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# **ASSET MANAGEMENT: THE STRATEGIC CONTEXT**

## **1.0. Introduction**

### **1.1. Asset Management**

Asset Management is about optimising the assets of the Council in terms of service benefits and financial return. It is an important part of resource planning. There are two interacting components:

### **1.2. Strategic Asset Management**

This focuses on the medium to longer term and involves decisions on asset investment linked to customer and end user needs and service delivery requirements. It involves a challenge to the holding of assets. There is an assumption that assets should only be retained where they provide greater value for money than the alternatives. New methods of service delivery, flexible working arrangements, shared services and developments in information technology are likely to make the Council less dependant on fixed assets in future years.

### **1.3. Operational Asset Management**

Once the strategic investment decisions have been made this is the continuing management of the fixed assets on a short to medium term basis. The objective is to secure efficiency gains, ensure business continuity and support service delivery

### **1.4. Asset Management Planning**

The aim of Asset Management Planning is to raise awareness of the resources invested in the Council's assets and to develop strategies and programmes to ensure that they are deployed in the way that best meets corporate and service objectives.

This is a business process with the underlying purpose of achieving the better use of public assets, and of minimising the opportunity cost of resources tied up in land, buildings and fixed assets.

A number of management principles support effective strategic asset management:

- There needs to be an integrated departmental and corporate approach to fixed assets
- Explicit responsibility for, and corporate leadership of the strategic asset management function is required
- The correct balance has to be taken between central control and devolved responsibility for land, buildings and fixed assets
- A synergy is needed between the strategy for fixed assets and the service objectives linked to the use of those assets
- Clear authority-wide property objectives have to be fed into the service planning process. These need to be communicated to elected members and managers with specific service delivery responsibilities
- Any change in the strategic role or management of fixed assets needs to be planned, co-ordinated, and prioritised within the Corporate Plan.
- Asset management needs to be backed by a simple and robust system of performance management which relates directly to Corporate or service objectives
- Effective data systems have to be in place to support the management of fixed assets
- Robust techniques are needed to justify decisions. These need to balance service benefits against financial returns and expenditure.

## 2.0. Asset Management Objectives

The objectives for Corporate Asset Management are:

**Objective 1:** To ensure the Council's service requirements are linked to an effective asset management solution.

**Objective 2:** To raise awareness of the Council's assets and provide a clear decision making structure for their management and use.

**Objective 3:** To manage asset management delivery to demonstrate continuous performance improvement.

**Objective 4:** To release value from assets by minimising running costs, structured investment, through partnerships or through disposal.

## 3.0. Performance Management

Effective performance management is critical for the success of Asset Management in order to:

- Achieve the Council's aims and objectives through effective Asset Management
- Prioritise what is important and what gets done
- Motivate and manage staff and partner organisations
- Measure and communicate success
- Improve the perception of service provision

To be effective, performance management should not be isolated to the performance of fixed assets alone. Performance management within the asset management function needs to link and overlap with the Community Strategy, the Corporate Plan and contribute to individual service aims and objectives.

## 4.0. Stakeholder Views

The long term approach to Asset Management needs to derive from consultation across a full range of stakeholders:

- People who use the Council's buildings and services
- Groups with special access requirements for the Council's buildings
- People who do not currently use the Council's buildings and services
- The elected members of the authority
- The Council's Senior Management Team
- The Council's own staff
- The Council's key strategic partners

## 5.0. Key Policy and Statutory Drivers

The areas of Government Policy and Statutory responsibility that influence the Council's asset strategy are:

## 5.1 Efficiency Programme

The 2007 Comprehensive Spending Review (CSR) continued the drive for a more strategic approach to the management of assets to give better value for money and support improvements in frontline services. Each government department is developing an asset management strategy which will ensure that:

- Assets are adequately maintained and efficiently utilised to deliver high performing public services;
- Future investment decisions are based on a more complete assessment of the condition and performance of the existing asset base; and
- There are plans in place for the disposal of surplus assets no longer required for service delivery.

Asset management is one of three priorities that make up the expected £4.9 billion efficiency gains across local government announced in the 2007 CSR. To support local government in achieving these asset management gains, the Department for Communities and Local Government (DCLG) intends to (see DCLG guidance document '*Delivering Value for Money in Local Government: Meeting the challenge of CSR07*')

- Promote the work of Beacon Councils on asset management and other sources of good practice such as CIPFA to strengthen capacity and skills in asset management;
- Provide tailored support for Councils on asset management, including disseminating good practice case studies and relevant benchmarking information; and
- Promote the idea of local service partnerships developing service and asset rationalisation strategies in locality and community areas.

## 5.2 Building on Strong Foundations – A Framework for Local Authority Asset Management

This DCLG guidance, published in February 2008 states:

*'Whilst individual local authorities vary enormously in the size and nature of their asset holdings, they all face similar challenges, such as modernising service delivery and getting the most from their resources. By prioritising asset management, removing silos within the authority, working with a variety of partners, aligning assets to priorities and assessing whether the asset base is performing at its optimum, local authorities will be more able to use their assets to meet these challenges.'*

It identifies local authority asset management opportunities as:

- Partnership working, co-location and shared services – extending existing and new partnership working with other public (or private) organisations to the management of assets.
- Community ownership of assets – looking into the transfer of public assets to community management and ownership.
- Efficiency gains – with asset management being one of the key work streams of the CSR07 Value for Money Delivery Plan.
- Financing of new assets – through the use of the Prudential Framework for Capital Finance

- Sharing knowledge – learning from case studies from other authorities, Beacon Councils and the various Asset Management Networks that exist.

### **5.3. The Quirk Review**

In September 2006, the Secretary of State for Communities and Local Government commissioned Barry Quirk, Chief Executive of Lewisham Council to review the barriers and incentives affecting the transfer of public assets to community management and ownership. The Review concluded:

- Assets are used for many different social, community and public purposes. Any sale of public assets to community ownership and management needs to realise social or community benefits without risking wider public interest concerns and without community purposes being overly burdened by operational considerations.
- The benefits of community management and ownership of public assets can outweigh the risks and opportunity costs in appropriate circumstances. If there is a thorough consideration of these risks and opportunity costs, there are no substantive impediments to the transfer of public assets to communities. It has been done legitimately and successfully in very many places.
- There are risks but they can be minimised and managed. There is plenty of experience to draw on. The secret is all parties working together. This needs political will, managerial imagination and a more business focussed approach from the public and community sectors.

The Review Team agreed on a series of actions including the publication of guidance and toolkits for the transfer of assets to community management and ownership.

### **5.4 Use of Resources Assessment**

The use of resources assessment looks at how well the council manages and uses its resources. As well as financial management and procurement this also covers asset management. Amongst other things, the use of resources judgements test that the council has an up-to-date corporate capital strategy and asset management plan and that there are good objectives in place for managing the Council's assets. The Council is tested on its asset management policies and procedures on an annual basis.

### **5.5. Legislative Requirements**

#### **5.5.1 Disability Discrimination Act 2005**

The Disability Discrimination Act 2005 placed a duty on public bodies, including local authorities to promote disability equality.

In order discharge its responsibilities under the Disability Discrimination Act 2005, the Council has adopted a Corporate Equality and Diversity Strategy 2007 – 2009 which commits to the achievement of Performance Standards and to an Equality Action Plan containing targets relating to Disability.

Delivery of the Equality Action Plan is a cross-cutting target to be achieved through all Service Development Plans.

A programme of policy and strategy review, including Equality Impact Assessments is being delivered in 2008/09 and onwards.

Since 1998 the Council has progressively made improvements to its buildings and land to make them accessible to people with disabilities.

### **5.5.2. Health and Safety at Work Act 1974**

The Health and Safety at Work etc Act 1974 places a statutory duty on all employers, including their managers, to provide and maintain equipment and systems of work that are safe and without risk to the health of employees or others who may be affected by their undertaking. Equally, employees are required to take reasonable care of their own safety and that of others who may be affected by their acts or omissions.

Both employers and employees have a Duty of Care in tort (particularly negligence) towards those who may be affected by their actions or instructions.

Other regulations which relate to the Health and Safety at Work Act are:

- The Workplace (Health, Safety and Welfare) Regulations 1992.
- The Management of Health and Safety at Work Regulations 1999.

The Council discharges its responsibilities through the following policies:

- Corporate Health & Safety Policy
- Section Health and Safety Policies where local management is required
- Staff Safety Policy.

Procedures for monitoring and review of these policies are in place.

### **5.5.3 The Control of Asbestos at Work Regulations 2002**

This legislation was introduced to protect those who come into contact with asbestos unknowingly or accidentally.

The new regulations were designed to compliment three other related pieces of legislation:

- 1998 Amendment of the Control of Asbestos at Work Regulations
- 1998 Amendment to the Asbestos (Licensing) Regulations
- 1999 Asbestos (Prohibitions) Regulations.

The Regulations introduced a duty to manage the risk posed by asbestos-containing materials in non-domestic premises, but including the common areas of residential property.

The Council is the duty holder for all its buildings and is required to:

- Assess whether the premises contain asbestos
- Assess the risk from the asbestos
- Take action to minimise the risk of exposure to asbestos fibres

In 2004/05 a survey of all Council properties was undertaken to assess the presence and risks posed by asbestos. Reports were produced for each building and remedial and protective actions were recommended as appropriate and subsequently actioned. An Asbestos Management Plan is now in place for the continued management of the risk.

### **5.5.4 Regulatory Reform (Fire Safety) Order 2005**

On 1 April 2006 the Regulatory Reform (Fire Safety) Regulations came into force. They apply to non-domestic premises and replace the old regime of fire certificates prescribed by the Fire Precautions Act 1971 and the Fire Precautions (Workplace) Regulations 1997.

There is now a risk assessment approach, aimed at protecting those who are lawfully on the Council's premises and any person who is in the immediate vicinity of the premises and at risk from a fire.

The Regulations make fire safety the responsibility of what the Regulations call the "responsible person". This has similarities with the Control of Asbestos at Work Regulations 2002. The Council is the responsible person for all its buildings.

It will be the duty of the Council to comply with the Regulations by taking general fire precautions, conducting a risk assessment, eliminating risks from dangerous substances, providing emergency routes and exits and providing information and training to staff. Where there are any alterations or changes in use, the Council must take steps to keep the fire assessment up to date.

There is a programme of risk assessments for all Council properties.

#### **5.5.5 Civil Contingencies Act 2004**

The Civil Contingencies Act 2004 places a duty on the Council to ensure that it is able to continue to provide critical functions during emergencies.

A Business Continuity Plan has been implemented by the Council in order to be able to mobilise its response and undertake work to prevent or mitigate the severity of service disruptions.

The Plan identifies the recovery objectives, the structure for implementation and the communication processes to keep staff, partners and the public informed of necessary changes to service delivery.

The Business Continuity Plan identifies alternative premises that the Council could occupy in the event of a loss of key buildings as well as a management structure with defined responsibilities that can ensure the appropriate level of response should an emergency occur. The intention is to ensure that sufficient fixed assets are available to the Council to enable it to perform its role under the Civil Contingencies Act.

#### **5.5.6 The Energy Performance in Buildings Directive**

This legislation derives from the European Union and the Kyoto protocol on climate change. It requires public bodies to produce an energy rating for each of its buildings.

The Council is a signatory to the Nottingham Declaration and is developing a Climate Change Strategy in 2008 which will have a significant impact on the way the Council plans, develops and manages its buildings, land, vehicle and people assets.

At present the Council monitors and benchmarks its operations through KP 2 A-C, Water Consumption and CO2 emissions. As a partner in the *Leicestershire Together* Local Area Agreement there will be an obligation to contribute to the achievement of the National Performance Indicator targets, NI 185: CO2 Reduction from Local Authority Operations and NI 188: Adapting to Climate Change.

#### **5.5.7 Legionella Management**

A corporate Legionella policy has been adopted to ensure that all measures currently being taken are consistent and comprehensive. This is delivered through a Legionella Management Contract for risk assessment and testing across all Council properties. The Contract complies with the approved code of practice L8.

#### **5.5.8 Environmental Protection Act 1990**

New developments, including those affecting Council land and buildings are subject to Planning Conditions, where appropriate, requiring a contaminated land assessment and remediation measures as necessary.

In 2007 the Oadby Depot was licensed as a Waste Transfer Station, enabling a wider range of waste activities to be undertaken on the site.

## **THE OPERATIONAL ASSET MANAGEMENT STRATEGY**

### **6.0 Organisational Arrangements for Corporate Asset Management**

#### **6.1 Corporate Structure**

The Council's Corporate Plan '*Our borough, our future*' was approved by Policy Committee in June 2006 and guides planning and performance across the authority. The Council's priorities, adopted after extensive consultation with residents are:

- A good quality of life for all residents
- A clean, green and safer environment
- A successful economy

Allied to the Corporate Plan are the Vision and Objectives of the Community Strategy. These have been developed by the Local Strategic Partnership and have a strong alignment with the Vision and Objectives of the Council.

Corporate priorities and objectives are reflected in the Council's Capital Strategy and form the basis for decisions on the acquisition, investment or disposal of fixed assets.

Corporate Asset Management falls under the remit of the Council's Policy Committee. The Chair of Policy Committee is the lead member for asset management.

#### **6.2. Corporate Property Officer**

The Deputy Chief Executive is the Council's Corporate Property Officer and has responsibility for the Asset Management process. The Deputy Chief Executive meets with the Chair of Policy Committee on a regular basis to discuss asset management matters. The Deputy Chief Executive is also the Council's Section 151 Officer and, in consultation with the Chair of Policy Committee ensures that all proposals with regard to asset management are consistent with the objectives of the Council's Medium Term Financial Strategy.

#### **6.3. The Asset Management Group**

Chaired by the Corporate Property Officer (Deputy Chief Executive), the Asset Management Group meets on a quarterly basis. Membership is:

- Deputy Chief Executive
- Head of Finance
- Head of Client Services and Contracts (supported by other staff in his service as appropriate)
- Head of the Built Environment
- Senior Maintenance Officer
- Principal Legal & Licensing Officer

Minutes of the Group are reported through to Management Team.

Key issues considered by the Asset Management Group are:

- Overall strategic asset management (matching the Council's asset portfolio to evidence of service needs)
- Updates to the Asset Management Plan

- Review of capital submissions for improvements to property assets
- Results of property surveys
- Results of asset utilisation studies
- Results of suitability/'fit for purpose' surveys
- Ensuring compliance with all legislation relating to asset management
- Partnership asset development projects
- Planned, responsive and structural maintenance budgets
- Community leases
- Energy usage
- Property maintenance contracts
- Property performance indicators

#### **6.4. Making Asset Decisions**

As part of the budgetary process, Service Heads are required to complete 'Capital Project Appraisal Forms' for all capital investment proposals. These capital 'bids' are scored against various criteria, such as fit with corporate objectives, legislative requirements and opportunities for leveraging in external funding and are then 'ranked' according to their scores. Proposals are then considered by Management Team and subsequently Committee Chairs, taking into account the capital resources available to the authority. Recommended projects are then presented to Committees and ultimately Council for approval.

Any proposals for disinvestment in assets (due to the need being met in an alternative way) or for partnership arrangements will be taken through Services Committee (as this Committee will consider the service impact) and subsequently Policy Committee (as the Committee responsible for the Council's asset portfolio).

### **7.0 Consultation**

#### **7.1. External Consultation**

The Council is committed to consultation with the public in the development of its strategies and projects across all service areas. This consultation will take place through the three Community Forums and through targeted consultation where proposals affect particular areas of the borough. Examples are consultation with residents over the 'Plan for' Uplands Park, consultation on the Town Centre Master Plans for Oadby & Wigston town centres and on regeneration proposals for South Wigston.

The Council will also undertake appropriate needs assessments to ensure that any proposals for property assets are backed up by an understanding of local need. For example, a leisure needs assessment was commissioned in early 2008 which will help inform future decisions regarding leisure assets.

#### **7.2. Internal Consultation**

Consultation is undertaken with staff and elected Members as part of all property reviews. For example, in late 2007, as part of a detailed review of Council accommodation, a selection of officers and members were interviewed to obtain their views on future accommodation needs. Staff were also involved in an office occupancy study. In early 2008, staff from the Client Services department contributed to property surveys of all other major Council properties in order that the appointed contractor had all necessary information on the history and expected future demand for the properties being surveyed.

As part of service planning, Heads of Service are required to consider the condition, sufficiency and suitability of assets and identify any value for money opportunities from better utilisation of assets under their control.

## **8.0. Data Management**

### **8.1. Data Recording and Information Management**

The Council's property portfolio is provided in Appendix 7.

Records are maintained by the Principal Legal & Licensing Officer and are reviewed by the Corporate Asset Management Group. Other records maintained and the responsible officers are:

- Records of community leases – Principal Legal & Licensing Officer
- Full schedule of property surveys – Senior Maintenance Officer
- Gross internal floor areas – Senior Maintenance Officer
- Property performance indicators – Senior Maintenance Officer
- Property maintenance budgets – Senior Maintenance Officer
- Service/maintenance contracts – Senior Maintenance Officer
- Asbestos management – Head of Client Services and Contracts
- Legionella management – Senior Maintenance Officer
- DDA management – Head of the Built Environment
- GIS/Gazetteer system – Head of ICT Services
- Energy and water usage – Head of Finance
- Capital Project Appraisals – Head of Finance

These records are also reviewed through meetings of the Corporate Asset Management Group.

## **9.0 Property Condition Management**

### **9.1. Property Inspections**

In 2007/08 the Council commissioned a detailed review of Council office accommodation and full surveys of all major property assets. Further details are set out in section 12. In undertaking property surveys the Council categorises building elements as follows:

- Condition A – Good condition, brand new with no defects noted
- Condition B – Generally adequate condition with only minor defects noted
- Condition C – Poor condition with significant defects that require rectifying
- Condition D – Defective beyond economical repair requiring replacement

A programme of repairs will now be implemented over the next 3 years to bring buildings up to the necessary standards. Condition records will be updated by the Senior Maintenance Officer on an ongoing basis, based on repairs undertaken through the agreed programme with new, full surveys being carried out every five years.

### **9.2. Property Suitability and Sufficiency**

The surveys referred to above included sufficiency and occupancy reviews in respect of the Council offices and internal layout flexibility reviews for all other Council properties detailing the following:

- Flexibility A – Internal partition walls are not structural (meaning that there is some flexibility in usage)
- Flexibility B – Some internal walls are not structural
- Flexibility C – Nil or minimal internal flexibility

The information now available for the Council offices will be used to look at the potential for better utilisation of existing accommodation, along with a possible refurbishment programme. Information for other properties can be used in conjunction with service needs assessments to determine the best use of Council assets.

## **10.0. Performance, Monitoring and Measurement**

### **10.1. Reporting and Monitoring**

Following the approval of this new combined Capital Strategy and Asset Management Plan it is proposed to present an annual Asset Management update to Policy Committee. This will include progress in dealing with backlog repairs. Any significant decisions regarding the utilisation of particular assets will of course be presented to Services Committee and Policy Committee as they occur.

The Corporate Asset Management Group will monitor performance against property performance indicators on a quarterly basis with details being reported through to Management Team.

### **10.2. Performance Indicators**

The following performance indicators have been adopted for measuring performance in asset management:

- % of the property portfolio that falls in condition categories A to D
- Backlog of maintenance – cost for each condition category
- Total cost of backlog maintenance
- Total spend on maintenance
- % spend on maintenance split between planned and responsive
- Energy consumption, water usage and CO2 emissions
- Suitability of properties
- Accessibility of properties

Performance indicators are provided at appendix 2. Progress will be monitored and reported as described above.

## **11.0. The Asset Challenge Process**

A long term asset strategy involves a challenge of all existing fixed assets and an option appraisal judged against value and contribution to service delivery and corporate objectives.

There are four options for any fixed asset:

- Retain and continue to maintain through a programme of planned and reactive maintenance
- Retain and develop asset to improve financial and/or service delivery performance
- Retain asset, undertake minimum maintenance and dispose of asset when the time is right
- Dispose of asset immediately

Through the various property reviews undertaken, the Council now has a good understanding of the condition of its property assets, future maintenance liabilities and the flexibility of existing accommodation. Further work is now needed to link this information to an assessment of need in order to then place each property asset into one of the above categories.

Consideration needs to be given to the extent to which new working practices within the Council are giving rise to changes in accommodation requirements. This might include a move towards greater home-working, a decision to change the ratio of front to back office provision, increased partnership working with other public bodies, the voluntary sector or the private sector and a policy to provide more local access to services.

The Council intends to implement procedures to enable future decisions on property assets to be based on the principles of whole life costing.

Each service will have its own internal drivers that will change the approach to service delivery in future years and give rise to specific accommodation requirements. These need to be identified by Heads of Service and fed into updates to the Asset Management Plan.

## **12.0. Results of Asset Reviews**

In late 2007, the Council commissioned a Strategic Options Review of Office Accommodation. The full report arising from the Review is available from the Deputy Chief Executive. The main findings are given below:

### **12.1 Council Offices Review - Occupancy/Utilisation**

Over a two-week period an office occupancy study was undertaken. Each office was visited hourly to determine the extent to which existing office space is utilised. The findings (which are summarised in the charts in appendix 3 were):

- Total office occupancy is always below 70% and headcount (workstations occupied) rarely above 50%. This is 10% and 20% respectively below the average.
- Occupancy levels are the lowest in Bushloe House although they vary most in the Huts. This is indicative of the type of occupier.
- A number of rooms are under used, e.g. staff room, indicating either no demand or the provision is inappropriate. A number of organisations are dispensing with formally designated staff rooms and replacing them with multi-functional break out space which can be used for informal work related meetings during office hours. Occupancy of the Committee Room was virtually nil during the study period, despite a suggestion that there is a shortage of meeting rooms.
- More effective use of space and more appropriate space could be used to deliver efficiency savings.
- There is no evidence that individual workstations are required for all staff.

The action plan in appendix 1 identifies the need to respond to the findings of the occupancy review to ensure optimum utilisation of Council office accommodation.

### **12.2 Council Offices Review – Future Accommodation Options**

The Review identified six options for the future provision of Council accommodation. The results of the qualitative and quantitative options appraisal are given at appendices 4 (i) and 4 (ii). The Review recommended the following:

*'The study has concluded that there is advantage in retaining the main front and back office accommodation in the same location. The Station Road site has a valuable alternative residential use which if realised could be used to underpin a new build relocation proposal.*

*A new build solution within Wigston town centre is the preferred solution both financially and qualitatively as well as supporting the Council's development aspirations for the town. It could be built to a standard to encourage new ways of working, minimising its size, with the potential of co-location with other agencies whilst providing long term operational financial savings to the Borough.*

*A way forward is suggested which includes the preparation of a detailed feasibility, the appointment of a developer partner for the town centre plan and a process to maximise the land value of the existing site'.*

Although the recommended option is to relocate the Council offices to Wigston town centre, the financial difference between the options is marginal (£1,901,920 for relocation with new customer contact centres compared with £1,970,040 for refurbishing and extending the existing offices including new customer contact centres). The relocation option does not

include the costs of 'moving' or the costs of furnishing and providing ICT facilities at new offices. Once these costs are added, refurbishment of the existing offices is likely to be the lowest cost option.

In addition, since the review was commissioned, talks have progressed at a rapid pace with the County Council regarding the introduction of Oadby & Wigston customer advice desks into local libraries. The Council's strategic position has therefore changed. By early 2009 it is hoped that residents will be able to access Council services in Oadby, Wigston and South Wigston (without having to invest in new customer contact centres). It is not now considered necessary to take up town centre land with new Council offices.

The proposed way forward is therefore to take 'refurbishment of the existing Council offices' to detailed feasibility study stage but, not to do this until proposals for home working and shared services are sufficiently progressed and until affordability has been fully explored. This is included in the action plan in appendix 1.

### 12.3 Other Property Reviews

In addition to the Council offices review, the Council commissioned a condition/fit for purpose/flexibility study of all other major Council properties in late 2007/early 2008. A summary of the results of these surveys (in terms of maintenance requirements) is provided in appendix 5. The identified maintenance requirements will be addressed as follows:

- Confirming the continued need for the property before incurring expenditure (there may no longer be a need for the property or the need may be met in an alternative way, through rationalisation of asset usage, working with partners or by an external organisation).
- In respect of leisure facilities, agreeing with the leisure contractor which maintenance costs are their responsibility.
- Through usage of the £78,000 per annum structural maintenance budget.
- Through the capital programme and the possible use of prudential borrowing.

The backlog maintenance will be dealt with over the next 3 years after following the above process. Details are again included in the action plan in appendix 1.

### 12.4 Backlog Maintenance Costs

The recent property surveys have identified backlog maintenance costs as follows:

Details	£
Council Offices	176,937
Other Property	323,311
<b>Total</b>	<b>500,248</b>

There are also some 'statutory compliance' costs for the Council offices which will be met from existing budgets (e.g. budget for DDA improvements).

Budget provision will be made for the above costs over the next three years (after considering the need for the expenditure as outlined in section 12.3 above). Financial commitments are given in the table below:

<b>Details</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Available structural maintenance budget.	78,000	78,000	78,000
Expenditure subject to discussion with leisure contractor.	29,019	29,018	29,018
Expenditure subject to outcome of golf course review	44,855	0	0
Potential revenue budget / capital programme commitment.	0	67,169	67,169
<b>Total</b>	<b>151,874</b>	<b>174,187</b>	<b>174,187</b>
			<b>500,248</b>

## 12.5 Detailed Maintenance Schedules

Detailed property survey forms and maintenance schedules are provided in appendix 6 as follows:

- Appendix 6 (i) – Detailed backlog maintenance and ‘statutory compliance’ schedules for the Council offices (this also includes estimated refurbishment costs identified as part of the options appraisal).
- Appendix 6 (ii) – 15 year cyclical maintenance programme for the Council offices.
- Appendix 6 (iii) – Detailed survey forms for all other properties surveyed.

The backlog maintenance costs included in these schedules have been dealt with above. A specific action for the Corporate Property Group is to embed the cyclical maintenance information into existing planned maintenance programmes for all Council properties. It should be noted that whilst the cyclical maintenance costs are significant, particularly in 2008, much of these costs are internal redecoration a large proportion of which have been dealt with towards the end of 2007/08 or are non essential.

## Asset Management Action Plan

	<b>Action</b>	<b>Responsible Officer</b>	<b>Timescale</b>
1.	<p><b>Reporting to elected members</b></p> <p>Establish procedures for reporting on asset performance from the Corporate Asset Management Group through to Management Team and then Policy Committee and the Overview and Scrutiny Panel</p>	Deputy Chief Executive	June 2008
2.	<p><b>Backlog Maintenance</b></p> <p>Implement maintenance programme for dealing with identified backlog repairs using the results of the 2008 property surveys.</p>	Senior Maintenance Officer	June 2008
3.	<p><b>Cyclical/Planned Maintenance</b></p> <p>Embed cyclical maintenance information into existing planned maintenance programmes (using the results of the 2008 property surveys).</p>	Senior Maintenance Officer	September 2008
4.	<p><b>Maintenance Programmes</b></p> <p>Ensure sufficient provision is included in Council budgets for the recommended maintenance programmes in order to deal with backlog maintenance over the next 3 years.</p>	Deputy Chief Executive	December 2008
5.	<p><b>Whole Life Costing</b></p> <p>Develop whole life costing model for making all future decisions as regards the Council's asset holdings.</p>	Head of Finance	September 2008
6.	<p><b>Community Leases</b></p> <p>Prepare full schedule of community leases, including terms and timescales in order that the Council can consider the best usage of these assets and the market rents to be charged to leaseholders.</p>	Principal Legal & Licensing Officer	September 2008
7.	<p><b>Maintenance Contracts</b></p> <p>Prepare full schedule of maintenance contracts to ensure that these are appropriately co-ordinated across the Council.</p>	Senior Maintenance Officer	September 2008

8.	<b>Energy Usage</b> Improve systems for accurate monitoring of energy usage across the Council, linked to the Council's new Climate Change Strategy.	Head of Finance	September 2008
9.	<b>Needs Assessment</b> Carry out and document needs assessment for major Council assets.	Deputy Chief Executive	December 2008
10.	<b>Shared Services - Strategic</b> Identify strategic asset management opportunities with other local authorities.	Deputy Chief Executive	December 2008
11.	<b>Shared Services – Operational</b> Consider 'facilities management' opportunities with other local authorities.	Deputy Chief Executive	December 2008
12.	<b>Equality and Access</b> Update access audits for all Council properties	Equalities Officer	March 2009
13.	<b>Community Management and Ownership of Assets</b> Consider and document (for member approval) Council assets that may be appropriate for community management and ownership in accordance with the findings of the Quirk Review.	Deputy Chief Executive	March 2009
14.	<b>Asset Challenge</b> Undertake and record the asset challenge process for all major Council assets in accordance with section 11 of the Asset Management Plan, for consideration by members.	Deputy Chief Executive	March 2009
15.	<b>Council Accommodation</b> Determine future strategy for office accommodation (taking into account the refurbishment and extension option from the office accommodation review) after suitable progress has been made on home working and shared services.	Chief Executive	March 2009
16.	<b>Council Accommodation – Occupancy/Utilisation</b> In conjunction with the above action point, review and revise existing usage of Council office accommodation to achieve optimum usage of the accommodation available.	Chief Executive	March 2009

