements are unavailable through lack of data.

GLOSSARY

Response Maintenance	Response Maintenance covers day to day repairs of an unplanned, random or emergency nature (including emergency repair items identified from service maintenance contract routines) such as broken windows, unblocking drains, renewal of boiler or lift parts etc as well as (where budgets permit) other general maintenance work such as decorations and recarpeting or minor improvements, as identified and prioritised by service delivery units.
Service Maintenance	Service Maintenance covers statutory and advisory servicing of plant and equipment eg boiler servicing, gas and electrical safety checks, fire and intruder alarm servicing and safety checks. For 2008 – 09 a further budget provision of £58,300 per annum is included for additional Water Hygiene (Legionella) servicing works.
Planned Maintenance	Planned Maintenance covers renewal of major building maintenance elements, planned in advance and selected from the results of the condition surveys eg reproofing, rewiring, renewal of major plant and equipment etc.
Internal Rate of Return	The discount rate which when applied to all positive and negative cash flows arising from an investment provides a net present value of zero.