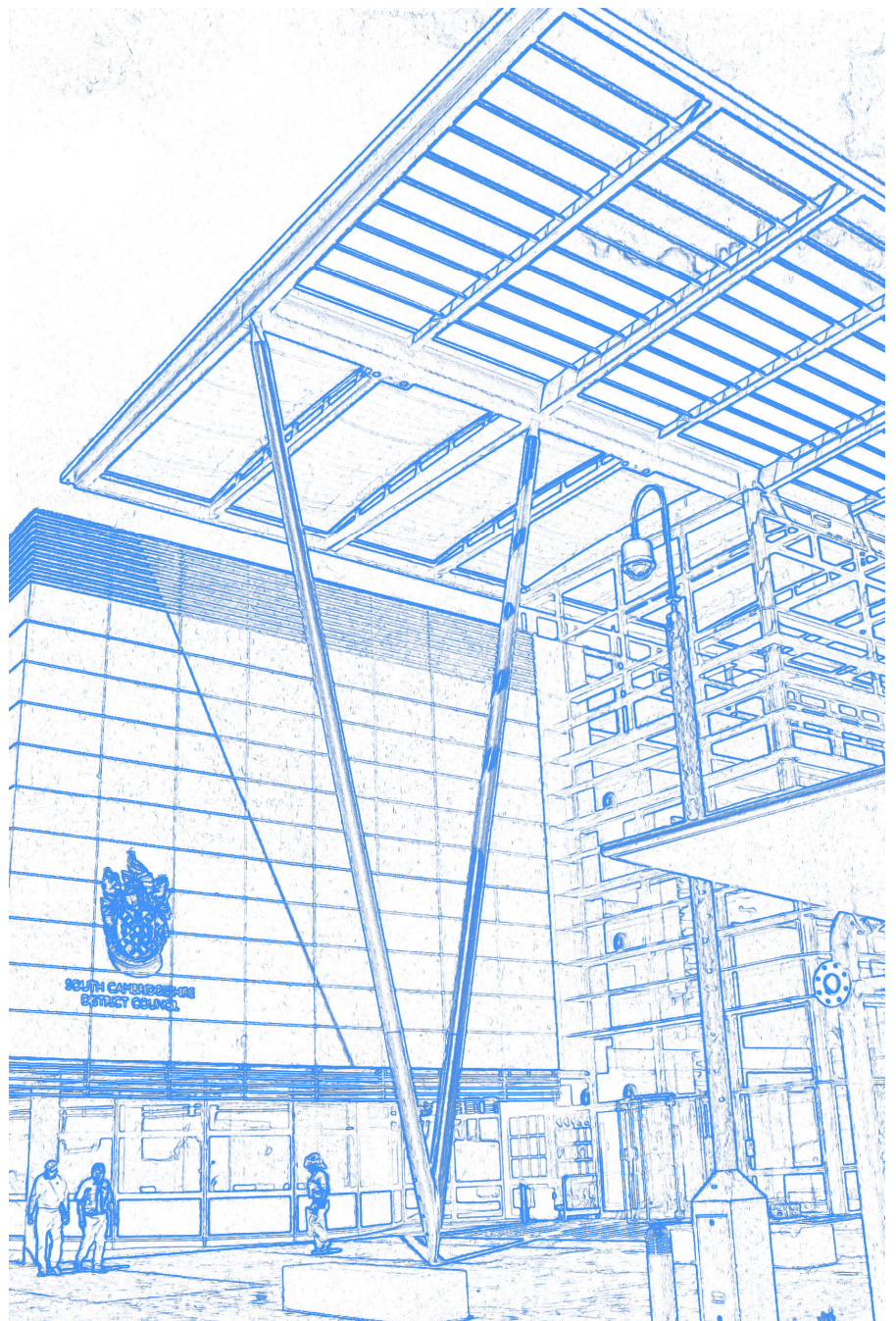




South  
Cambridgeshire  
District Council

# Refreshed Asset Management Plan



November 2007

# South Cambridgeshire District Council

## Asset Management Plan (AMP) 2007/08 to 2009/10

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## 1. Scope and purpose

1.1 The Council's Asset Management Plan (AMP) is concerned with management of the Council's **non-housing** buildings and landholdings. The management of housing assets is dealt with separately in the Council's Housing Business Plan. This AMP covers a three-year period from 2007/08 to 2009/10. The AMP aims to:

- Ensure that all the Council's buildings are managed effectively, efficiently and sustainably.
- Provide high quality, accessible accommodation for the Council's staff and customers
- Ensure that use of the Council's assets contributes to corporate objectives and priorities

## 2. Background and Context

### 2.1 *Corporate policy context*

2.1.2 The Council's corporate objectives are:

1. Work in partnership to manage growth to benefit everyone in South Cambridgeshire now and in the future.
2. Deliver high quality services that represent best value and are accessible to all our community.
3. Enhance quality of life in South Cambridgeshire and make it a place where everyone is proud to live and work.

2.1.3 This AMP is part of a suite of Council strategies and plans which set out how the Council will carry out its business, and as such the AMP should be read in conjunction with the Capital Strategy, and both are key elements of the Council's Medium Term Financial Strategy along with the Housing Business Plan (which is effectively the asset management plan for the Council's housing stock) and the Council's Performance Plan.

### 2.2 *Financial context*

2.2.1 The Council became debt free in 1996 and from that date was able to use its capital receipts to fund a significant capital programme, primarily delivering improvements to its housing stock. From 2004/05 the effect of national capital receipts pooling has been to reduce the value of receipts available to the Council for investment. Over the same period the number of Right to Buy house sale completions has reduced significantly (105 in 2002/03, down to 23 in 2006/07), so overall the

availability of capital receipts to fund capital expenditure of housing or non housing projects is significantly reduced.

2.2.2 In 2005/06 the Council had its proposed Council Tax increase 'capped' by the Secretary of State and savings of £2.6m revenue expenditure over two years have to be delivered, resulting in cuts of almost 20% in the original budget. Pressure on the revenue budgets had already forced the Council to cease financing any capital expenditure from revenue and current forecasts suggest this situation will continue in to the foreseeable future.

2.2.3 These financial circumstances affect the Council's ability to invest in its assets and to maintain them into the future. As a direct consequence of the capping savings exercise, decisions were made to dispose of the Council's shopping car parks and to sell the leasehold for Milton Country Park. Negotiations for the sale of car parks are still ongoing; however, the leasehold for Milton Country Park has been successfully sold on.

### **3. Organisational arrangements for asset management**

The Council has defined officer and team responsibilities to manage its asset portfolio.

#### **3.1 Corporate Asset Management team (CAMT)**

3.1.1 The Corporate Asset Management Team comprises the following members:

Executive Director ('Corporate Property Officer') - Steve Hampson  
Corporate Manager - Finance and Support Services – Rob Bridge  
Corporate Manager – Affordable Housing – Stephen Hills  
Property Services Manager – Brent O'Halloran  
Chief Accountant – Adrian Burns  
Management Accountant – Graham Smith  
Finance Project Officer – John Garnham  
Planning and GIS Manager - Paul Grainger

3.1.2 The Corporate Asset Management team:

- Ensure management and maintenance of asset data in an asset register
- Carry out a programme of annual asset challenge and review
- Develop and oversee asset management performance indicators
- Review performance and plan future arrangements

- Present an annual report to Senior Management team (SMT) each year, so that any budgetary requirements are determined in advance of the annual budget setting process, and so that the AMP is refreshed annually.

### **3.2 Senior Management Team (SMT)**

#### 3.2.1 SMT will:

- Undertake strategic management of the Council's assets and make recommendations to the Resources Portfolio Holder
- Allocate responsibility for operational assets to individual SMT members
- Make proposals for variation to revenue and capital budgets following revision of the AMP
- Systematic review and challenge of property use, provision and management
- Take into account stakeholder views about the Council's property assets

### **3.3 Resources Portfolio Holder (PFH)**

3.3.1 The annually revised AMP is referred to the Resources PFH for adoption and on to Cabinet for endorsement.

3.3.2 The Housing and Environmental Services Portfolio Holder is responsible for determining small housing land parcel disposals and each parcel is considered at a Housing and Environmental Services PFH meeting, following consideration of the options and consultation.

### **3.4 Work with partners**

3.4.1 Members of the Corporate Asset Management Team maintain good working relations with other property holding public sector agencies in the district and, where appropriate, joint discussions about future options are held.

3.4.2 For example, in 2006/07 there have been joint discussions with Cambridgeshire Primary Care Trust (PCT) regarding the possible location of a mental health housing project in Sawston; and with the County Council and PCT regarding a new health and community centre at the Windmill estate, Fulbourn.

3.4.3 The Council is linked into the Cambridgeshire Property Forum, which comprises the County Council and other district councils and which

facilitates information exchange and performance and cost benchmarking.

#### 4 The Council's Assets

##### What are the Council's non housing assets?

Description	No.	Area	Value (£m)
<i>Operational assets (used for the provision of Council services)</i>			
South Cambridgeshire Hall, Cambourne	1	5,055sq m	15.1
Milton Country Park visitors centre/car park – <b>transferring ownership in 2008</b>	1		1.2
Shopping car parks ( <b>plans to dispose of some in 2008</b> )	5		0.5
<i>Non-operational assets</i>			
Shops	2		0.2

Table 1: Council operational and non-operational assets

#### 4.1 Developing a comprehensive corporate asset register

- 4.1.1 The Council has successfully transferred and converted its asset data on to the Northgate Land & Property Terrier System. It includes an Asset Register but this contains data on the Council's properties only at this stage.
- 4.1.2 Data on landholdings will be added once registration of the Council's land title is complete. Most of the Council's Registered titled boundary has been captured on the GIS system, together with disposed land and property boundaries.
- 4.1.3 Each property on the Terrier Asset Register System has been given a unique property reference number (UPRN). Data captured includes; description (inc. year built), Location, Floor space, Tenure, and Valuation. Other data relating to budget, operational costs and charges are held by Financial Services.
- 4.1.4 Due to technical problems, the link between textual data in the Terrier and spatial data on the GIS will not now be made until the new version of the Terrier is available from Northgate.
- 4.1.5 The following data will be captured and maintained to national standards:
- Description
  - Location
  - Unique Property Reference Number (UPRN)
  - Site area

- Tenure
- Budget code
- Financial charges
- Planning designation
- Value
- Operational budget
- Condition
- Energy efficiency

4.1.6 The data capture and migration programme is being integrated with the Positional Accuracy Improvement (PAI) project in partnership with Ordnance Survey (OS). This will ensure the highest accuracy and consistency, using OS Mastermap as the principal mapping reference.

4.1.7 The Council has completed a disabled access audit of its properties and all achieve full disabled access.

## **4.2 Maintenance and repair of existing assets**

4.2.1 There is no maintenance backlog in respect of the assets listed above. Revenue expenditure and capital investment ensures that current and future maintenance requirements are met.

4.2.2 The Council's Cambourne office was completed on 30 April 2004. The construction was subject to a defects liability period and works were undertaken by both the developer and contractor to remedy defects.

4.2.3 Service and maintenance contracts have been put in place for the following specialist items:

- the mechanical and electrical plant and equipment, including heating and ventilation;
- the air handling units in the ICT Communications Room;
- the ETFE polymer resin roof; and
- the moveable walls in two meeting rooms.

4.2.4 Provision has also been made in the revenue budget for the Cambourne office for minor repairs and maintenance that may be required during the financial year.

4.2.5 £47,480 has been included in the revenue estimates for 2007/08 in respect of service and maintenance contracts, minor repairs and maintenance. Any major items of repair or other investment would require a report to Members and separate budget approval.

4.2.6 Maintenance of buildings and grounds at Milton Country Park is estimated at approximately £29,860 for 2007/08.

## 5. How are the Council's assets performing?

### 5.1 Performance indicators

5.1.1 It is recognised that a key part of performance management is the introduction of the National Property Performance Indicators (PPI's). Results from the collection of data from the estimates 2006/2007 year, which follows the guidance contained in DTLR document; Single Capital Pot Guidance 2003 Annex C, is set out within this section. The Council's performance in relation to the five national PPI's are set out below:

#### PPI 1A – Condition of Assets

##### % gross internal floor space in condition categories A - D

Asset Category	Condition Category			
	A	B	C	D
Operational – other land and buildings	100%	0	0	0
Non-operational general	0	100%	0	0
Non-operational surplus	0	100%	0	0

#### Key

Category A: Good - Performing as intended and operating efficiently.

Category B: Satisfactory - Performing as intended but showing minor deterioration.

Category C: Poor - Showing major defects and/or not operating as intended.

Category D: Bad - Life expired and/or serious risk of imminent failure.

#### PPI 1B – Backlog of Maintenance

##### Backlog of maintenance by cost expressed i) as total value and ii) as a % in priority levels 1 - 3

Asset Category	Total Backlog £'000	Condition Category			
		A	B	C	D
Operational – other land and buildings	0	0	0	0	0
Non-operational general	0	0	0	0	0
Non-operational surplus	0	0	0	0	0

No backlog of maintenance exists to existing buildings

Key: Priority level 1: Urgent works



Priority level 2: Essential works  
 Priority level 3: Desirable works

### **PPI 2 A, B, C Non Operational Investment Properties**

**Overall average internal rate of return for each of the following non-operational investment portfolios**

<b>Indicator</b>	<b>Category</b>	<b>Overall Average Rate of Return</b>
PPI 2A	Industrial Portfolio	No assets in this category
PPI 2B	Retail Portfolio	No significant assets in this category
PPI 2C	Agricultural Portfolio	No assets in this category

### **PPI 3 Management Costs**

**Total annual management costs per sq m (GIA) for the property portfolio**

<b>Indicator</b>	<b>Category</b>	<b>Annual Strategic Management Costs per SqM</b>
PPI 3	Operational Property	£12.65
PPI 3	Non Operational Property	N/A

### **PPI 4 A, B, C, D Efficient Use of Assets**

<b>Indicator</b>	<b>Operational Buildings Occupied by South Cambridgeshire District Council</b>	<b>Cost per SqM Cambourne offices</b>
PPI 4A	Repair & maintenance costs	£13.03
PPI 4B	Energy costs	£18.27
PPI 4C	Water costs	£0.64
PPI 4D	CO2 Emissions	92.67 kgCO2 /m2

### **PPI 5 A & B Delivery of Capital Projects within budget and on time**

<b>Qualifying Projects</b>		
PPI 5A Cost predictability	% of projects where outturn falls within +/- 5% of the estimate	N/A (no projects carried out)
PPI 5B Time predictability	% of projects falling within +/- 5% of the estimated timescale	N/A (no projects carried out)

5.1.2 Benchmarking will initially be carried out by the CAMT by comparing the performance indicators of this Council with those in the asset management plans of other councils as appropriate. Membership of the

Cambridge Property Forum should also facilitate good practice and performance comparison.

## **6 Options appraisal and programme and plan development**

- 6.1 The Corporate asset management team will use the following 'asset challenge model' against each of the Council's assets in order to determine whether it is:
- Fit for purpose?
  - Offering value for money?
  - Well located?
  - Secure by way of tenure?
  - Opportunities for partnering?
  - Right size?
  - Best utilised?
- 6.2 Consideration of these factors will lead to consideration of the following options
- Retain and maintain
  - Retain and refurbish
  - Retain with alternative use
  - Develop
  - Dispose
- 6.3 The Council's asset management team will plan a programme of asset review.
- 6.4 In 2006/07 the Council investigated the disposal of its five shopping car parks and two shops. A detailed options appraisal was carried out in respect of these sites – an update is as follows:
- 6.4.1 Histon Car Park – Decision taken to retain car park for time being (as no interest from Parish Council (PC)).
- 6.4.2 Linton Car Park – Offer of Lease accepted in principle by Linton PC
- 6.4.3 Melbourne Car Park – Freehold sale of site to Melbourne PC in progress
- 6.4.4 Sawston Car Park – Offer of lease and sub-lease accepted in principle by Sawston PC and third party, terms under negotiation.
- 6.4.5 Shops – 57/59 High Street, Sawston – No further interest from RSLs. Detailed planning permission currently being sought for change of use of upper floors to residential conversion to flat(s).
- 6.5 Milton Country Park Update - 2007/08

- 6.5.1 An options appraisal has recently been carried out in relation to Milton Country Park, resulting in the proposed transfer of management responsibility for the park. The Council has selected Cambridge Sport Lakes Trust as its preferred bidder to run Milton Country Park. Work is underway for the transfer to take place by early 2008.
- 6.5.2 Under the Trust's plans the park would continue to provide existing amenities and expand on the range of activities available for visitors. With the support of a one-off £250,000 payment from the Council, the Trust proposes to take on the park's existing staff, managing the park with them plus assistance from volunteers and partnership organisations.
- 6.6 These initiatives will eventually leave the Council owning just one significant non housing building asset – South Cambridgeshire Hall.
- 6.7 The asset management practices adopted by the Council will be proportionate to the size of this portfolio.

## **7. Future developments**

### **7.1 Appraisal of Council land holdings**

7.1.1 The Council's housing strategy team is currently carrying out an audit of all Council landholdings to:

- Identify options and opportunities to provide additional affordable housing
- Maximise capital receipts to fund the Council's capital programme
- Support other corporate objectives and priorities where practical – for example the identification of suitable land for travellers sites

7.1.2 This project was originally funded for 2005/06 but as a consequence of capping, funding was lost. An alternative funding arrangement with the Council's preferred partner housing associations has been developed and it is hoped that the work will be completed by March 2008.

### **7.2 Collation of property and land holding information into a central asset register**

7.2.1 The Council's Land Terrier system holds information about all the Council's landholdings, and is amended when land is sold or transferred. However the OS based system does not, at this time, provide links to a text based description of the asset containing the information set out at paragraph 4.1 above. The activities described at 4.1 in respect of checking and amending Land Registry entries, and the identification of land that could be developed (at 7.1 above), should ensure that the Council's records are up to date and accurate.

7.2.2 The next step is linking textual data to the corporate Geographic Information System (GIS). When this is available it will provide a fully integrated back office system that displays both spatial and textual data linked to a property address from the LLPG. This complies with the Council's IEG programme of phased replacement of back office systems.

### **7.3 Best use of South Cambridgeshire Hall**

7.3.1 The number of staff based at South Cambridgeshire Hall is set to reduce either as a result of transformation and efficiency reviews or as new methods of home working are developed. Use of office space and the further potential to let office space will need to be considered and SMT will be reviewing shared use of accommodation. Consultants – Breathe are currently conducting a review of office space and layouts.

7.3.2 The Housing Futures project team is currently reviewing and consulting on the options for the future ownership and management of the Council's housing stock. Whilst any decision would involve a ballot of tenants and is some way off, it is worth flagging up that there could be implications for the future usage of South Cambridgeshire Hall.

## **Appendix One – action plan**

All to be overseen by the CAMT, with progress monitored and updated

- Registration of all Council landholdings with the Land Registry – April 2008
- Capture and migration of spatial and textual data to be completed – April 2008
- Review of Council landholdings to complete – March 2008
- CAMT to review all assets and make recommendations to SMT - April 2008
- SMT to review AMP and CAMT report – November 2007
- Resources PFH and Cabinet to review AMP and CAMT annual report - November 2007