



It's all happening in Halton

# Appendices To The Asset Management Plan 2008

Managing property as a resource for the Borough



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## **MANAGEMENT TEAM ASSET PLANNING - TERMS OF REFERENCE**

### **Purpose of Group**

1. To ensure that the Council is operating effectively, it's Asset Management Plan.
2. To ensure that the Council is operating effectively, it's Capital Strategy - in conjunction with the Capital Development Steering Group.
3. To maintain and progress the Council's Land Strategy.
4. To maintain and progress the Council's Accommodation Strategy.
5. To maintain and progress the Council's Maintenance Strategy.

### **Objectives**

- A. To ensure comprehensive and effective Asset Plans and Strategies are produced to enable Members to approve.
- B. To meet all statutory, Government and Council deadlines for the completion of asset and capital plans and strategies, to maximise income from the central government and other sources.
- C. To rigorously evaluate, in conjunction with all relevant bodies, the capital and asset plans, strategies and bids for capital funding and ensure they fulfil the corporate objectives.
- D. To pursue all opportunities to work in partnership with outside organisations such as the PCT and maximise the use of the public sector estate including schools.
- E. To ensure the Council is effective and efficient in the use and management of it's physical assets (including all operational property).
- F. To ensure that the Capital Programme is co-ordinated and delivered both on time, and within budget.
- G. To ensure that each significant capital project has a named project leader who will be accountable for the project from inception to completion.
- H. To provide reports to the appropriate bodies and Members.
- I. Review annually the Asset Management report prepared by Property Services

### **Membership of the Group**

Strategic Director - Children & Young People  
 Strategic Director - Corporate & Policy  
 Strategic Director - Environment  
 Strategic Director – Health & Community  
 Corporate Property Officer  
 Operational Director - Legal, Organisation Development & Human Resources  
 Operational Director - Policy & Performance  
 Operational Director - Financial Services  
 Plus co-opted members to provide specialist input as appropriate

## FRAMEWORK FOR DETERMINING SUITABILITY AND SUFFICIENCY OF ASSETS

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### Introduction

The Council has to ensure its estate is efficiently managed and brought to an optimum size and condition consistent with the need for present service delivery and planned future developments. If the Council is to develop an effective approach to asset management, resulting in realistic and cost effective capital programming and asset management planning, it needs its database detailing the extent, value, utilisation and condition of the estate to be as accurate as practicable

The Council has never undertaken a suitability and sufficiency survey of its non-educational property portfolio other than minor consideration as part of the accommodation review in 2006

This paper is not designed to set standards or priorities but rather, to outline an appropriate, objective methodology, bringing together various inter-related elements of property appraisal into a single system; the Asset Suitability Template.

This appraisal includes assessments relating to:-

- an asset's ability to provide the services required, measured as the functional suitability
- how the asset is occupied, measured as space utilisation
- the ongoing maintenance implications, measured as the physical condition
- the statutory requirements applicable to the asset, measured as statutory compliance
- how energy savings have been implemented, measured as energy performance

The collection of this data is designed to provide the Corporate Property Officer with an indication of the asset's future procurement options as well as its suitability for future investment. Where any category returns a ranking of C or D, regardless of overall ranking, this will be reported to the Corporate Asset Management Working Party.

An asset weighting (multiplier) will be a key tool in determining whether an asset is or should become surplus to requirements and is shown at the end of the document.

### **Principles Of The Framework**

The various elements of one survey may interact with elements of another, thus it is essential that double counting is avoided. The following approach should therefore be applied: -

- i) If the physical condition and/or functional suitability assessments result in a breach of statutory or safety requirements, the defect should be recorded against statutory compliance;
- ii) If the physical condition is reasonable, but the functional performance is poor, the costs should be attributed to functional suitability;
- iii) If the poor physical condition leads to low functional performance the cost should be attributed to physical condition.

Consistency in assessment across the wide range of properties within the Council's portfolio is essential if useful comparisons are to be made, consequently The Communities & Local Government A-B-C-D appraisal system will be adopted.

The success of any property appraisal exercise will depend primarily upon establishing an effective team approach, involving representation for the service team responsible for the operational management of the asset, together with support from professional disciplines. Any survey should be carried out as objectively as possible. It is accepted however that in assessing function and space, the surveys may rely heavily upon subjective assessment.

### **Assessment Categories:**

#### ***1 Functional Suitability***

A 'whole site' assessment should be undertaken for each property/facility. Such an overview will provide the Council with valuable information that identifies which facilities are of vital importance to effective and efficient service delivery, and will enable a list of assets to be drawn up that require further investigation.

The following factors will need to be considered: -

- o The location of the asset in terms of its relationship to the centres of population of it's customer base, local transport, amenities, etc
- o Site characteristics and access
- o Balance of service provision within facility
- o Relationship of different service providers using facility

A **departmental** functional suitability assessment will determine how effectively a building (or part of a building) supports the delivery of a specified service.

Key factors that should be considered are: -

- o *Space relationships* – the 'critical dimensions' for the function and the relationship of spaces within a facility should be satisfactory

- *Delivery of Services* – the range of services provided should be suitable for the function
- *Amenity (Customers)* – the level of service afforded to customers should be acceptable by modern standards, the public should gain a favourable impression of the facility and external features such as entrances, reception areas, etc should be appropriate to function
- *Amenity (Staff)* – the working conditions of Council staff should also be acceptable by modern standards, the ability to maintain services should not be compromised by poor accommodation
- *Location* – the location of the facility (i.e. in terms of its relationship to other service providers,
- *Environmental conditions* – internal aspects such as heating, lighting, ventilation, noise, etc, should be maintained to an acceptable level
- *Overall effectiveness* – the overall balance of service provision within the facility should not constitute an impediment to its function

### Functional suitability ranking

The ranking, although essentially subjective, will be a hybrid of both the whole site and departmental assessments, and will indicate: -

- A High degree of satisfaction**
- B Acceptable / reasonable; no major changes necessary to facility**
- C Below an acceptable standard**
- D Unacceptable in its present condition**
- X An additional rating added to the D ranking should be used to indicate that the facility is so below standard (or so impossible or impractical to improve) that nothing but total rebuild or replacement will suffice**
- Y An additional rating added to either C or D ranking where Y is the time that situation can be tolerated**
- Z An additional rating added to either C or D ranking where Z is the cost to raise to rank of B**

Where a facility scores a C or D ranking, an assessment should be made to consider: -

- i.) how long conditions C or D can be allowed to continue (by determining this, the urgency to improve functional standards can be gauged)
- ii.) an indication of the costs that may be required in bringing the facility to a standard which would achieve a B ranking

Where this category returns a ranking of C or D, regardless of overall ranking, this will be reported to the Corporate Asset Management Working Party.

## **2 Space Utilisation**

Space utilisation is a key contributor towards efficient asset management. The Council's objective has to be to hold no more space than is absolutely necessary to satisfy the reasonable demands of the present function of a facility with due regard to future planned requirements. (Up to 5 years).

The identification of under-used space and/or spare capacity and its costs, closely associated with appropriate feasibility and rationalisation studies, will enable potentially substantial revenue savings to be made. These savings should then be reinvested to enhance or extend other services. Because of the substantial savings that can be made through eliminating under-used space, and taking advantage of spare capacity, space utilisation exercises should be given a high priority in assessment of the council's asset base.

It must be appreciated that space utilisation is an area that is both complex and sensitive, as it may touch issues arising from territorialism and departmentalism within the authority. For this reason it is critically important that all users understand the true costs of the space they occupy and the benefits that can arise from space rationalisation. Space utilisation exercises usually require the expertise of those with necessary planning and design skills together with end-users' knowledge of service delivery requirements and constraints, in a close working environment.

For this reason, it is deemed appropriate that a 'broad brush' approach be used, based upon pragmatic observation and experience of service requirements. A space utilisation study constitutes a 'snapshot' in time. Any resulting works will be dependent of the nature of the service affected and completed within a tight timescale.

The results of on-the-spot observations are brought together on a plan of a facility and the areas of under-utilisation are then identified and agreed. From this, floor areas can be measured and potential savings in property overheads ascertained for reporting to the Corporate Asset Management Working Party.

At this stage, initial reaction to the plans may be an attempt to justify and defend the present situation. Indications may be offered as to just how impossible it is to release space because the areas are too small, too dispersed or locked due to the structure of the building, positioning of stairwells, and so on. In most situations, however, space can be 'unlocked' if functions are re-organised and brought into line with requirement for effective service delivery. A more determined and radical approach will often give greater rewards.

Space utilisation has shown it may be possible to relocate a function, service or whole department into the space released by another. It may also be possible to generate capital through the re-use or disposal of redundant sites, and additional revenue may be obtained from letting spare accommodation to other users or reducing the general costs associated with property. A case could be made for a spend to save solution.



The following scale will be used in the final ranking calculation:-

<b>Empty</b>	<b>0</b>
<b>Underused</b>	<b>2</b>
<b>Overcrowded</b>	<b>3</b>
<b>Adequate</b>	<b>4</b>

### **3 Physical Condition**

A broad knowledge of the physical condition of the asset is an essential factor in the whole of effective asset management planning and has strong links to the Corporate Capital Strategy.

An appraisal should be carried out for each physical block (taken from data collated during the programmed condition surveys). The average overall condition of each element should be estimated to be in one of four categories, ranging from A to D, with a rating X applied where the condition falls into the categories C or D.

Broadly, the ranking is categorised as: -

- A The block can be expected to perform adequately to its full normal life**
- B The block is sound, operationally safe and exhibits only minor deterioration**
- C The block is operational but major repair or replacement will be needed soon, i.e. within three years (building elements) and one year (engineering-based elements)**
- D The block runs a serious risk of becoming unusable**
- X A rating added to C or D to indicate that it is impossible to improve without replacement**

Following categorisation of the asset, the costs of appropriate measures to upgrade a C or D condition to the B level minimum should be recorded. Condition B is deemed as an operationally acceptable standard for all building and engineering elements.

A vital outcome of this assessment is the need to realistically consider whole life costs within asset management and capital investment and apply the conclusions.



#### **4 Compliance With Statutory Standards**

To bring an asset up to an acceptable level of safety can often be both costly and disruptive. However a property assessment would be incomplete without any indication of the level of future investment required to comply with statutory standards such as fire safety or the Disability Discrimination Act.

A broad-brush approach should be applied in order to relate the existing condition of the property to the following classifications: -

- A The asset complies fully with all latest statutory requirements and BS guidance (invariably a new building)**
- B Existing buildings that comply with statutory requirements**
- C A building which falls short of A and B**
- D Areas within a building that are significantly below either A or B**
- X A further assessment to be added to C or D to indicate, because of the nature of the building, improvements to structural fire precautions and means of escape are either impracticable or too expensive to implement**

#### **5 Energy Performance**

Energy performance is an increasingly important factor in determining the overall efficiency of a property.

The part of the framework appraisal is designed to target attention to specific areas, using the following definitions: -

- A The asset is constructed in accordance with the requirements of latest Building Regulation documentation and Approved Document L – Conservation of Fuel and power**
- B A building which has undergone a co-ordinated conservation programme resulting in: -**
  - i.) thermal insulation (including draught-proofing) to economic limits with effective modern controls of heating**
  - ii.) all services examined and changed (where necessary) to maximise efficiency**
  - iii.) equipment regularly maintained and a record of reasonable energy management**

- C A building in which some energy measures have been incorporated largely on an ad hoc basis. Only a low level of equipment maintenance and some energy management measures in place.**
- D A building in which no energy conservation has been carried out. Energy management is non-existent.**

**Proposed Overall Ranking Procedure**

Once the assets have been assessed under the above categories it is possible for the Corporate Property Officer to produce a relative indication of the assets overall suitability.

The method proposed is based on a “paired comparison” approach. This is where a team of decision makers consider the merits of any two items and compare the contribution each makes relatively to the overall objective.

Weighting factors will be applied in line with the needs and requirements of the council, most often these will be as identified within the corporate asset management plan.

**Scoring For Assessments**

For assessments of Functional Suitability, Physical Condition, Compliance with Statutory Standards and Energy Performance, scores are :-

<b>Assessment</b>	<b>Score</b>
A	5
B	4
C	3
D	2
C(X)	1
D(X)	0

For assessments of Space Utilisation, scores are :-

<b>Assessment</b>	<b>Score</b>
Empty	0
Underused	2
Overcrowded	3
Adequate	4

Suggested weighting, in line with the required prioritisation of the asset management plan would be as follows:-

<b>Category</b>	<b>Weighting</b>
Functional Suitability	0.49
Physical Condition	0.27
Statutory Standards	0.10
Energy Usage	0.08
Space Utilisation	0.06

(These weightings can be amended whilst retaining the principles outlined here, however the total must always be 1.00)

### **Overall Ranking System**

By summing the five weighted scores, the overall ranking for the property may be ascertained: -

<b>Overall Score</b>	<b>Overall Rank</b>	<b>Definition</b>
> 4.50	A	High degree of satisfaction
3.50 – 4.50	B	Acceptable / reasonable; no major changes necessary to facility
2.50 – 3.49	C	Below an acceptable standard
1.50 – 2.49	D	Unacceptable in its present condition
0.50 – 1.49	C (Y/Z)	Below an acceptable standard, where separate assessment of Y/Z should be made. Y is the time that situation can be tolerated and Z the cost to raise to rank of B
< 0.50	D (X/Y/Z)	Unacceptable in its present condition, where separate assessment of X/Y/Z should be made. X to be used to indicate that the facility is so below standard (or so impossible or impractical to improve) that nothing but total rebuild or replacement will suffice or Y should be time that situation can be tolerated and Z the cost to raise to rank of B

## ACCOMMODATION CRITERIA

In the event of a Directorate identifying a need for additional staff resources the following decision process should be followed. In doing so the aim is to identify the best corporate solution for accommodating the new requirement.

1. Are the functions of the new posts suitable for tele-working, home-working or hot-desking?

If Not

2. Are other teams within that Directorate suitable for transferring to one of the above working methods in order to free up the required space?

If Not

3. Are there any areas of accommodation within the Directorate that are yet to be opened out into an open plan environment which may produce the required space?

If Not

4. Is there space available in office accommodation currently owned and occupied by the Borough Council?

If Not

5. Is there space available in any other suitable Halton owned property?

If Not

6. Is there space available in premises already rented by the Council?

If Not

7. Is there an arrangement can be entered into with Partner organizations to jointly deal with mutual accommodation issues?

If not then premises of the most appropriate tenure will be sought as close as possible to existing centres of operation. The Executive Board Member for Corporate & Policy will have to be satisfied that the above process has been rigorously followed and will need to approve the proposed solution to all accommodation applications.

## ACTION PLAN FOR ASSET MANAGEMENT (APAM) 2008-11

### Corporate Considerations

The Corporate Objectives			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Ensure the Asset Management Plan and all decisions relating to land and property concur with: i) Corporate goals and objectives of the Council ii) The Corporate Plan iii) The Council's Procurement Policy iv) Departmental Service Plans	Co-ordination achieved through asset management processes and regulated by Council Standing Orders although Departmental Service Plans have not been integrated	AMP 2008 published in February 2008. All Council documents relevant to AMP addressed, all Departmental Service Plans to have the AMP section approved prior to publication	CPO OD AMWG DM
Develop policy response to third sector transfers	Asset Transfer Policy investigated in 2007, informal arrangement in various areas of the borough	PPB Topic Group	PPB CPO AMWG

Financial Context			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Ensure expenditure on all assets reflects Best Value. DCLG aims & objectives – value for money, financial return, service return	Regulated by Standing Orders and Financial Regulations.	New national PI's to be used to review.	CPO OD DM
Ensure asset management assists in achieving Comprehensive Spending Review savings	Identification of efficiencies as part of asset management processes	Continually identify efficiency targets and log achievements Concerto P2.net	CPO

Organisation			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Ensure asset management is understood at corporate level and that strategic input is received as required	Continuous involvement as part of asset management processes	Initiate quarterly Asset Management Working Group (AMWG) meetings during 2008/11. Seek further input from officers and members	CPO AMWG
Ensure that everyone involved in asset management planning is aware of their roles and responsibilities	Continuous involvement as part of asset management processes	Continue to ensure and enhance understanding of roles during 2008/11	CPO
CPO to make comment on all Executive Board and Management Team reports relating to land/property issues	Executive Board and Management Team minutes have been made available	CPO to attend all Executive Board and Management Team meetings where property issues are discussed	CPO EB MT

Performance Management			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Collect and report on local performance indicators (PI's)	Not previously collected	Local PI's to be developed and collected during 2008/11	CPO
Adopt the new NaPPMI indicators, where appropriate. Monitor continuing IPF consultation.	ODPM 'Best Value' indicators were discontinued. New NaPPMI national PI's evaluated.	Implement relevant NaPPMI indicators introduced in 2007/8 throughout 2008/11 Link new PI's through Concerto P2.net in 2008/11	CPO
Continue use of the Carbon Trust programme	Energy efficiency works carried out in capital programme for Runcorn Town Hall	Continue energy efficiency initiatives through the capital programme, extend study to programmed maintenance works through 2008/11 Detailed analysis to be carried out on turnout results at Runcorn Town Hall, John Briggs House and Catalyst House	CPO PS

## Planning & Implementation (Operational)

Data Management			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Finalise development and roll-out of asset management software – Concerto P2.net. Ensure data entry accuracy.	Major modules of software in place, capacity problems have caused some delays in data entry.	Finalise data entry to existing modules. Thereafter develop modules to other asset management processes, e.g. DDA database, asbestos database links to GIS, CAD package.	CPO PS

Asset Planning			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Develop asset strategy for all operational buildings. Reflect shared service property, remote working, shared use of facilities, strategic partnerships and other possible crosscutting initiatives	Evolving strategy for accommodation of operational services.	Continue to monitor developments, including, and reflect evolving operational asset strategy during 2008/11	CPO MT AMWG
Review depot requirements	Development from the Accommodation strategy	Look at and appraise the various options during 2008/11. Carry out essential maintenance only in the meantime	EB MT
Refine policy with regard to Surplus Assets	Various properties identified	Carry out full option appraisal and publish results with regard to all surplus property. Continuous review to produce programme of disposal	CPO PS AMWG
Develop Asset Management Plan (AMP) and Action Plan For Asset Management (APAM)	AMP 2002 in place. Initial planning for AMP 2008/11 undertaken	AMP 2008 and APAM 2008/11 published in February 2007. APAM to be updated annually	CPO AMWG
Ensure that all internal stakeholders are aware of the AMP and how they in turn can contribute to the AMP	Corporate awareness of the existence of AMP as part of the legislative process	Further embedding as part of asset management process during 2008/11	CPO MT AMWG
Ensure that the AMP is closely linked to financial planning and budgeting and integrates with the Capital Strategy	Continuous as part of asset management processes	Continuous as part of asset management processes	CPO MT AMWG



Communication & Consultation			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Ensure that a copy of the AMP is available for inspection on the Council's web-site. Ensure that hard copies are available for those who do not have access to a computer	The AMP 2002 was controlled issue, with both electronic and hard copies available, distribution limited.	The AMP 2008/11 published in February 2008. Thereafter to be made available on website and in hard copy	CPO C&M
Ensure consultation takes place with internal & external stakeholders and users regarding property-related issues	Informal processes exist	Attendance at various service groups etc through 2008/11	CPO

Implementation of Programme			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Implement Capital Programme	Ongoing as part of asset management processes	Ensure effective implementation in terms of budget and time. Management Team scrutiny	CPO PS MT EB
Implement Programmed Maintenance	Ongoing as part of asset management processes	Ensure effective implementation in terms of budget and time.	CPO PS
Implement items identified in this APAM during 2008/11	Development of APAM	Implement APAM items during 2008/11	CPO

Project Appraisal And Prioritisation			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Promote, where possible, shared use of facilities and partnership opportunities with other internal and/or external parties	Sharing with Halton & St Helens PCT and The 5 Boroughs Partnership	Continue to investigate any other possibilities with existing partners and pursue potential new partnerships during 2008/11	CPO MT EB

Project Appraisal And Prioritisation			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
When considering option appraisal and project design, take into account whole life costing and other prioritisation criteria	These items have been increasingly researched, considered and reported in recent capital appraisals	Improve consideration of whole life costing issues, developing a whole life costing protocol, and other prioritisation criteria during 2008/11	CPO PS

## Monitoring And Review

General			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Quarterly review of APAM to ensure actions are being implemented. Annual review and update of APAM outturn and/or actions		Quarterly and annual review with consequent update of APAM as appropriate	CPO AMWG
AMWG to refer any identified issues of concern to the Management Team and Cabinet as necessary	AMWG only exists from 2008	AMWG to refer any issues of concern to Management Team and Cabinet. CPO to be present at meetings.	CPO AMWG
Monitor and review both forward planning and prioritisation of investment in Council assets	Ongoing as part of asset management process	Continue to monitor during 2008/11	CPO AMWG
Capital Programme monitoring - monthly by Capital Development Steering Group (CDSG) and quarterly by Management Team / Executive Board	CDSG focussed on a number of major projects. For example no C&YP projects were considered	Role and responsibilities of CDSG and AMWG to be clarified and formal monitoring/reporting arrangements to be in place	CPO CDSG AMWG MT EB
Monitor Programmed Maintenance and Response Maintenance including comparison of both	Costs of both are available at all times via the Concerto P2.net system.	Continue to monitor during 2008/11	CPO PS
Monitor all NaPPMI and other local PI's	New NaPPMI national PI's evaluated.	Introduce, where appropriate, local PI's and monitor NaPPMI during 2008/11	CPO PS

Property Reviews			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Implement a programme of Property Reviews	Property reviews now in place individually	Formalise Property Review Programme and present reports to AMWG	CPO AMWG
Carry out annual inspections of operational and investment properties (latter let on full repairing terms) to check condition / identify repairs, dilapidations, Health & Safety issues etc	Undertaken on informal basis only.	To become a specific element of the programme Undertake annually during 2008/11	CPO PS
Inspect all tenanted investment properties on lease expiry	Undertaken on informal basis only.	Inspect all investment properties on lease expiry as a specific element of the programme	CPO PS
Carry out project completion evaluations on all major capital projects 6-months after works complete	Undertaken on informal basis only.	All schemes to be formally evaluated 6-months after completion. Lessons learned to be recorded on Concerto P2.net	Project Officers PS(FM) CPO
Annual Inspection / Survey of all properties (excl. investment) to be undertaken to maintain an accurate medium term financial plan	Previous condition survey information used, costs not current	Develop module within Concerto P2.net during 2008 – Data to be used to formulate Programmed Maintenance Plan	PS CPO
Conduct and review Suitability and Sufficiency surveys on the corporate portfolio	Survey Procedure approved at MT in January 2008	Carry out surveys commencing in 2008, review as necessary.	PS CPO AMWG
Accommodation review	Last carried out in 2006, various relocations resulted and refurbishment of Runcorn Town Hall. Leases renegotiated.	Review success / impact of remote working, shared services and shared use initiatives during 2008/11	CPO MT
Transfer of Assets to the third sector	Asset Transfer Policy investigated in 2007, informal arrangement in various areas of the borough	PPB Topic Group	CPO AMWG
Carry out appraisals of land / property licences to maximise income and identify surplus assets for disposal	Management of grazing licences, garage plots and the like., regularised	Continue rolling appraisal during 2008/11	PS

Property Reviews			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Monitor Investment portfolio in relation to performance / returns and to review land / property leases to ensure any returns are maximised	Performance / returns monitored as part of asset management processes	Continue to monitor returns during 2008/11. Review all leases during 2008/11	CPO PS
AMWG annual review of property portfolio, to include: 1) review of operational assets' condition, suitability & sufficiency etc 2) review of non-operational assets to check reasons for holding assets remain valid 3) analyse investment portfolio returns 4) identify vacant / surplus assets for disposal	Ongoing as part of asset management processes	Continue annual reviews in 2008/11. Identify surplus properties for disposal. Confirm that property holdings address the Corporate Objectives	CPO AMWG

Statutory Considerations			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Ensure DDA data is recorded and regularly reviewed; and any public complaints and other compliance issues resolved	DDA works five year programme now three years complete. Reviews ongoing as part of asset management processes	Final two year s of programme to be addressed 2008/10 Continue the monitoring of compliance recording any access issues / complaints. On-line reporting system to be developed to be considered	PS
Ensure Asbestos register is kept up to date and annual inspections are undertaken to meet statutory regulations	Inspections undertaken and paper based system in place. Review ongoing as part of asset management processes	Integrate asbestos register electronically as part of Concerto P2.net in 2008/11	PS
Ensure Legionella training, risk assessments and monitoring checks are carried out and records kept	Review ongoing as part of asset management processes	Continue all Legionella-related items during 2008/11	PS DM
Fire Risk Assessments for all operational buildings	Review ongoing as part of asset management processes	Continue review during 2008/11 as part of asset management processes	PS DM

Statutory Considerations			
<i>Asset Management Task(s)</i>	<i>Outturn Data 2007-08</i>	<i>Action - Assessing Success 2008-11</i>	<i>Responsibility</i>
Ensure that Health & Safety risk assessments are reviewed and updated as required (at least annually)	Ongoing as part of asset management processes	Continue review during 2008/11 as part of asset management processes	CPO DM

### Key To Abbreviations

#### *Internal organisation*

AMWG = Asset Management Working Group

C&M = Communications & Marketing

CDSG = Capital Development Steering Group

CPO = Corporate Property Officer (Ian Leivesley)

DM = All Divisional Managers

PPB = Policy & Performance Board

MT = Council Management Team

OD = All Operational Directors

PS = Property Services

PS(FM) = Property Services Facilities Management

EB = Executive Board

#### *External organisation*

DCLG = Department for Communities and Local Government

NaPPMI = National Property Performance Management Initiative (formerly known as the COPROP initiative)

IPF = Institute of Public Finance (CIPFA)

#### *Other*

AMP = Asset Management Plan 2008-11

DDA = Disability Discrimination Act 1995

PI = Performance Indicator

UPRN = Unique Property Reference Number

## NaPPMI Reports

### PMI Performance Indicator 1A

(% Gross internal floor space in condition categories A – D)

Category	A	B	C	D
Administration	30.39%	56.61%	5.66%	7.35%
Commercial Property	18.92%	8.31%	57.71%	1.81%
Direct Service Property	27.15%	40.81%	19.76%	12.29%
Indirect Service Property	27.32%	51.62%	18.46%	2.60%
Industrial Estates / Units	7.13%	88.07%	0.52%	4.28%
Investment Property	4.89%	84.82%	3.81%	6.48%
Land / Buildings	0.00%	99.36%	0.48%	0.16%
Non-Council	0.00%	0.00%	0.00%	0.00%
Office & Administrative	12.97%	59.66%	15.28%	12.09%
Property (Residential Support)	0.76%	91.17%	2.16%	5.91%
Surplus Assets	8.84%	86.34%	3.79%	1.03%

### PMI Performance Indicator 1B

Required maintenance cost expressed

- as total cost in priority level 1-3
- as a % in priority level 1-3
- overall cost per m<sup>2</sup> GIA

#### Administration

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£82,738.68	£894,469.18	£79,330.80	£1,630,586.90	£2,687,125.56
% in priority levels 1-3	6.18%	9.59%	2.43%	81.79%	100%
Overall cost per m2 GIA	10.68£/ m <sup>2</sup>	115.45£/ m <sup>2</sup>	10.24£/ m <sup>2</sup>	210.45£/m <sup>2</sup>	346.82£/m <sup>2</sup>

#### Commercial Property

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£14,106.26	£23,640.41	£29,114.39	£170,232.73	£237,093.78
% in priority levels 1-3	0.70%	5.61%	51.89%	28.55%	100%
Overall cost per m2 GIA	4.81£/m <sup>2</sup>	8.07£/m <sup>2</sup>	9.94£/m <sup>2</sup>	58.10£/m <sup>2</sup>	80.92£/m <sup>2</sup>

#### Direct Service Property

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£1,777,595.68	£1,937,994.56	£6,535,453.79	£37,342,340.31	£47,593,384.34
% in priority levels 1-3	10.50%	3.54%	17.57%	68.39%	100%
Overall cost per m2 GIA	4.66£/m <sup>2</sup>	5.08£/m <sup>2</sup>	17.13£/m <sup>2</sup>	97.89£/m <sup>2</sup>	124.76£/m <sup>2</sup>

#### Indirect Service Property

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£91,198.54	£243,459.74	£225,196.70	£2,969,686.79	£3,529,541.77
% in priority levels 1-3	1.83%	6.85%	6.26%	85.06%	100%
Overall cost per m2 GIA	2.06£/m <sup>2</sup>	5.50£/m <sup>2</sup>	5.08£/m <sup>2</sup>	67.03£/m <sup>2</sup>	79.67£/m <sup>2</sup>

#### Industrial Estates / Units

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3		£15,468.55	£48,286.02	£921,338.92	£985,093.49
% in priority levels 1-3	%	9.28%	%	90.72%	100%
Overall cost per m2 GIA	£/m <sup>2</sup>	1.05£/m <sup>2</sup>	3.26£/m <sup>2</sup>	62.29£/m <sup>2</sup>	66.60£/m <sup>2</sup>

**Investment Property**

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£56,990.12	£149,486.12	£22,110.34	£773,681.56	£1,002,268.14
% in priority levels 1-3	2.91%	18.02%	1.46%	77.61%	100%
Overall cost per m2 GIA	5.87£/m <sup>2</sup>	15.39£/m <sup>2</sup>	2.28£/m <sup>2</sup>	79.65£/m <sup>2</sup>	103.19£/m <sup>2</sup>

**Land / Buildings**

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£50.67		£152.02	£31,573.22	£31,775.92
% in priority levels 1-3	0.16%	%	0.48%	99.36%	100%
Overall cost per m2 GIA	0.02£/m <sup>2</sup>	£/m <sup>2</sup>	0.06£/m <sup>2</sup>	13.31£/m <sup>2</sup>	13.39£/m <sup>2</sup>

**Office & Administrative**

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£185,885.70	£508,167.78	£71,020.44	£1,890,386.51	£2,655,460.44
% in priority levels 1-3	4.20%	15.07%	6.96%	73.77%	100%
Overall cost per m2 GIA	4.00£/m <sup>2</sup>	10.92£/m <sup>2</sup>	1.53£/m <sup>2</sup>	40.63£/m <sup>2</sup>	57.08£/m <sup>2</sup>

**Property (Residential Support)**

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£47,252.36	£31,024.74	£324,404.52	£350,873.99	£753,555.61
% in priority levels 1-3	6.25%	1.75%	46.39%	45.62%	100%
Overall cost per m2 GIA	3.32£/m <sup>2</sup>	2.18£/m <sup>2</sup>	22.80£/m <sup>2</sup>	24.66£/m <sup>2</sup>	52.96£/m <sup>2</sup>

**Surplus Assets**

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£2,317.35	£52,826.51	£17,127.59	£565,011.42	£637,282.87
% in priority levels 1-3	0.52%	7.45%	2.37%	89.66%	100%
Overall cost per m2 GIA	1.09£/m <sup>2</sup>	24.89£/m <sup>2</sup>	8.07£/m <sup>2</sup>	266.26£/m <sup>2</sup>	300.32£/m <sup>2</sup>

**All Properties**

Priority Level	1	2	3	4	Total
Total cost in priority levels 1-3	£2,258,498.57	£3,856,537.58	£7,353,980.50	£46,651,786.64	£60,120,803.29
% in priority levels 1-3	3.76%	6.41%	12.23%	77.60%	100%
Overall cost per m2 GIA	4.29£/m <sup>2</sup>	7.33£/m <sup>2</sup>	13.98£/m <sup>2</sup>	88.66£/m <sup>2</sup>	

**PMI Performance Indicator 1C**

*Annual percentage change to total required maintenance figure over previous year*

Figures not available for 2006-7

**PMI Performance Indicator 1D**

- o *total Spend on maintenance in financial year -*
- o *total spend on maintenance per square metre GIA -*
- o *percentage split of total spend on maintenance between planned and reactive maintenance – 73% planned / 27% reactive*

- i.) Total spend on maintenance in 2007/08 - £3,213,202.20
- ii.) Total spend on maintenance m<sup>2</sup> (GIA) - £8.69/m<sup>2</sup>
- iii.) Percentage split of total spend on maintenance, planned / reactive maintenance – 73%:27%



**PMI Performance Indicator 2A**

*Energy Costs / Consumption*

Electricity - £3.66/m<sup>2</sup> which equates to 44.37 kWh/m<sup>2</sup>

Gas - £1.35/m<sup>2</sup> which equates to 57.91 kWh/m<sup>2</sup>

**PMI Performance Indicator 2B**

*Water costs (£/m<sup>2</sup>) and consumption (volume/m<sup>2</sup>)*

Water - £0.70/m<sup>2</sup> which equates to 0.23 m<sup>3</sup>/m<sup>2</sup>

**PMI Performance Indicator 2C**

*CO<sub>2</sub> emissions (tonnes/ m<sup>2</sup>)*

0.032 t/m<sup>2</sup>

**PMI Performance Indicator 3A and B**

*Suitability of corporate buildings*

Not presently measured

**PMI Performance Indicator 4A**

*Building accessibility surveys*

- *% of portfolio by GIA with an access audit by a competent person*

85.97% of properties have an access audit, carried out by competent person

**PMI Performance Indicator 4B**

*Building accessibility surveys*

- *number of properties with an access audit by a competent person*

75 properties have an access audit, carried out by competent person

**PMI Performance Indicator 4C**

*Building accessibility surveys*

- *% of portfolio by GIA with an accessibility plan in place*

85.97% of properties have an access audit, carried out by competent person

**PMI Performance Indicator 4D**

*Building accessibility surveys*

- *number of properties with an accessibility plan in place*

75 properties have an accessibility plan in place

**PMI Performance Indicator 5A and B**

*Sufficiency (Capacity and Utilisation) Office Portfolio*

Not presently measured

**PMI Performance Indicator 6A**

*Spend – Gross property costs of the operational estate as a % of the gross revenue budget*

6.63% of the gross revenue budget

**PMI Performance Indicator 6B***Spend – Gross property costs per m<sup>2</sup> by CIPFA categories*

<b>Non-Operational Assets</b>	<b>£/m<sup>2</sup></b>
Commercial Property	23.13
Industrial Estates / Units	2.70
Investment Property	3.53
Land / Buildings	1.54
Surplus Assets	12.65

<b>Operational Assets</b>	<b>£/m<sup>2</sup></b>
Direct Service Property	26.95
Indirect Service Property	62.21
Office & Administrative	202.64
Property (Residential Support)	810.28

**PMI Performance Indicator 7A***Time Predictability, Design*

62.5% of projects where the actual time between Commit to Design and Commit to Construct were within, or not more than 5% above the time predicted at Commit to Design stage

**PMI Performance Indicator 7B***Time Predictability, Post Contract*

63.0% of projects where the actual time between Commit to Construct and Available for Use were within, or not more than 5% above the time predicted at Commit to Construct stage

**PMI Performance Indicator 7C***Cost Predictability, Design*

37.5% of projects where the actual cost at Commit to Construct were within +/- 5% of the cost predicted at Commit to Design stage

**PMI Performance Indicator 7D***Cost Predictability, Post Contract*

81.0% of projects where the actual cost at Available for Use were within +/- 5% of the cost predicted at Commit to Construct stage

## IMPROVED PLANNING FOR PROPERTY

### Property Performance Factor Assessment

All assets should meet or address corporate key themes detailed within The Corporate Plan 2006 – 2011 helping to deliver the council's priorities thus improving both efficiency and effectiveness.

The following factors must be addressed for each asset on an individual basis:

#### **Condition**

The condition survey for the asset gives an overall condition (category A-D), for the purpose of this procedure each category is given a score as follows:

Condition	Score
A	4
B	3
C	2
D	1

#### **Legislative**

The various statutory requirements applicable to assets are given a score as follows:

##### Legionella

Factor	Score
Current Legionella Risk Assessment Survey	3
No Legionella Risk Assessment Survey	0
All actions in survey addressed	1
Any actions outstanding	0

##### Asbestos

Factor	Score
Current Type 2 Asbestos Survey	3
Current Type 1 Asbestos Survey	2
No Asbestos Survey	0
All actions in survey addressed	1
Any actions outstanding	0

##### Fire Risk

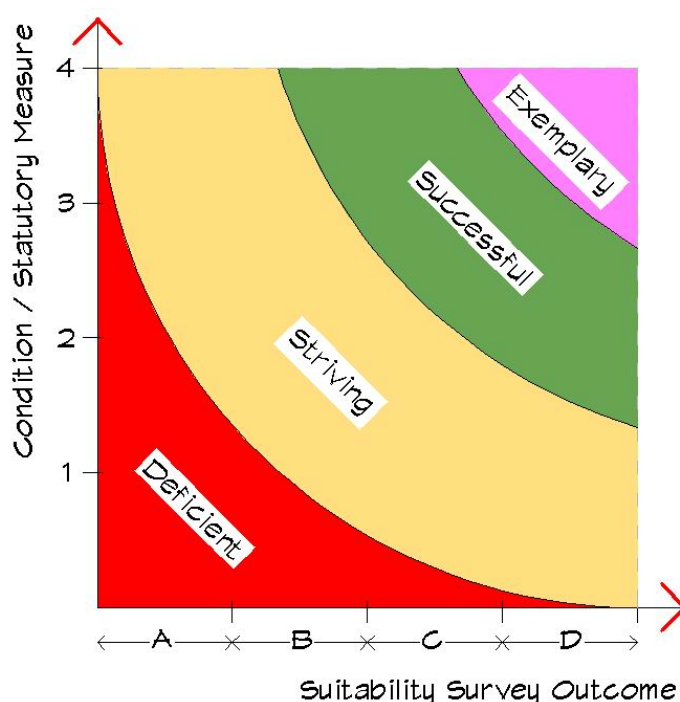
Factor	Score
Current Fire Risk Assessment	3
No Fire Risk Assessment	0
All actions in assessment addressed	1
Any actions outstanding	0

## Access Audit (DDA)

Factor	Score
Current Access Audit	2
No Access Audit	0
All actions in audit addressed	2
Outstanding Priority A Items	0
Outstanding Priority B Items	0
Outstanding Priority C Items	1

The scores within each section are to be added together, each section total should then be added and averaged, this score will enable the asset to be placed in the Property Performance Factor diagram (see below), measured against the Suitability Ranking (Framework For Determining Suitability And Sufficiency Of Assets), which will allow future actions to be determined.

### Property Performance Factor Diagram



### Specific Considerations

The system is generic, it is appreciated that there may be specific comments or questions that will apply to some assets. Any comment regarding future plans, both for the service and asset should be noted and external influences such as leasing agreements detailed.

## **Grading Illustration**

### ***Deficient***

Consider disposal, the asset will have poor suitability and both its condition and compliance with statutory duty would require large financial investment.

In considering disposal, due regard must be given to how the service will be delivered if the asset is disposed of. Additionally, covenants or other restrictions on alternative use must be accounted for or alternatively if there is potential for alternative use within the authority.

If it is not possible for the service to be delivered in an alternative manner then the investment will have to be made.

Assets should not be retained purely for political gain or sentiment.

### ***Striving***

If the service need is great enough to justify retention of the asset, then funding needs to be identified to allow improvement in condition and statutory compliance and/or suitability. Any investment should be measured against the value of the asset and the cost of replacement.

If service need cannot be demonstrated then the asset should be considered in the same way as a deficient asset.

### ***Successful***

These assets are providing good service and are performing well, however there may be scope for improvement and in any event should not be allowed to deteriorate. Investment will still be required to address condition and any changes in the council's business methods.

### ***Exemplary***

Exemplary assets can be considered as low priority for immediate action but should always be monitored to ensure that performance is maintained at a high level.

Essentially these properties will be less than five years old or will have been refurbished to meet need.

## **CORPORATE AND SERVICE OBJECTIVES**

Any options appraisal exercise must have due regard to all the council's objectives and the individual service plans. Whilst assets can be measured the process must not be carried out in isolation.