

East Devon  
District Council



# Corporate Property Asset Management Plan 2011 - 2014



Knowle Offices,  
**Sidmouth**



East Devon Business Centre,  
**Honiton**



Riverside Workshops,  
**Seaton**



Elmfield House,  
**Honiton**

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# Foreword

Public Services are invariably delivered directly or indirectly from land and buildings. The property portfolio of public organisations has to be right for people – for staff and customers – and for the processes necessary for delivering services.

The Asset Management Plan shapes the delivery of the Council's priorities and has a valuable role, within the authority's financial plan, in assisting with the impact of a period of economic pressure.

East Devon District Council has therefore produced this plan, linked to the vision and priorities of the Council, to provide a blueprint for the effective and efficient use of the Council's assets for the benefit of the residents of East Devon.



**Councillor David Cox**  
Portfolio Holder for Finance  
East Devon District Council

## 1 Introduction

The Asset Management Plan (AMP) sets out the Council's approach to the Strategic Management of its land and building assets. It is developed in consultation between the Senior Officers and Members of the Council that form the Asset Management Forum. The AMP seeks to ensure that assets are used in the most effective and efficient way to support the delivery of the Corporate Strategy.

The AMP provides an overview of East Devon District Council's property portfolio, specifically providing:

- an illustration of how property assets support the Council's Corporate Priorities
- action required to support corporate and service strategies
- proposals for improving the effectiveness and efficiency of the portfolio.

## 2 Context

Please see Appendix 1 for information on how the AMP relates to other strategic documents of the Council. The structures, roles and responsibilities adopted by the Council in respect of Asset Management are set out in Appendix 2.

## 3 Why are property assets important to our organisation?

Property assets are inextricably linked to the delivery of the vision and priorities of the organisation. The way that the Council manages its land and property assets has a direct impact on the quality of services delivered to the public along with shaping the built landscape of a community. It is therefore important that efficient and effective use is made of these assets to support corporate and service objectives.

## 4 Why do we need asset management?

Asset management provides a structured process to ensure best value for money from property assets in serving the strategic needs of the organisation. Property assets are expensive, in terms of both their capital value and annual maintenance and running costs; they need to be carefully managed over their lives to ensure best value through their use, maintenance and generation of income; and it takes time to determine carefully new property needs and to procure and provide them.

This AMP seeks to set out the Council's asset management strategy in a format that reflects the support of corporate objectives. The need for asset management is further explored at Appendix 3.

## 5 Corporate asset objectives

The overall objective of the Council in the management of its property portfolio is to utilise and manage its land and property assets in accordance with the principles of Best Value so as to enable high quality services to be provided to the residents of the district of East Devon. Further, property can drive corporate objectives and organisational change. This is achieved by recognising and adopting the following objectives:

- To ensure that retained assets are suitable for their proposed/existing use, are fit for purpose, represent value for money and support improved service delivery.
- To challenge the need for property and examine in the context of the opportunity cost the justification for its continued use in the provision of services.
- To provide innovative accommodation solutions for the provision of appropriate, attractive, accessible and safe means of obtaining services for customers.
- Provide an appropriate, attractive, secure and safe working environment that motivates staff.
- Minimise in all respects the impact of the Council's buildings on the environment throughout their life.
- To ensure the Council's property assets comply with Statutory/Regulatory Codes and are managed efficiently.
- To ensure that the disposal of surplus assets links with the Medium Term Financial Strategy.

## 6 Portfolio overview - What does the Council own?

East Devon District Council holds a wide and varied portfolio of Property and Building Assets comprising 246 non-residential properties and 166 areas of open space with a net book value of £115,458,961 (2010/11).

The housing stock is managed by the Housing Service and is subject to its own Housing Strategy<sup>1</sup> and Housing Revenue Account Business Plan. The management of these assets is outside the scope of this Asset Management Plan.

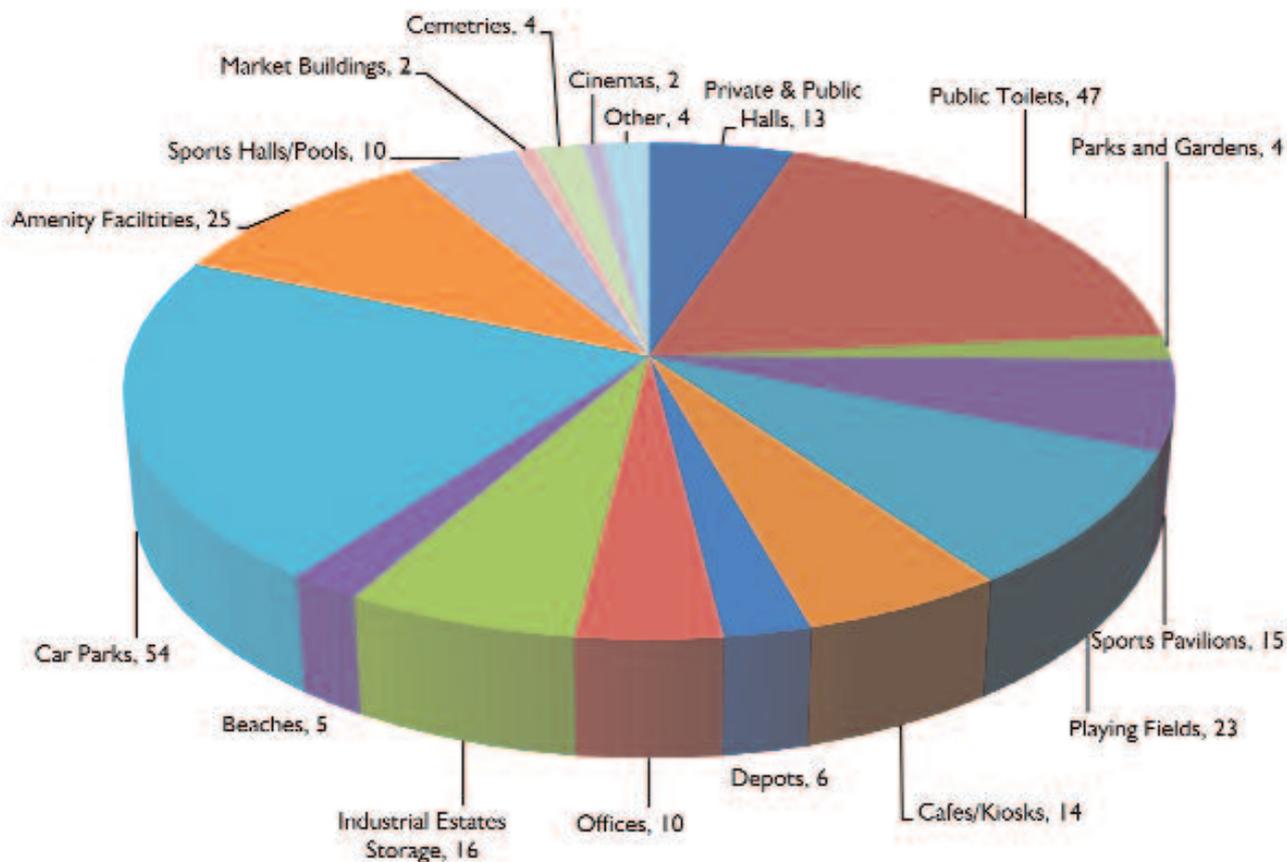
The Council's portfolio can be split into three main types of property:

- 1 For the purpose of direct service delivery, such as parks and gardens.
- 2 To support service delivery, for example administrative offices and depots.
- 3 Tenanted non residential property. This part of the portfolio is varied: In many cases the assets have been made available for social or sporting purposes or are retained for a range of reasons such as a potential to contribute to future regeneration schemes, provide employment land otherwise not provided in the private market, or to retain control over property use. In addition, the portfolio provides valuable revenue income.

<sup>1</sup> [www.eastdevon.gov.uk/housing\\_policies\\_and\\_strategies.htm](http://www.eastdevon.gov.uk/housing_policies_and_strategies.htm)

## Corporate Property Asset Management Plan 2010—2013

A breakdown of the Council's land and building assets are shown in the chart below. (Please note that this chart excludes public open space.)



## 7 How do our land and building assets support the priorities of the Corporate Strategy and how will this support be maintained and improved?

Set out below each priority heading is an illustration of how property assets support the Council's priorities and the actions required to improve the performance of the portfolio in relation to the delivery of Corporate and Service Strategies.



### Priority one: Thriving Communities

The Housing Strategy<sup>1</sup> sets out in detail how the Council is providing affordable housing and how further provision of new homes will be delivered in the future.

In support of the Council's priority to deliver a significant increase in affordable homes in the District, the following projects are currently being undertaken in respect of the Council's own property assets:

Action/support of priority	Date	Budget	Assigned to
1 Development partnership formed with Devon & Cornwall Housing Association to deliver a high proportion of affordable housing scheme at Stowford Rise, Sidmouth	On going	Capital Programme	John Golding
2 Audit of potential open sites on or adjacent to existing council housing estates that could be used to deliver affordable housing	On going	HRA revenue budget	John Golding
3 Holmdale, Sidmouth: Joint venture scheme with planning permission for 11 units.	On going	Capital Programme	John Golding

The Council's policy over the last decade has been to contribute its own land at nil value cost in order to keep the cost of development down and enable affordable housing schemes to come forward. The Council has contributed around £7 million worth of land in return for nomination rights in the last 10 years. Proposals requiring the transfer of a further

£450,000 worth of land have recently been approved by the Council.

Land stock has not been replaced and Members will need to debate at a future date as to whether this unsustainable model is a practice which will remain a priority for the Council's estate in future years.

<sup>1</sup> [www.eastdevon.gov.uk/housing\\_policies\\_and\\_strategies.htm](http://www.eastdevon.gov.uk/housing_policies_and_strategies.htm)

## Corporate Property Asset Management Plan 2010—2013

A thriving community is about good jobs, economic growth and revitalising communities to improve local facilities and services for our residents.

The Council holds assets which can drive the place making agenda and we are continuing to explore opportunities where our assets can be used to attract investment into the district.

East Devon District Council has established the regeneration of Exmouth and Seaton as a key priority with a focus on redevelopment opportunities and the social/community aspirations of the Towns. Regeneration is a set of activities that reverse economic, social and physical decline in areas where market forces will not do this without support from the public sector. In this case, the Council recognises that it has a key role to play in moving forward the regeneration agenda through the use of its asset base.



Exmouth

Action/support of priority	Date	Budget	Assigned to
1 Exmouth Regeneration – The Council will work with our partners to bring forward proposals for attracting investment into Exmouth. In 2011, a masterplan for the town centre and seafront will be finalised. A strategy will then be put in place to enable projects on Council owned land to be delivered.	2011 - 16	LABGI & capital programme	Richard Cohen/ Donna Best.
2 Seaton Regeneration – The Council, as land owner, will work with developers to bring about private sector investment into Seaton. This includes bringing to a conclusion a land deal with Tesco Stores Ltd to ensure the investment in the regeneration area at Harbour Road. The expected £1,955,000 capital receipt will be used to matchfund a visitor centre, improved youth facilities at Elizabeth Road Playing Fields and a Town Manager.	2011 - 13	LABGI	Richard Cohen/ Donna Best.

## Corporate Property Asset Management Plan 2010—2013

Action/support of priority	Date	Budget	Assigned to
<b>3</b> Industrial workshops and compounds: The Council will continue to provide employment premises to rent on terms suitable for small and start-up businesses. This service is under review as part of the Tenanted Non Residential Property (TNRP) Review. The emerging Economic Development Strategy will also set out a proposal for future provision in the District.	On going	Revenue Budget	Nigel Harrison/ Donna Best/ Economy & Finance think tanks
<b>4</b> East Devon Business Centre – provision of 19 serviced office units and conference hire facilities will continue to support local business and in particular, small start-up businesses.	On going	Revenue Budget	Nigel Harrison

A thriving community is about leisure, sports and play.

Action/support of priority	Date	Budget	Assigned to
<b>1</b> The Council will continue to maintain and enhance 66 play area sites through the district. In addition, the Council has now built five skate parks.	On going	Capital, Revenue	Simon Smale
<b>2</b> Playing Fields and sports pitches continue to be maintained for public use.	On going	Revenue Budget	Simon Smale
<b>3</b> Leisure Opportunities offered from the Council's Sports and Leisure Centres include a variety of sporting activities. Leisure Buildings let to LED at peppercorn rent and maintained by EDDC. This service is under review as part of the TNRP Review and an LED TAFF.	2011/12	LED/ Revenue Budget	Brian Kohl/ LED TAFF
<b>4</b> The Thelma Hulbert Gallery, Honiton supports and promotes contemporary visual arts and crafts in the East Devon District and beyond. This service will be reviewed.	2012/13	Revenue Budget	Simon Smale/ Simon Davey
<b>5</b> The theatres of Exmouth Pavilion and the Manor Pavilion at Sidmouth provide a showcase for the artistic talents of the community. The Manor Pavilion at Sidmouth will be reviewed in the context of future sustainability. The Exmouth Pavilion is leased to LED (TNRP Review).	2011/12	LED/ Revenue Budget	LED/ Simon Smale



## Priority two: An outstanding environment

The Council has adopted a Climate Change Strategy<sup>1</sup> under which the Council’s own Estate and Operational activities are addressed and where specific recommendations will be pursued by the Council as part of its Asset Management Strategy.

The Council has set a target of reducing its use of carbon by 45% over the next three years. This is a significant and challenging target which will require the Council to seriously consider the assets and resources required to deliver services.



Axe Estuary Wetlands Nature Reserve

Action/support of priority	Date	Budget	Assigned to
1 The Council will continue to implement and maintain flood alleviation, coastal protection and land remediation schemes	On going	Capital Programme	Simon Smale
2 The Council will continue to monitor Council land and buildings for Health & Safety	On going	Revenue Budget	Brian Kohl
3 The Council will continue to maintain and enhance the Council’s parks and gardens and public open space to a high standard. In 2011, both Manor Gardens in Exmouth and Connaught Gardens in Sidmouth were awarded a Green Flag by the Civic Trust for their high horticultural and management standards.	On going	Revenue Budget	Simon Smale



<sup>1</sup> [www.eastdevon.gov.uk/200308item7.pdf](http://www.eastdevon.gov.uk/200308item7.pdf)

## Corporate Property Asset Management Plan 2010—2013



Connaught Gardens, Sidmouth



Childrens play area

Action/support of priority	Date	Budget	Assigned to
<p><b>4</b> Public Conveniences: The Council's most recent strategy has been to rationalise the provision of public toilets and close unattended facilities. Partnering arrangements have been put in place with some Parish Councils and the private sector. An active programme of modernisation for remaining facilities is now in place through an approved capital programme.</p>	On going	Capital Programme	Brian Kohl
<p><b>5</b> Management of the Axe Estuary Wetland Nature Reserve project</p>	On going	Revenue Budget	Countryside
<p><b>6</b> Management of other areas of land by Countryside and owned by EDDC include the following:</p> <ul style="list-style-type: none"> <li>• Exmouth Local Nature Reserve</li> <li>• The Maer LNR, Exmouth</li> <li>• Holyford Woods LNR</li> <li>• Seaton Marshes LNR</li> <li>• Colyford Common LNR</li> <li>• Trinity Hill LNR, near Uplyme</li> <li>• The Knapp, Sidmouth</li> <li>• Honiton Bottom Community Nature Reserve (off Battishorne Way)</li> <li>• Otter Estuary (section close to Lime Kiln car park)</li> </ul>	On going	Revenue Budget	Countryside

## Corporate Property Asset Management Plan 2010—2013

<p><b>7</b> Continued improvement in the availability of recycling facilities on Council premises.</p> <p>EDDC’s Waste and Recycling policy is currently rolled out in the east of the district and due completion over the whole district by end of 2010. This included the acquisition of new premises in April 2010 of a recycling and refuse centre at Greendale Business Park.</p>	On going	Revenue Budget	Simon Smale
<p><b>8</b> Where suitable locations on the Council’s land are identified, the Council will continue to install recycling stations<sup>1</sup>.</p>	On going	Capital Budget	Street Scene



April 2010 – New refuse and recycling centre opens at Greendale Business Park to enable the completion of the waste and recycling policy roll out.

<sup>1</sup> [www.eastdevon.gov.uk/recycling\\_banks](http://www.eastdevon.gov.uk/recycling_banks)



## Priority three: Excellent service for our customers

Asset Management has a key role to play in ensuring that the Council meets its aspirations under this priority.

The Council is currently undergoing a systems thinking review in conjunction with Vanguard consultants. This is an approach which puts the customer at the heart of service delivery and ensures that the way in which the work is organised cuts out time wasting processes.

An operational property base is integral to the delivery of most Council services and this process cannot be carried out in isolation of ensuring that this review includes the use of its land and buildings.

In addition, the future provision of corporate core services is currently being challenged and reshaped through the National Shared Services initiative which is driving the Council to consider both joint service delivery with community partners and the benefits of sharing core services and delivery with other public service providers.

Action/support of priority	Date	Budget	Assigned to
1 Knowle Office Relocation: Following a review of the Council's existing office accommodation, the Council has now committed to re-locating its main headquarters. (Appendix 4)	2011/15	Capital Programme/ Transformation budget	Richard Cohen
2 Depot Review: As part of the property review a full review of the Council's depots and storage sites is being undertaken with the aim of identifying the optimum provision in terms of size and location. This will result in improvements and investment at certain locations and the possible disposal of others.	2011/12	Revenue Budget	Simon Smale



EDDC car park, Ottery St Mary

Action/support of priority	Date	Budget	Assigned to
<p><b>3</b> Car Park Review: The car parks owned and managed by the Council provide a significant contribution to the revenue budget. The car parks are to be reviewed in terms of their on-going revenue provision, maintenance, purchase of additional car parks and potential to otherwise support regeneration projects through disposal. On completion of the review, a business plan for car parks will be established.</p>	2011/12	Revenue Budget	Simon Smale/ Donna Best
<p><b>4</b> Public Open Space: Review of acquisition, disposal and management of public open space to ensure clear guidelines are put in place.</p>	2011/12	Revenue Budget	Sulina Tallack
<p><b>5</b> Community Asset Transfer: Establishment of clear procedural policies including option appraisal. (Appendix 5.)</p>	2011/12	Revenue Budget	Donna Best/ Strategic Development and partnerships think tank

## Corporate Property Asset Management Plan 2010—2013

Action/support of priority	Date	Budget	Assigned to
<p><b>6 Condition of the existing Estate</b></p> <p><b>i Running Costs:</b> Alignment of operating costs with a property code to enable analysis. Data will be extracted then inform and shape the property reviews.</p> <p><b>ii Condition Surveys:</b> Carried out on non-housing stock on rolling basis. (Appendix 6) Planned maintenance programme now in place.</p> <p><b>iii Statutory compliance:</b> Buildings open to the public have been audited for DDA compliance. Fire Safety assessments complete.</p>	<p>2011/12</p> <p>On going</p> <p>On going</p>	<p>Revenue Budget</p> <p>Revenue Budget</p> <p>Dedicated budget for DDA monitoring</p>	<p>Simon Davey</p> <p>Brian Kohl</p> <p>Brian Kohl</p>
<p><b>7 Tenanted non residential property (TNRP) Review (Appendix 7):</b></p> <p>The Council will challenge and review asset ownership through an assessment of efficiency, effectiveness, and affordability.</p>	<p>2011/12</p>	<p>Revenue Budget</p>	<p>Donna Best</p>
<p><b>8 Data Management:</b></p> <p>Comprehensive property database to be established to combine property, financial and management information. (Appendix 8)</p>	<p>2011/12</p>	<p>Revenue Budget</p>	<p>Chris Powell</p>
<p><b>9 Performance Management:</b></p> <p>Development of performance measures in relation to assets that evaluate asset use in relation to corporate objectives (Relates to the TNRP Review)</p>	<p>2011/12</p>	<p>Revenue Budget</p>	<p>Kate Little</p>

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<p><b>I0 Financial Management:</b></p> <p>i Development of Capital Programme links to AMP and capital monitoring</p> <p>ii Implement Whole Life Appraisal – a systematic assessment of all relevant expenses, income and performance associated with the acquisition, procurement, ownership, refurbishment and potential disposal of an asset over its life.</p>	<p>2011/12</p> <p>2011/12</p>	<p>Revenue Budget</p> <p>Revenue Budget</p>	<p>Simon Davey</p> <p>John Golding</p>
<p><b>I1 Section 106 Agreements and Budget:</b></p> <p>i The Council’s policy relating to the disposal and acquisition of public open space is to be reviewed. In the meantime, all land acquisition via the 106 process, is considered by the AMF before any legal agreement is signed.</p>	<p>on going</p>	<p>Revenue Budget</p>	<p>Sulina Tallack</p>
<p><b>I2 Benchmarking:</b></p> <p>Formation of Devon Property Maintenance Procurement Framework agreement for contracting to achieve Best Value and to effect revenue savings where possible.</p>	<p>2012/13</p>	<p>Revenue Budget</p>	<p>Brian Kohl</p>

## 8 Outcomes

The Council's Asset Management Plan was last updated 2010. This revised plan creates a useful picture in terms how the Council's assets support the Council's Corporate Priorities and the challenges ahead in ensuring a strategic approach is taken to support corporate and services strategies. The actions set out with dates in the AMP highlight where work remains to be carried out to fully incorporate Asset Management into the Council's ethos and have been set to achieve the Corporate Asset Objectives set out on page 4.

As is demonstrated within the Plan, effective asset management is an on-going discipline that requires the active support of senior decision makers and cross service input.

For further information, please speak to the author of this document, Donna Best on **01395 571584**.

## 9 Further reading

### **Leaner and Greener: Delivering Effective Estate Management** (2011)

[www.policy.connect.org](http://www.policy.connect.org)

### **Building on Strong Foundations: A framework for Local Authority Asset Management** (CLG, 2008)

[www.communities.gov.uk/publications/localgovernment/assetmanagement](http://www.communities.gov.uk/publications/localgovernment/assetmanagement)

### **Public sector asset management guidelines** (2008, Royal Institution of Chartered Surveyors (RICS)) [www.rics.org/publicsector](http://www.rics.org/publicsector)

### **Service Transformation: A better service for citizens and business, a better deal for the taxpayers** (December 2006)

[www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)

# Appendices

# AI The AMP and its relationship to other strategic documents

**1.0** The main strategic document for the Council is the Corporate Strategy and this sets out the Council’s vision, values and priorities. This particular document is the ‘umbrella’ for a number of documents which together support the Corporate Strategy.

**1.1** A vehicle by which to ensure that the management of the Council’s assets fully supports the delivery of these priorities is set out within the Asset Management Plan. The strategy for providing the financial support for the delivery of these objectives is set out in the Financial Strategy<sup>1</sup>. The actual delivery of services is continually under review as is set out annually within Service Plans.

**Diagram 1:** The Asset Management Plan and its relationship to other documents



<sup>1</sup> [www.eastdevon.gov.uk/index/your\\_council/about\\_east\\_devon/financial\\_strategy\\_2008\\_onwards](http://www.eastdevon.gov.uk/index/your_council/about_east_devon/financial_strategy_2008_onwards) | dprev.pdf

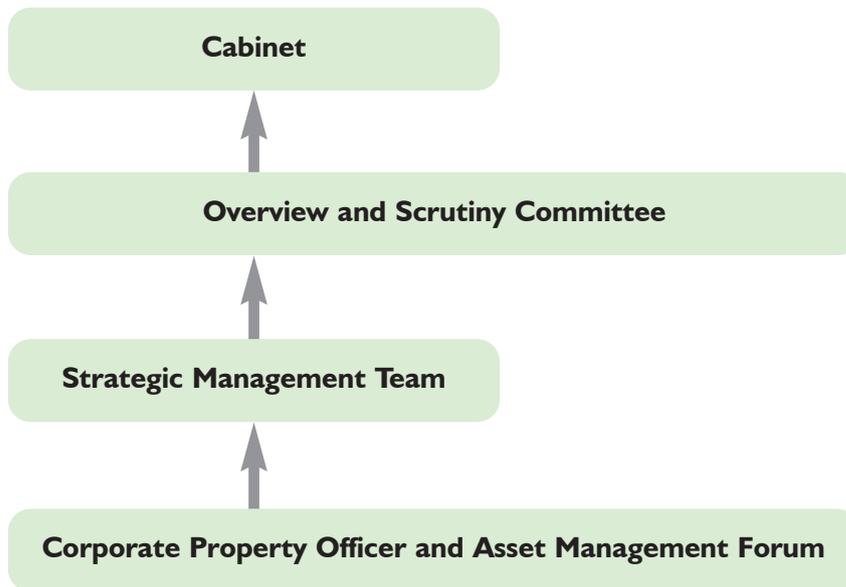
## A2 Structures, roles and responsibilities

**1.0** The asset management function involves all council departments and the role of the Council's Asset Management Forum (AMF) is key to ensuring there is an effective dialogue on asset management issues across the Council and with our partners. AMF is chaired by the Portfolio Holder for Finance with the balance of the forum made up of senior representatives at director and section head level. The AMF ensures there is insight into individual council services, together with a clear understanding of corporate goals and objectives.

## 2 Management arrangements

- 2.1** The Council has adopted a Constitution under which the work of the Full Council includes deciding overall policies, setting budgets, agreeing constitution changes and appointing the Leader, Deputy Leader and the Cabinet. Full Council meetings are held four times a year. The annual meeting is held in May to elect the Council committees and to appoint the Chairman, Vice Chairman and the Council Leader. The full Council is the only body which has the power to amend the Council's constitution, change policy and to appoint Council committees.
- 2.2** Responsible to the Council, the Cabinet makes operational decisions and recommends new policies. Many of its operational functions are delegated to some members of the Cabinet known as Portfolio Holders.
- 2.3** The Cabinet's decisions and those of the Portfolio Holders are checked by the Overview and Scrutiny Committee which reviews and scrutinises decisions made.
- 2.4** The Cabinet reports to the Full Council, but its work is assisted by the work of the Overview and Scrutiny Committee.

**Diagram 2: Asset Management Organisational Framework**



### 3 Organisational Framework for Asset Management

**3.1** The overall monitoring of the AMP and corporate asset management initiatives is the responsibility of the Cabinet. The Cabinet considers the Council's AMP. In so doing it looks to ensure that good practice criteria are addressed. These are set out overleaf.

- i** Links between corporate objectives and property priorities.
- ii** Full involvement of all key Service areas – the key service areas are integrally involved in asset management either through service/asset reviews or at an appropriately senior level in the Asset Management Forum.
- iii** Clear distinction between strategic and operational decision making - the AMP does not look to address detailed issues concerning individual assets. It serves to provide a framework within which those types of issues can be considered.

- iv Identification of key drivers amongst officers and Members - the key officer drivers of the capital strategy and asset management process are represented on the AMF. This ensures that a corporate, strategic approach to capital expenditure and asset use is championed.
- v Clear reporting lines to a strong corporate centre - the AMF provides this corporate centre, providing a strong lead and then monitors implementation of asset reviews.
- vi Integration of the Financial and Capital Strategy and the AMP - the engagement of both estates, property services and finance officers in the Asset Management Forum ensures the integration of the development and implementation of the Financial and Capital Strategy along with the AMP.

### 3.2 Corporate Property Officer (CPO)

Responsibility for corporate management of the Authority's property assets rests with the Deputy Chief Executive who is a member of the Strategic Management Team and thence to the Cabinet.

- 3.3 This responsibility is in turn delegated to the Corporate Property Officer (CPO), the Principal Estates Surveyor. The CPO has authority to undertake all required developments in asset management. Her roles and responsibilities are clearly defined, explicit and have been communicated to all concerned in the management and use of property throughout the Authority. The CPO also contributes to the Capital Strategy thus ensuring the closest linkage between the two plans.

### 3.4 The Asset Management Forum

The Council has set up a cross-directorate Asset Management Forum to promote the effective management of the Council's land and buildings and to oversee the

preparation and implementation of the Council's Asset Management Plan. The Forum comprises a senior officer representative(s) of each Council service. It is chaired by the Portfolio Holder Finance and its membership also includes the Economy Portfolio Holder and an Asset Management Member Champion. The Principal Estates Surveyor acts as an internal project manager in respect of the preparation and monitoring of the Asset Management Plan.

- 3.5 Due to the relatively small size of the asset base, the Council previously considered it appropriate that both strategic and operational asset management be undertaken by the Forum. However, the emphasis for delivery of the plan requires enhancement and the Forum now focus on strategic asset management only: that is, the delivery of the Asset Management Plan.

To ensure continued inter-department consultation and a corporate approach to all proposals for effecting the Council's land and buildings, the following procedure applies:-

- 1) Any officer dealing with a proposal effecting the Council's land and property should first consult with the Council's nominated officers of the AMF via email using the 'DL AMF' group. Consultation comments should be returned within 1 week. Where a consulted officer has no relevant input, they should still reply to confirm this. There may be times when it is more appropriate to request a meeting with the relevant officers.
- 2) If required, the CPO will advise on further consultation that may be required with other departments and whether the matter can be dealt with under delegated powers, under the relevant Portfolio Holder or by the Cabinet.

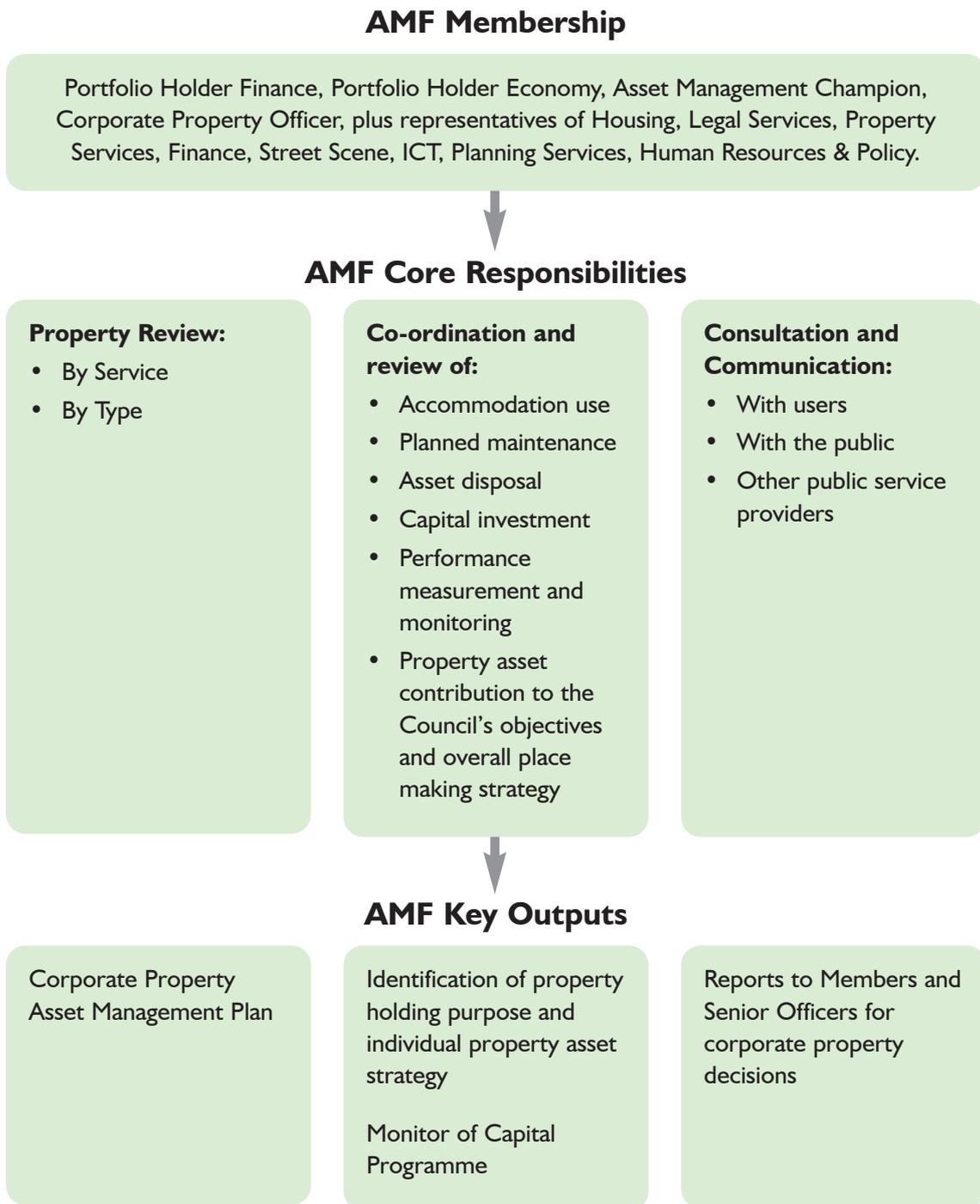
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- 3) It is encumbant upon the officer dealing with the proposal to ensure necessary Ward Member consultation and liaison.
  - 4) The issue should then be reported to the relevant Portfolio Holder or Cabinet (as specified under delegated powers).
- 3.6** The Group meets on a monthly basis or as and when required. The minutes of each meeting are reported to the Strategic Management Team.
- 3.7** Service Departments in areas affected by Asset Management Reviews are consulted on these Reviews and any resultant actions are reported back to the Asset Management Forum.
- 3.10** The Asset Management Forum have the following terms of reference:

- To support the preparation and review of a corporate Asset Management Plan that details existing asset management arrangements and action to improve corporate asset use on an annual basis.
- To promote service asset management planning and a wide understanding of corporate ownership of assets; seeking wherever possible to promote and develop cross service use of assets.
- To support the adoption of performance measures and benchmarking to describe and evaluate how the Council's asset base contributes to the achievement of corporate and service objectives and improvement priorities.
- To ensure that the Council makes investment and disposal decisions informed by thorough option appraisal and evaluation.
- To assess stakeholder satisfaction and recommend changes in asset use as a result of stakeholder consultation.
- To co-ordinate cross service aspects of corporate property assets, providing liaison between Service users and to enhance corporate service delivery.
- To support the development and monitoring of the capital programme and the Council medium-term financial strategy.

The Forum will provide linkage to the Council's capital strategy by monitoring the current year's capital programme and developing the programme for future years, through the Head of Finance.

**Diagram 3: Asset Management Forum**



**3.11 Member Involvement**

Members are involved fully in the AMP process in the context of the Cabinet, which recommends approval of the Plan and which critically assesses its implementation. Two members of the

Executive Board, the Portfolio Holder Finance and the Portfolio Holder Economy, are members of the AMF along with an Asset Management Champion . The Portfolio Holder Finance chairs the Cross Service AMF.

# A3 Why do we need asset management? Further explored...

## 1.0 Practical Reasons

It takes longer to change property than any of the other strategic resources. Lack of attention to asset management will result in the asset base underperforming in both non-financial and financial terms. Examples of this are:

- Extensive maintenance backlogs
- Poor fit between customer and service requirements and the property from which they are delivered
- Under-utilisation of buildings
- Limited co-location of public services
- Inefficient sourcing and procurement of property, construction and support services
- Inefficient use of capital
- Insufficient control of running costs
- Failure to get services close to the community they serve

## 1.1 Business Benefit Reasons

The business benefits that have been realised by many public bodies from effective asset management are:

- The release of capital for re-investment or debt redemption
- Reduced running costs
- Better customer service and public service provision through improved accommodation and the co-location of services
- Property in good condition
- Improved property utilisation and bring together similar uses into the same property, rather than providing them separately
- Improved productivity, changes in corporate culture and facilitation of corporate change
- Improved place-making in shaping the built environment of local communities

## 1.2 Policy Reasons

In every part of the public sector, improved asset management is not just to be encouraged, it is a government expectation.

*RICS Public Sector Asset Management Guidelines  
Senior Decision Maker's Guide*

**1.3** In addition, the Building on Strong Foundations: A Framework for Local Authority Asset Management document published January 2008 by the Department for Communities and Local Government, listed the following potential benefits of good asset management:

- Deliver exceptional services for citizens, aligned with locally agreed priorities, whilst focusing investment clearly on need.
- Empower communities and stimulate debate.
- Improve the economic well-being of an area.
- Ensure that, once built, assets are correctly maintained.
- Introduce new working practices and trigger cultural organisational changes.
- Reduce carbon emissions and improve environmental sustainability.
- Increase co-location, partnership working and sharing of knowledge.
- Improve the accessibility of services and ensure compliance with the Disability Discrimination Act (DDA) 2005.
- Generate efficiency gains, capital receipts, or an income stream.
- Improve the quality of the public realm.

## A4 Knowle Office Relocation

Following a review of the Council's main headquarters accommodation at the Knowle, Sidmouth, the Council have committed to the implementation of an office relocation programme. A Member Working Party has been established to oversee the programme and progress of the work of the Officer Working Group led by Richard Cohen, Deputy Chief Executive. The key outcomes of the project will be:-

- Reduced overheads
- Improved carbon footprint
- Improved accessibility to customers and visitors
- Cultural Transformation

# A5 Community Asset Transfer Policy

## I Background

- I.1** The Strong and Prosperous Communities Local Government White Paper<sup>1</sup> was published in October 2006 and sets out the basis for a new relationship between local government and its communities. This paper advocated that “the aim is to give local people and local communities more influence and power to improve their lives”. In addition, “we are determined to ensure that existing powers and policies that support community management and ownership are effective; and that practical ways are found to overcome any remaining unnecessary barriers”.
- I.2** The ‘Making Assets Work, Quirk Review’<sup>2</sup> looked at the clear benefits to local groups which own or manage community assets – such as community centres, building preservation trust and community enterprises. The review makes clear that what is required is not legislation, but guidance to enable a partnership approach to the delivery of community services. The review focused on how the use of publicly owned assets could be optimised by exploring options for the increased transfer of asset ownership and management to community groups.
- I.3** The Coalition Government’s Decentralisation and localism Bill will look to devolve further powers to community organisations to take on the delivery of services previously run by local authorities. This will have an effect on buildings currently used to deliver those services.
- I.4** Local authorities have been given discretionary powers under the Local Government Act 1972 to dispose of land below market value in some circumstances. Decisions on disposal need to be made by comparing the benefits that would accrue from a transfer to community use, with those from a straight forward commercial sale.
- I.5** East Devon District Council has been transferring assets to community-based organisations for many years. This has mainly been within the culture and sports sector, in youth provision and community centre management. More recently, this concept has been extended to the Leisure East Devon organisation.
- I.6** Where community groups are well established and have access to either the support of a governing body or regular income streams, the transfers have worked well. However, other schemes which rely mainly on voluntary community support, have been less successful in delivering sustainability in the medium to long term.
- I.7** By having a clear Community Asset Transfer Policy, and selection process for third sector partners, the Council will have a greater chance of ensuring that the sustainability of the property is maintained in the long term and, by means of a robust business proposal, that community groups are able to demonstrate their capability.

<sup>1</sup> [www.communities.gov.uk/publications/localgovernment/strongprosperous](http://www.communities.gov.uk/publications/localgovernment/strongprosperous)

<sup>2</sup> [www.communities.gov.uk/publications/communities/makingassetswork](http://www.communities.gov.uk/publications/communities/makingassetswork)

- 1.8** There has to be a balance between the sale of assets for reinvestment in the Council priorities through the Capital Programme and transfer for the delivery of services by community groups.
- 1.9** The Asset Management Forum is currently embarking on a Property Review which will, amongst other things, identify assets which could be subject to future disposal.
- 1.10** Community Asset Transfer has been considered by the Strategic Development & Partnerships Think Tank (October 2011) and the following agreed:-

On completion of the property review, a disposal strategy shall be put in place and the CPO will advise on the most suitable marketing approach for an individual asset.

Where there is reason to believe that a third sector/community organisation may be interested in submitting a tender bid for the use of the asset, the marketing process will be based on the model set out by the Government's new Localism Bill. This will enable these organisations sufficient time to prepare business plans and research appropriate funding options and grants, prior to any deadline to make a tender bid. The Council's Community Asset Transfer policy will be developed with input from the Government organisation Locality. Further information on Locality is available at [www.locality.org.uk](http://www.locality.org.uk).

## A6 Condition of the existing estate

### 1 Condition Surveys

- 1.2** Condition surveys on the Council's non-housing premises are carried out on a rolling basis at least every two years. The majority of property is generally in a sound or acceptable condition with relatively minor works required. The planned maintenance budget allows Property Services to carry out repairs to buildings and fixed equipment as and when required. There are occasions when major works need further budget approval before they can be carried out.
- 1.3** In addition, annual tests on utilities and building facilities such as electrics; boilers and gas safety; air con and ventilation; equipment checks and other monitoring form part of the planned maintenance process and are carried out regularly in line with planned and programmed schedules.

## 2 The Disability Discrimination Act (DDA) 1995

- 2.1 The Property Services team takes a leading role in working to fulfil the obligations under Part 3 of the DDA. Audits have been carried out on all premises available for public use and has implemented a number of improvements to ensure suitable access for the disabled.
- 2.2 Premises are routinely monitored with service managers to gauge where further improvements could be made. Provision is made within the Capital Programme to enable this process

## 3 Asbestos

- 3.1 The Control of Asbestos Regulations 2002, revised in 2007, places a duty to manage asbestos, wherever it is found in our buildings.

EDDC has surveyed all its properties and listed any asbestos containing materials (ACM's) on the Asbestos Register. Wherever possible, the ACM's have been removed or encapsulated. The asbestos that remains is being regularly monitored.

The Asbestos Policy<sup>1</sup> gives full details of the management of ACM's. In accordance with the policy, all ACM's are inspected annually.

## 4 Control of Legionella Approved Code of Practice and Guidance from the HSE (L8)

- 4.1 The Health and Safety Commission's Approved Code of Practice 'The control of legionella bacteria in water systems' was published in 2001. It sets out duties on the 'building manager' to ensure that water systems are monitored to reduce the risk of legionella.

EDDC has a service agreement with an independent company who are monitoring all our premises on a regular basis to ensure that we are compliant with the legislation. Remedial works are prioritised and financed from the planned maintenance budget.

The Legionella Policy gives full details of the management and control of Legionella.

## 5 Fire Safety

- 5.1 In October 2006, the law regarding Fire Safety in the UK changed. It has been replaced with the requirement for fire safety risk assessment. Employers have become solely responsible for fire safety within their workplaces.

EDDC has carried out assessments at all its premises and actively manages and implements changes or improvements that are highlighted. Reviews are carried out on an annual basis.

# A7 Tenanted Non Residential Property (TNRP) Review

## I Background

- 1.1** The Council owns assets which are let to third parties, other than HRA housing: for example industrial workshops and offices. These assets are held for investment or socio-economic purposes – or both. The estate contributes towards the Council's financial revenue budget (2010/11 £115,458,961) and balances financial, economic, social and well-being objectives to achieve outcome that fit into the corporate priorities.
- 1.2** The Royal Institution of Chartered Surveyors (RICS) recommends a focus on three key perceived current priorities for improvement in the management of TNRP in the local government arena:
  - 1** There should be clear allocation of roles and responsibilities and accountability processes in the management of TNRP to drive continuous improvement in TNRP performance.
  - 2** Local authorities should adopt business planning disciplines to ensure clear strategy, plans and programmes for the management of their TNRP.
  - 3** To ensure best value is being obtained, local authorities should continuously measure and report:
    - i** the performance of all TNRP as investments; and,
    - ii** any socio-economic benefit(s) ascribed to that TNRP

## 2 Getting Started

- 2.1** Work has commence on a TNRP strategic review and with a simple overview including:
  - A list of TNRP assets and their type (eg offices)
  - Asset values and income (internal rate of return (IRR) valuation)
  - A basic analysis of why they are held eg socio-economic, investment or unidentified
  - A desktop indicative assessment of their suitability, condition and running costs
- 2.2** As the strategy develops, a phased work programme should emerge to ensure:
  - The Council is clear as to why it owns TNRP
  - There is a clear business case for owning individual TNRP
  - The Council is clear as to what outcomes are expected
  - The right people are involved
  - There are clear strategies, plans and programmes in place
  - The performance management process is robust

I [http://intranet/Intranet\\_ASP/Documents/Health%20and%20Safety/Asbestos%20Policy%20may04.pdf](http://intranet/Intranet_ASP/Documents/Health%20and%20Safety/Asbestos%20Policy%20may04.pdf)

## 3 Outcomes

- 3.1** TNRP review will measure the performance of each asset using a number of measures against a decision framework for property holding. The outcomes will include an understanding of the property objective and will arrive at a decision to either retain or dispose of an asset.
- 3.2** Where an asset is retained, it will fall into one of three classes:-
- i. Continued maintenance – where the property is considered to be doing the right thing in the right place. All that will be required is a planned maintenance schedule;
  - ii. Improve Usage – there may be an opportunity for better usage or co-location. Some capital expenditure may be required, along with a planned maintenance schedule;
  - iii. Building enhancement – where an asset requires significant capital expenditure.
- 3.3** The receipts generated by the disposal of assets are treated as a corporate resource to fund the capital programme. To this end, the Head of Finance shall, in liaison with the CPO, set targets for capital generation by disposals, and monitor performance on a quarterly basis.

## 4 Outcomes

- 4.0** TNRP Disposal Policy
- 4.1** Where an asset deemed surplus for disposal is valued in excess of £10,000, and following consultation with Ward Members, a recommendation will be made to cabinet by the CPO (a) documenting the reason for disposal, (b) stipulating any conditions that will apply and/or endure after disposal and (c) suggesting an appropriate method of disposal.
- Ward Members will be consulted on those assets identified as surplus for disposal and with a value of under £10,000 before the CPO authorises the disposal of the asset and determines the appropriate method of sale and the timing.
- 4.2** The receipts generated by the disposal of assets are treated as a corporate resource to fund the capital programme. To this end, the Head of Finance shall, in liaison with the CPO, set targets for capital generation by disposals, and monitor performance on a quarterly basis.

# A8 Corporate Asset Management software

## 1 Background

- 1.1 East Devon have historically operated different asset management systems across its Finance, Property Services, Housing, Estates and Streetscene services. Whilst providing essential tools for each discrete area, this approach has resulted in difficulties and inefficiencies when dealing with cross-service issues. These asset management processes are coming under ever increasing scrutiny through CPA and more recently CAA requirements.

## 2 The Vision

- 2.1 A project was created that ensured all the relevant data owners across the council worked together to produce a coherent view of asset information that could be used to make informed decisions by officers and members. The data was to be organised in a minimum number of IT systems and all data brought together and presented through a web-based system.
- 2.2 The key deliverables of the project included:
- providing a single source of data for all asset management functions
  - registering all land and property assets within the Councils LLPG (Local Land and Property Gazetteer) assigning UPRNs to all assets, thereby providing the Council with a single point of address-change through the LLPG
  - provide reporting capability through use of the corporate tool, Business Objects

- scan and index copies of deeds and leases so that these can be accessed electronically

## 3 Outcome

- 3.1 All data sources associated with assets are managed and monitored and work is progressing to get all data to acceptable levels of accuracy.
- 3.2 A web based system has been developed to show all the asset data from the various asset management systems in a coherent manner.
- 3.2 An upgrade to the IPF asset system has been procured to enable decommissioning of an old Estates property management system. Investigation is progressing to see if a further system can also be replaced by a module of IPF. This will simplify and improve the management and control of assets and asset data further..