

Agenda for Asset Management Forum

Thursday 15 December 2016, 9.30am



Venue: Committee Room, Knowle, Sidmouth, EX10 8HL

[View directions](#)

Contact: [Chris Lane](#), 01395 517544 (or group number 01395 517546): Issued 7 December 2016

East Devon District Council
Knowle
Sidmouth
Devon
EX10 8HL

DX 48705 Sidmouth

Tel: 01395 516551

Fax: 01395 517507

www.eastdevon.gov.uk

- 1 [Public speaking](#)
- 2 Notes for 3 November 2016 (attached)
- 3 Apologies
- 4 [Declarations of interest](#)
- 5 [Matters of urgency](#) – none identified
- 6 Confidential/exempt items – there is one item which officers recommend should be dealt with in this way.

Part A Matters for Decision

7 Corporate Asset Management Plan Refresh – Plan attached

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[Decision making and equalities](#)

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EAST DEVON DISTRICT COUNCIL

Report of a Meeting of the Asset Management Forum held at Knowle, Sidmouth on Thursday, 3 November 2016

Present: Councillors:
Geoff Pook
Philip Skinner
Andrew Moulding
Alan Dent

Officers:
Donna Best
Richard Cohen
Simon Allchurch
Chris Lane
Laurelie Gifford

Also present: Councillors:
John Dyson
Rob Longhurst
Tom Wright
Pauline Stott
Geoff Jung

Apologies: Ian Thomas
Paul Diviani
Mike Allen

The meeting started at 9.30am and finished at 11:25am.

***1 Notes**

Members noted the report of the meeting held on 6 October 2016, subject to the addition of Councillor Alan Dent to those present and Councillor Pauline Stott to the list of apologies. In addition it was agreed that minute 4 of the last meeting - Green Space Strategy to read as follows: 'that the Green Space Strategy reported be noted and that a specific strategy be presented to a future meeting of the Forum'.

***2 Data**

Donna Best, Principal Estates Surveyor, reported that progress was being made to make the property system more corporate; the regeneration teams now had access to the system. Finance had been doing more work in the area of collecting data, but that at the moment this work had been put on hold. Further progress was dependant on the results of the Beer experiment.

Members discussed town/parish councils' appetite for the devolution of assets and considered that although there was interest the town/parish councils wished to be selective over assets they were given. It was noted that devolution would be undertaken on a balanced basis with any liability made up for by assets which would bring in an income. It was important that the data was available to know what assets currently cost.

Councillor Geoff Pook, Chairman of the Forum reported that Beer Parish Council would be presenting its formal asset devolution proposals after the budget meeting on 13 December.

***3 The Energy Act 2011 – update on action plan**

Simon Allchurch Senior Building Surveyor, reported on the Energy Act 2011 and the minimum energy efficient standards from April 2018 and the effect that this may have on the Council's property portfolio. Members noted that this would only apply to property re let after April 2018. There was the potential for the Council to renegotiate any leases which were ending around that period early to avoid the requirements of the Energy Act 2011.

RESOLVED that the report on the implications of the Energy Act 2011 be noted, subject to further consideration by Cabinet.

***5 Capital Programme bids for member comment**

Donna Best, Principal Estates Surveyor, reported on the summary of the Capital Programme Bids for comment by members of the Asset Management Forum. Members made the following comments of the Capital Bid Programme:

1. Orcombe Point – New Refreshment Kiosk at Orcombe Point Kiosk
Recommended – to recommend to the capital allocation group the provision of £50,000 a small refreshment Kiosk and to encourage and investigate options for private sector development at Orcombe Point.
2. Honiton Leisure Centre – Resurfacing and replacement of lighting at Honiton Multi Use Games area
Recommended – To recommend to the capital allocation group provision of £42,000.
3. EDBC & Tenanted Workshops – Energy Saving Act and Energy Saving/Renewable initiatives
Recommended – To recommend to the capital allocation group provision of £147,500 - £60K EDBC + £85K Workshops (Combined bid for CAG – Total £460,000)
4. Honiton and Sidmouth Swimming Pools - Pool plant filter Vessel Refurbishments at Honiton and Sidmouth Swimming Pools
Recommended – To recommend to the capital allocation group provision of £40,000.
5. Camperdown Depot and Phear Park – Premises Improvements
Recommended – To agree provision of £106,000.
6. Exmouth Town Hall – External Repairs 2017
Recommended – To recommend to the capital allocation group provision of £60,000. NB Not part of relocation budget.
7. Magnolia Centre, Exmouth – Replacement of Exmouth Magnolia Centre Public Clock
Recommended – that there be no capital contribution to this project as EDDC should not be prepared to fund the replacement or maintenance of this clock

and it should be offered to Exmouth Town Council. If they do not accept responsibility for it, it should be removed.

8. Various – Re-roofing of seaside tenanted properties 2017-19
Recommended – To recommend to the capital allocation group provision of £85,000, provided there are no regeneration implications.
9. Allhallows Changing Rooms, Honiton
Recommended – that no support with capital funding for this project be given, but that negotiations be entered with Honiton Rugby Club with the idea of providing them with a long term lease of the premises. The alternative would be to demolish at a cost of £10,000.
10. Exmouth Town Centre – replacement/upgrade of Exmouth Town Centre CCTV System
Recommended – that there be no capital contribution but that in future years this should be the responsibility of Exmouth Town Council and the Police, with EDDC making only a small contribution towards running costs.
11. Public Conveniences – Refurbishment of Public Conveniences 2018-20
Recommended – that there be no capital funding contribution at present awaiting the outcome of the Street Scene report into Public Convenience provision in East Devon.
12. Energy Saving/Renewables Initiatives at LED sites
Recommended – to recommend to the capital allocation group provision of £312,500 for this initiative.

Donna Best, Principal Estates Surveyor, reported that there had been two subsequent bids for Capital Programme funding – East Devon Business Centre Phase 3 development, which was subject to a number of external funding bids. Also the development of Workshop Space Provisions at the two sites in Seaton. £517,000 already in the programme for Seaton workshops.

*6

Date of next meeting

The next meeting of the Asset Management Forum would be held on **Thursday 15 December 2016** at 9.30am in the Committee Room, Knowle, Sidmouth.

Corporate Property Asset Management Plan 2014 - 2017



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Foreword

Public Services are invariably delivered directly or indirectly from land and buildings. The property portfolio of public organisations therefore has to be right - for people, 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

East Devon District Council

CORPORATE PROPERTY ASSET MANAGEMENT PLAN 2014 - 2017

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 meet service and financial objectives.

2 Context

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?

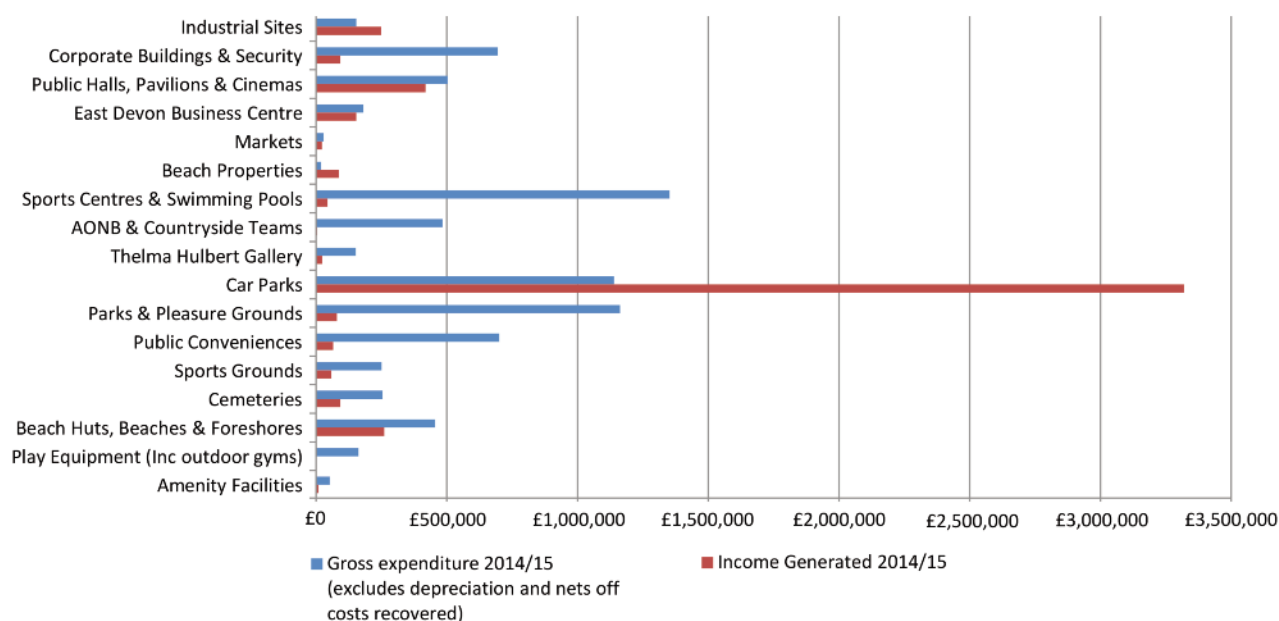
Property assets are inextricably linked to the delivery of the vision and priorities of the organisation. The way that the Council manages its land and property assets has a direct impact on the quality of services delivered to the public along with shaping the built landscape of a community. It is therefore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

Property assets are invariably an organisation's highest cost after staff. With an anticipated £1.54m general fund deficit by 2016/17, it is essential that the Council's Asset Management Plan is delivered.

The Council Plan sets out the budget challenge currently faced and identifies asset management as having a key role to play. Implementation of the AMP will identify opportunities to:-

- Reduce costs – maintenance costs and staff time
- Increase revenue income
- Redevelop and/or refurbish property assets
- Sell assets
- Transfer assets to local communities

The chart opposite provides a snapshot of the portfolio, with estimated budgets for 2014/15. The expenditure totalling £7,753,630 illustrates running and maintenance costs, along with the cost of the service that utilises/uses the asset group. These figures exclude capital programme expenditure. The income generation expected is £4,988,830.



Delivery of the CAMP's commitment to continue review of its asset base will identify further savings and opportunities to increase revenue income and it is essential that it does so: The Council's Finance Plan (2014 - 2017) identifies an accumulative £3.37 deficit in the General Fund by 2017, along with an on-going Capital Programme Deficit.

At its meeting 3 April 2013, the Council's Cabinet considered revised budget figures and agreed that 50% of the New Homes Bonus (NHB) would be used to assist the General Fund deficit (with additional funds to be directed to the Capital Programme).

The table below illustrates a revised Medium Term Finance Plan using the NHB income:-

MTFP – Updated 1/02/13	2014/15	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000	£000
Shortfall	1,878	2,424	3,040	3,721	3,973
NHB Income	958	1,355	1,500	1,500	1,500
Revised MTFP Shortfall	920	1,070	1,540	2,221	2,473

This therefore gives a savings target (or combination of income generation and savings) in total to find of £1.54 m by 2016/17. Delivery of the AMP will have a key role to play in meeting this savings target.

In the meantime, the Strategic Management Team is heading a key piece of work titled '2020'. This work will focus on the Council being in a self sustaining position by 2020, based on the assumption that Government Grant will have been reduced to zero by this time. The outcome of this work will ultimately inform the review work of the CAMP and influence financial targets for the projects.

NEW FUNDING OPTIONS

The Council will also implement a project to assess alternative funding options to capital receipts and Government grants – both of which are diminishing. For example, there are a number of UK bodies such as the Arts Council, Sport England and the National Lottery which may be able to provide access to funding to assist with new projects and maintain existing services: the Council has recently been successful in stage one bids for Heritage Lottery and Coastal Communities Funding for the Jurassic Discovery Centre in Seaton. The South West Local Enterprise Partnership should also be supporting key initiatives.

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.

The AMP provides a strategic 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

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:

- Where appropriate and reasonable, the Council should seek a commercial return on its property holdings
- 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 332 non-residential properties and 171 areas of open space with a net book value of £117,476,349 (2012/13).

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.

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

7 What have we achieved so far?

The Council adopted the principal of strategic asset management in 2009 with the publication of its first Corporate Property Asset Management Plan 2009-2012. This is the second refresh. Completion of the following recommended task actions have included the following:-

- 1 PROPERTY REGISTER** – New database bringing together property information from different software systems across the Council
- 2 KNOWLE OFFICE REVIEW** – leading to Office Relocation project
- 3 FINANCIAL CODING** – enabling accurate and more reliable cost recording against individual property assets
- 4 CAR PARKS REVIEW** – Collation of car parks information and review of provision in district

5 TENANTED PROPERTY REVIEW

- Industrial Cluster – leading to implementation of new management practices and Seaton Workshops project
- Cinemas

6 PRIORITY DISPOSAL PROGRAMME -

£1,508,369 receipts towards capital programme (in addition to usual capital receipts)

7 EXMOUTH REGENERATION PROGRAMME –

completion of Masterplan setting the programme for priority projects, including enhancement and redevelopment of assets owned by the Council

8 SEATON REGENERATION –

Completion of land transaction with Tesco, expansion of Wetlands Nature Reserve and implementation of Jurassic Discovery Centre project

9 EAST DEVON OPEN SPACE STRATEGY 2011

and CIPFA ASSET MANAGEMENT REPORT completed

- 10 BENCHMARKING** – Audit completed by South West Audit Partnership and Peer Challenge Review undertaken by the Local Government Association



Seaton Marshes

8 How do our land and building assets support the priorities of the Council Plan and how will this support be maintained and improved?

Set out below 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 1: Living in this outstanding place



Sidmouth

The Housing Strategy sets out in detail how the Council is supporting affordable housing and how the provision of more 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:

- 1 Development partnership formed with Devon & Cornwall Housing Association to deliver a high proportion of affordable housing scheme at Stowford Rise, Sidmouth. Just over 100 affordable homes have been delivered, amounting to over 70% of the total number of properties constructed.
- 2 Audit of potential open sites on or adjacent to existing council housing estates that could be used to deliver affordable housing.
- 3 Holmdale, Sidmouth: Joint venture scheme with planning permission for 11 units.

We recognise that to meet the needs of young people in the district, we need to not only provide sites for affordable housing, we need to improve job opportunities. 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 regeneration priorities in Exmouth and Seaton. 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.

1 Exmouth Regeneration – Working with our partners and the local community, the Exmouth Town Centre and Seafront Masterplan has been completed, setting the blueprint for future development. Projects identified to deliver the Vision for the town and which are within the Council's gift as a landowner to facilitate, have been initiated:-

- Exmouth Splash, Queens Drive
- The Elizabeth Hall Site
- Estuarieside Transformation
- Mamhead and Pierhead
- Enhancements to the Imperial Recreation Ground

Shortly to follow, will be the implementation of the Foxholes Hub Project.

The Strand public realm enhancements reach near completion and the Jurassic interpretation improvements at Orcombe Point now clearly herald the Western gateway to the World Heritage Jurassic Coast site. Further information can be found at <http://exmouthvision.com/>

In addition, the Council has led projects funded by 106 contributions to create outdoor gyms and undertake extensive refurbishment of the Phear Park Skate Park.

The Council also continues to use its capital programme to invest in leisure facilities: At the time of writing, Exmouth Tennis and Fitness Centre has just benefited from a £165,000 refurbishment, and Exmouth Pavilion from a £65,000 boiler and fire alarm upgrade. Exmouth Leisure Centre is shortly due to have its swimming pool air handling unit replaced at a cost of £90,000. In addition, a Valley Park access improvement project is underway.



2 Seaton Regeneration – The Council has committed to assisting the redevelopment of the former holiday park in Seaton and designated as a regeneration area. This has included bringing to a conclusion negotiations with Tesco Stores Ltd on the Council's adjacent land to secure the investment in the town.

The £1,955,000 capital receipt is being used to match fund a Discovery Centre, improved youth facilities at the Underfleet and a Town Manager. The negotiations also enabled the acquisition of additional land known as Sheep's Marsh to expand the Axe Wetlands Nature Reserve at Seaton Marshes. The land transfer has also enabled the delivery of a new nursery facility.



3 Cranbrook – The vision for the new town is to create a self-sufficient, low carbon community in close proximity to skilled employment opportunities. Development is now progressing rapidly. The s.106 agreement for Cranbrook identifies a range of critical infrastructure that must be delivered in step with housing to support the development and the creation of the new community to circa 3,000 homes. The Local Plan anticipates that it will expand to at least 6,000 homes over the next 15 years meaning that it will quickly become larger than Honiton.

The transfer and future property asset implications for the Council will be addressed as part of a new Cranbrook Asset Working Group supported by a new project manager role funded by contributions from DCLG. A schedule of the Section 106 Agreement implications and timings for the Council in respect of property assets is attached at Appendix 9.



Younghayes Centre

4 Port Royal, Sidmouth – This Council held asset at the eastern end of Sidmouth Seafront provides the opportunity to drive the place making agenda and enhance the area through investment. Following 5 years of negotiation, the Council has now acquired the remaining piece of the jigsaw - the former drill hall. As part of these negotiations, the Council built new cadet training facilities at Chambers Close, Sidmouth. With land assembly complete, there is an opportunity to now holistically regenerate this important site.



New Cadet facility Sidmouth

Priority 2: Working in this outstanding place

1 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 was reviewed as part of the Tenanted Non Residential Property (TNRP) and Review was completed March 2012. Following on from this review, a policy was adopted to seek opportunities to invest in further employment space, where there is further evidence of market failure and a need for local jobs. The ‘Seaton Workshops’ project has been implemented to enhance and increase workspace provision at the Council’s Colyford Road Depot Site and at the newly acquired Fosseway Park Site off Harepath Road.



Seaton Workshops project

2 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. Action being taken to find way to make this a nil cost service.



East Devon Business Centre

Priority 3: Enjoying this outstanding place



1 The Council will continue to maintain and enhance 72 play area sites, 7 multi-use games areas, 5 outdoor gyms and 4 skate parks throughout the district. While initial investment is primarily made through S106 contributions, on going management and maintenance is funded from the revenue and capital programme budgets. A recent peer review highlighted this as a possible problem area for the future and the Council's policy for the future of this service will be reviewed.

2 **Playing Fields and sports pitches** continue to be maintained for public use. The Council's service provision may be impacted on by the Playing Pitch Strategy currently being undertaken with Sport England and the National Governing Bodies for Sports (NGBs).

3 The Council will continue to maintain and enhance the Council's parks and gardens and public open space to a high standard. In 2013, 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. As recommended by the SWAP audit, this service will be reviewed.



Opening of new Bumble & Bee Cafe, Manor Gardens, Exmouth May 2013

4 Leisure Opportunities offered from the Council's Sports and Leisure Centres include a variety of sporting activities. Leisure Buildings let to LED at a peppercorn rent and maintained by EDDC are under review as part of the TNRP Review. Identified in the recent peer review challenge by the Local Government Association as an asset cluster requiring 'brave decisions now' to prevent the costs becoming unsustainable, this review will be prioritised.



Thelma Hulbert Gallery

5 Arts Development: The Thelma Hulbert Gallery, Elmfield House, Honiton, supports and promotes contemporary visual arts and crafts in the East Devon District and beyond. This service will be reviewed in the context of future sustainability, along with the premises currently used to support the service.

6 The theatres of Exmouth Pavilion and the Manor Pavilion at Sidmouth provide a showcase for the Performance 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 and will fall under the TNRP Review.

7 The Council will continue to implement and maintain flood alleviation, coastal protection and land remediation schemes.



Axe Estuary Wetlands

8 Management of **nature reserves** owned and managed by EDDC include the following:

- Axe Estuary Wetlands Nature Reserve
- Exmouth Local Nature Reserve
- The Maer LNR, Exmouth
- Holyford Woods LNR
- Seaton Marshes LNR
- Colyford Common LNR
- Trinity Hill LNR, near Uplyme
- The Knapp, Sidmouth
- Honiton Bottom Community Nature Reserve (off Battishorne Way)
- Otter Estuary (section close to Lime Kiln car park)

As per the SWAP audit recommendations, these will be reviewed in conjunction with the development of a strategy providing a framework for conservation and management of the districts Local Nature Reserves and a review of Management Plans for the Axe Estuary sites, Holyford Woods, the Maer and Exmouth Nature Reserves in line with Natural England guidance.

9 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. In addition, a Community Toilet scheme is currently being piloted.

A review of the current provision and the Council's overall strategy for public convenience provision will now be undertaken.

10 Where suitable locations on the Council's land are identified, the Council will continue to install recycling stations.

11 Continued improvement in the availability of recycling facilities on Council premises. EDDC's Waste and Recycling policy was completed in 2010 and which included the acquisition of new premises in April 2010 of a recycling and refuse centre at Greendale Business Park. The new waste collection service has boosted recycling and cut landfill. The ambition is to now reduce waste sent to landfill to 40% of total household waste and increase recycling rates to be in the top 10% of English Councils.

12 Beaches: The Council will improve the use of our beaches, through consultations with local town and parish councils, to deliver Beach Development Plans - promoting the Jurassic Coast and healthy lifestyles. A beach forum has been established to work with our partners to make sure bathing water meets European standards.



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

Priority 4: An Outstanding Council

The Council's 'systems thinking' approach has led to the redesign of many services and efficiencies gained through the cutting out of time wasting processes. This work continues.

An operational property base is integral to the delivery of Council services and this process cannot be carried out in isolation of ensuring that these reviews include the operational use of its land and buildings. Therefore, reviews undertaken, or scheduled to be undertaken as part of this Plan, assist this process.

- 1 Asset Management inclusion in the Service Planning Process.** The Asset Management Forum to submit a formal request to SMT to consider the inclusion of Asset Management within the Service Planning Process. Design and implement. (SWAP Audit recommendation)
- 2 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)
- 3 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. In the meantime, a project to relocate the Manstone and Knowle Depots, Sidmouth, to Honiton, has now been implemented.

- 4 Public Open Space:** Review of acquisition, disposal and management of public open space to ensure clear guidelines are put in place. An open space review was undertaken by CIPFA in 2010 and the Council's Open Space Study was adopted in 2012¹. Action is now being taken forward following recommendations made, including the creation of a Playing Pitch Strategy². While this may be seen as a planning policy only, for historic reasons the Council owns, manages and subsidises much of the district's current provision. There are therefore likely to be new challenges and opportunities arising from the new strategy.

While the Council's policy relating to the disposal and acquisition of public open space is under review, all land acquisition via the 106 process, is considered by the AMF before any legal agreement is authorised. To provide a recommendation to Cabinet.

- 5 Third sector Asset Transfer:** Establishment of clear procedural policies including option appraisal. (Appendix 5.)



Seaton Town Hall

¹ East Devon Open Space Study 2012

² Appendix 10 The Playing Pitch Strategy

6 Condition of the existing estate

i **Running Costs:** Alignment of operating costs with a property code to enable analysis. Data will be extracted then inform and shape the property reviews.

ii **Condition Surveys:** Carried out on non-housing stock on rolling basis. (Appendix 6) Planned maintenance programme now in place.

iii **Statutory compliance:**

There is a programme of statutory inspections and surveys in place.

7 Data Management:

A reporting tool that summarises data held in six systems has been developed as an interim measure to allow easy access to property data, including financial and management information. In 2014, the core asset data will be moved into an existing corporate package, UNI-form to facilitate property management tools.

8 Tenanted non residential property (TNRP) Review (Appendix 7):

The Council will challenge and review asset ownership through an assessment of efficiency, effectiveness, and affordability. This will ensure that this part of the estate is fit for purpose.

Assets that do not fulfil the Council's strategic priorities and/or do not provide a positive rate of return, will be sold or transferred to local communities - town and parish councils.

The following asset clusters fall under these reviews:-

1. Cafes & kiosks 2015/16 Donna Best
2. Chalets and beach huts 2014/15 Donna Best
3. Cinemas (Review completed)
4. LED Leisure facilities
5. Industrial assets (Review completed)
6. Community Halls
7. Sports and activity clubs

9 Financial Management:

i Continued development of Capital Programme links to AMP and capital monitoring

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.

10 Performance Management:

Development of performance measures in relation to assets that evaluate asset use in relation to corporate objectives (Relates to the TNRP Review)

11 Benchmarking:

During the last 2 years, the Council has undergone a Peer Review by the Local Government Association and an audit in relation to Asset Management. Both endorsed the aspirations of the previous AMP and need to continue its implementation. A summary of the recommended actions arising from these assessments is attached at Appendix 11 and these have now been incorporated into the Asset Management Plan.

12 Estates Team Systems Thinking Review

Some of the Estates Teams processes to be looked at in detail to identify opportunities to improve customer satisfaction and streamline procedures. This will be undertaken in tandem with assessing property management software tools.

9 Outcomes

The Council's Asset Management Plan was last updated in 2011. 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 required to deliver the plan are set out at Appendix I in the Action Plan for Delivery.

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

10 Further Reading

- **RICS Public Sector Property Asset Management Quick Guide** (June 2012)
- **Leaner and Greener: Delivering Effective Estate Management** (2011)
www.policy.connect.org.uk
- **Room for Improvement: Strategic asset management in local government.** (Audit Commission 2009)
- **Working Beyond Walls: the government workplace as an agent of change** (Office of Government Commerce 2008)
www.aecom.com
- **Building on Strong Foundations: A framework for Local Authority Asset Management** (CLG, 2008)
www.communities.gov.uk/publications/localgovernment/assetmanagement
- **Public sector asset management guidelines** (2008, Royal Institution of Chartered Surveyors (RICS)) 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



East Devon District Council

CORPORATE PROPERTY ASSET MANAGEMENT PLAN 2014 - 2017

Appendices

Appendix 1



Action Plan for Delivery of the Asset Management Plan

CAMP 2014-2017 DELIVERY PLAN					
Priority*	Task Title	Outline project plan	Task Manager	Start Date	
1	TNRP** - Leisure assets 	Review of Leisure East Devon run assets. Project plan and project team to be established. Work to link in with the LED joint working group.	LED Joint Working Group	2014/15	
1	TNRP** - Beach Huts & Chalets	Review of Beach Huts and Chalets - Review to be finalised and recommendations from AMF to be agreed	Donna Best	2014/15	
1	TNRP** - Private Clubs and Sports Clubs	Review to be finalised and rent subsidy policy established	Donna Best	2014/15	
1	Cranbrook - additional land and buildings management	Task will include liaison with developers and planning authority in relation to 106 implications. Provision of advice to Council as to projected costs and establishment of relevant budgets. Provision of advice and subsequent negotiation on assets to be offered to the Council but which it is not obliged to take.	Darren Somerfield	2014/15	
1	Asset Management incorporation into Service Planning 	Project will agree recommended format following consultation with AMF and SMT	Donna Best	2014/15	
1	Estates Team Systems Thinking Review	Identification of process efficiencies and incorporation of property management software	Nick Wright	2014/15	
1	Beaches	Beach Development Plans to be developed along with the creation of a Beach Forum	Andrew Hancock	2014/15	
1	Whole life costing appraisal	Policy and methodology to be agreed	To be assigned	2016/17	
2	East Devon Business Centre	Establish a nil cost business plan (NB tied in with office relocation programme)	Nigel Harrison	2015/16	
2	Play Areas, multi-use games areas, outdoor gyms and skate parks	Project plan to be agreed but likely to include:-Review of existing costs, projected future costs, exploration of alternative delivery options (incl. Local community), establishment of policy around future asset take up.	Donna Best	2015/16	
2	Depot Review	Project plan for district wide review to be agreed	Donna Best	2015/16	
2	TNRP** - Community Halls	Review	Donna Best	2015/16	

* As agreed by AMF and SMT

** TNRP - Tenanted non residential property review

CAMP 2014-2017 DELIVERY PLAN

Priority*	Task Title	Outline project plan	Task Manager	Start Date
2	Open Space, Parks & Gardens 	Project plan to be agreed but likely to include:-Review of existing costs, projected future costs, exploration of alternative delivery options (incl. Local community)	Andrew Hancock	2015/16
2	Third Sector Asset Transfer	Policy to be agreed	Donna Best	2015/16
2	Arts Development	Review of service, exploration of alternative options for delivery including use of Elmfield House premises	Denise Lyons	2015/16
3	Theatres	Review of theatres - The Pavilion Exmouth (under LED TNRP) and Manor Pavilion, Sidmouth	Donna Best	2016/17
3	Nature Reserves 	Project plan to be agreed and likely to include: assessment of costs, delivery options, contribution to Council priorities with framework development for conservation and management of the NRs and review of management plans	To be assigned	2016/17
3	Public Conveniences Review	Review of Public Convenience provision and establishment of policy	Andrew Hancock	2014/15
3	Port Royal, Sidmouth - Regeneration	Establish Project Plan to create development brief and delivery strategy in partnership with Sidmouth Town Council	To be assigned	2016/17
3	Performance Management	Development of performance measures that evaluate asset use in relation to corporate objectives	SWAP	2016/17

* As agreed by AMF and SMT

** TNRP - Tenanted non residential property review

Appendix 2

Structures, roles and responsibilities

1.0 Management arrangements

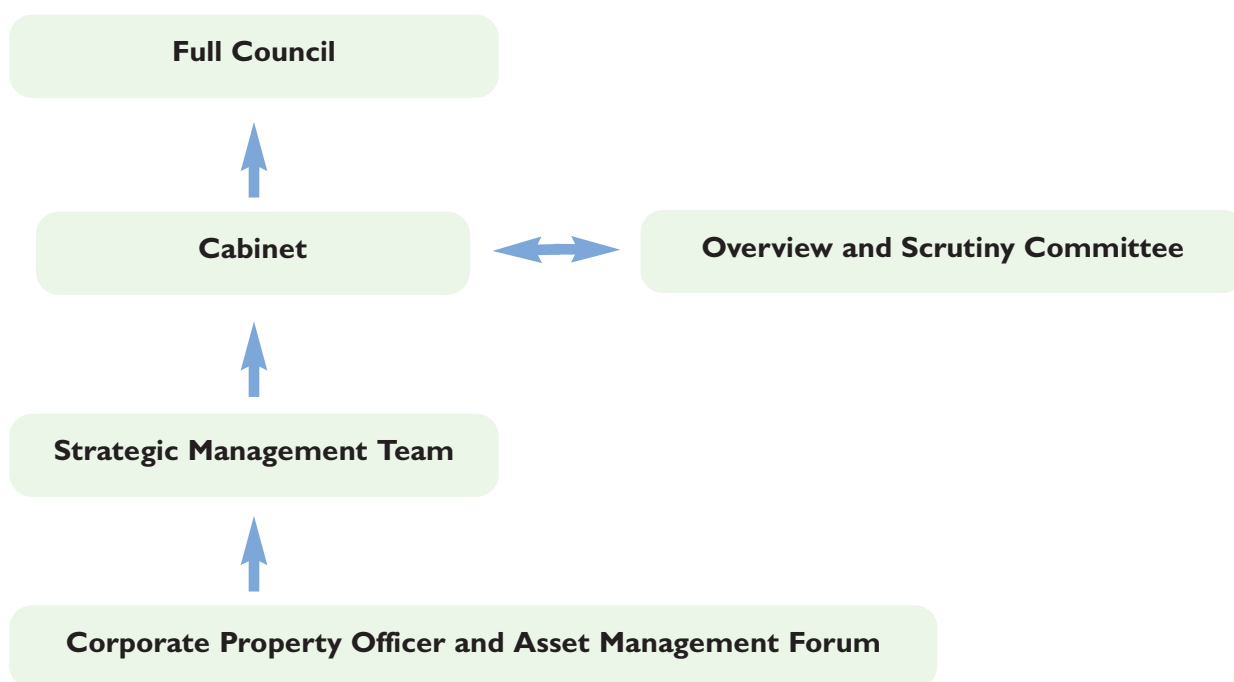
1.1 The asset management function involves all council departments and the role of the Council's Asset Management Forum (AMF) is key to ensuring there is an effective dialogue on asset management issues across the Council and with our partners. Recommendations from AMF are reported to Cabinet.

1.2 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.

1.3 The Cabinet's decisions and those of the Portfolio Holders are checked by the Overview and Scrutiny Committee which reviews and scrutinises decisions made.

1.4 The Cabinet reports to the Full Council, but its work is assisted by the work of the Overview and Scrutiny Committee.

Figure 1: Asset Management Organisational Framework



2.0 Framework for Asset Management

2.1 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 below.

- 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.

2.2 Corporate Property Officer (CPO)

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

2.3 This responsibility is in turn delegated to 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.

2.4 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.

2.5 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 effecting the Council's land and buildings, the following procedure applies:-

1) Any officer dealing with a proposal affecting 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.

3) Identification of key drivers amongst officers and Members - the key officers 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.

4) 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.

5) 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.

6) It is encumbant upon the officer dealing with the proposal to ensure necessary Ward Member consultation and liaison.

7) The issue should then be reported to the relevant Portfolio Holder or Cabinet (as specified under delegated powers).

2.6 The Group meets on a monthly basis or as and when required. The minutes of each meeting are reported to the Strategic Management Team.

2.7 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.

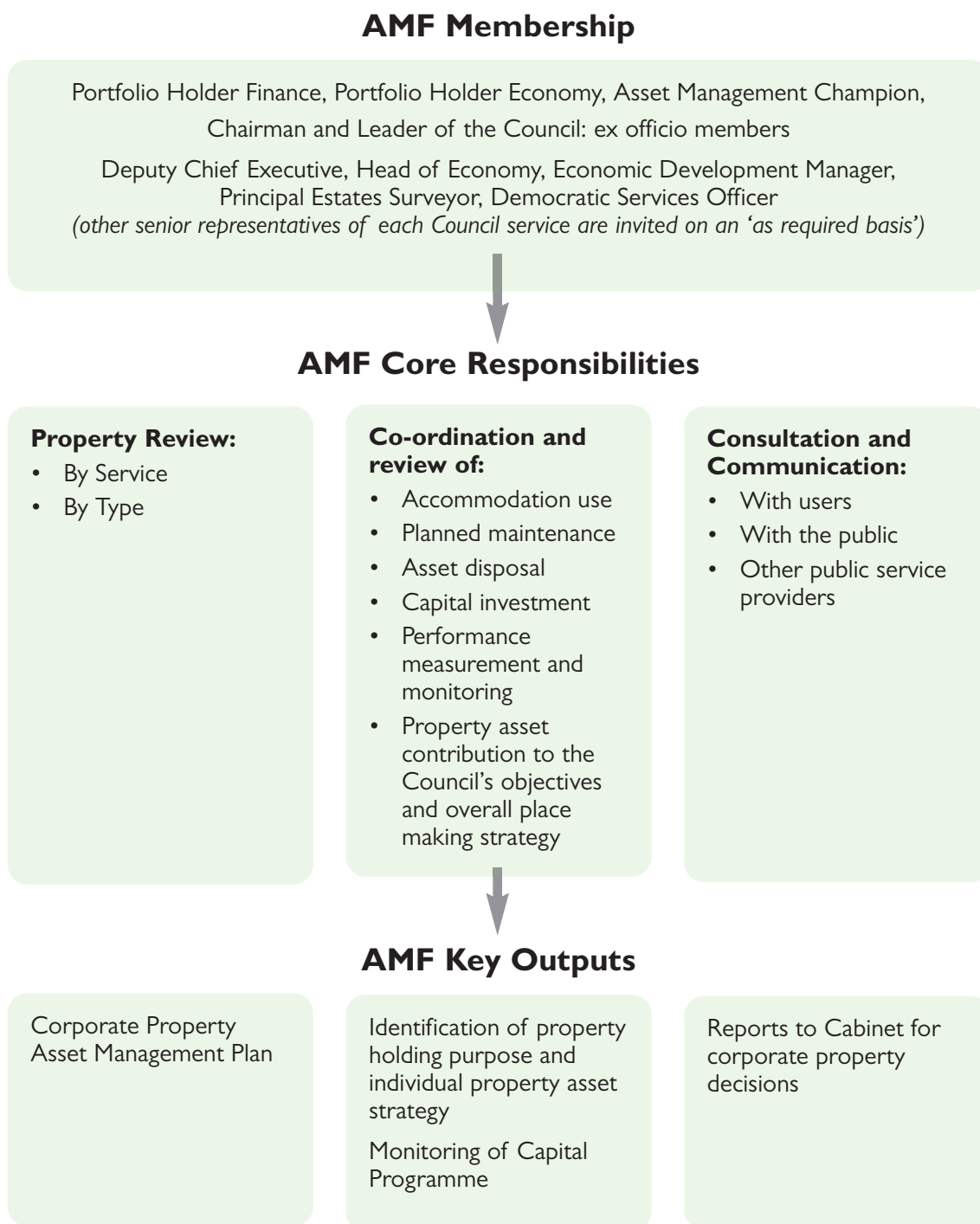
2.8 The Asset Management Forum have the following terms of reference:

- 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.

2.9 The main strategic document for the Council is the Council Plan 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. For further information see the Council's Plans on the Council's website .

2.10 The Asset Management Plan provides a vehicle to ensure that the Council's property assets support the delivery of the Council's services and corporate priorities. The actual delivery of services is continually under review as set out annually within Service Plans.

Diagram 2: Asset Management Forum



2.11 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.

Appendix 3

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.

Appendix 4

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

Appendix 5

Third Sector Transfer Policy

1 Background

- 1.1 The Strong and Prosperous Communities Local Government White Paper⁵ 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”.
- 1.2 The ‘Making Assets Work, Quirk Review’⁶ looked at the clear benefits to local groups which own or manage community assets – such as community centres, building preservation trusts 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.
- 1.3 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.
- 1.4 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.
- 1.5 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.

⁵ www.communities.gov.uk/publications/localgovernment/strongprosperous

⁶ www.communities.gov.uk/publications/communities/makingassetswork

- 1.6 Where third sector 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.
- 1.7 By having a clear Third Sector 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.
- 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.
- 2.0 Third Sector 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.
- Town or parish councils wishing to apply to take on assets currently held by the Council may do so by completing an application form. For further details, please contact the Estates Team.

Appendix 6

Condition of the existing estate

1 Condition Surveys

- 1.1 Condition surveys on the Council's non-housing premises have historically been 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.

From January 2014 these surveys will be undertaken every three years and will provide more comprehensive information to help inform

not only the Planned Maintenance Programme, but also the on-going general review of the Council's varying asset cluster. Eventually it is anticipated that each asset will have its own asset management plan and classification for either ongoing maintenance, capital investment, Significant capital investment or replacement, Change of use or Disposal.

The basis of the new style surveys will enable appraisal with regard to fitness for purpose of use, condition and compliance. The three facets which to be assessed and ranked are:

- i. Physical condition
- ii. Fire, health and safety and, disability
- iii. Suitability

- 1.1 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 Equality Act 2010

- 2.1 The Property Services team takes a role in working to fulfil the obligations under Part 3 of the Act. 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 Revenue budgets to enable this process.

3 Asbestos

- 3.1 The Control of Asbestos Regulations 2012, 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 Policy⁷ gives full details of the management of ACM's.

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 The Regulatory Reform (Fire Safety) Order 2005 covers general fire safety in England and Wales. Employers (and/or building owners or occupiers) must carry out a fire safety risk assessment and keep it up to date.

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

6 Energy Act

- 6.1 From April 2018, the proposed legislative changes would make it unlawful to let properties with an EPC Rating of F or G. The impact of this legislation on the tenanted portfolio will be assessed.

⁷ http://intranet/Intranet_ASP/Documents/Health%20and%20Safety/Asbestos%20Policy%20may04.pdf

Appendix 7

Tenanted Non Residential Property (TNRP) Review

1 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 (2012/13 £890,143) and balances financial, economic, social and well-being objectives to achieve outcome that fit into the corporate priorities.

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 commenced on a TNRP strategic review and with a simple overview including:
- A list of TNRP assets and their type
 - 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
 - Draft reports by CIPFA Asset Management Consultants on the following asset clusters:
 1. Cafes & kiosks
 2. Chalets and beach huts
 3. Cinemas
 4. Community Halls.
 5. LED Leisure Facilities
 6. Industrial assets
 7. Sports and activity clubs
 - AMF referral of recommendations to Cabinet following completion of reviews on the following asset clusters
 1. Industrial Estates
 2. Cinemas

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.

Appendix 8

Corporate Asset Management software

1 Background

- 1.1 East Devon have historically operated different property 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

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 project has been approved to move property asset information into UNI-form. By adding the property management module to UNI-form, processes will become more efficient and time savings will be evidenced in both the Estates and Legal departments. This project will start early 2014 and will take around six months.
- 3.3 An upgrade to the IPF asset system has been procured to enable decommissioning of an old Estates property management system. This core system will be retained to facilitate the Council's capital accounting requirements.

Cranbrook: Summary of 106 Agreement Property Asset implications for the Council

CRANBROOK SECTION 106 TRIGGERS SCHEDULE – Relevant to EDDC Property Assets

Timeline (estimated)	26 July 2012	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	End 2017
SCHEDULE 8 – OPEN SPACE & PLAY AREAS							
Identify on a location plan the location of the open space in metres squared			Land grassed and serviced 1 st NEAP 1 st LEAP	Land grassed and serviced 2 nd LEAP	Land grassed and serviced 3 rd LEAP (prior to 1200 dwellings) 4 th LEAP (prior to 1750 dwellings)	Land grassed and serviced 2 nd NEAP 5 th LEAP	Land grassed and serviced 6 th LEAP (prior to 2750 dwellings)
Identify on a location plan the location of the play areas			On completion pay EDDC relevant Play Area Contribution £35,000 IL per LEAP & £150,000 IL per NEAP	On completion pay EDDC relevant Play Area Contribution £35,000 IL per LEAP	On completion pay EDDC relevant Play Area Contribution £35,000 IL per LEAP	On completion pay EDDC relevant Play Area Contribution £35,000 IL per LEAP & £200,000 IL for Skateboard Park	On completion pay EDDC relevant Play Area Contribution £35,000 IL per LEAP
Open Space Specification							
<p>Layout the areas of open space in accordance with approved location plans</p> <p>Maintain open space for period of 12 months from certified completion and replace any grass, plants, trees, shrubs which die – if not maintained EDDC can give notice and carry out work</p> <p>On expiry of maintenance period, transfer open space to EDDC after payment of the Open Space Maintenance Contribution</p> <p>On expiry of maintenance period Open Space may be transferred to a Town Council (in the event a Town Council has been formed for Cranbrook which is willing and able to take on responsibility for maintenance) – Play Areas may also be transferred</p> <p>If not transferred shall be maintained by the owners to the satisfaction of EDDC</p>							
SCHEDULE 9 – SPORTS PITCHES							
Before dwelling units occupied	01	50	150	500	750	1000	1150
Identify on a location plan the location of the Sports Pitch Land	Submit Sports Pitch Specification and Delivery Programme for approval			First sports pitch to be completed and available			
						Remaining sports pitches to be completed and available	
							2000
							2200
							2900
<p>Layout and install sports pitches to satisfaction of EDDC and in accordance with Sports Pitch Specification</p> <p>Owners to maintain for 12 months after completion certified and replace/repair any damage – if not maintained EDDC can give notice and carry out work</p> <p>On expiry of maintenance period Sports Pitches may be transferred to a Town Council (in the event a Town Council has been formed for Cranbrook which is willing and able to take on responsibility for maintenance)</p> <p>If not transferred shall be maintained by the owners to the satisfaction of EDDC</p>							
SCHEDULE 10 – COUNTRY PARK & NATURE RESERVE & STREETSCENE DEPOT							
Submit Country Park and Nature Reserve (CP&NR) Specification & Management Plan for approval	Submit location plan showing Country Park Resource Centre to EDDC for approval					Layout and complete Country Park Resource Centre and Street Scene Services Compound	Offer transfer to EDDC

SCHEDULE 10 – COUNTRY PARK & NATURE RESERVE & STREET SCENE DEPOT CONTINUED												
	Carry out and complete works to lay out Country Park in accordance with CP&NR Specification and Management Plan Notify EDDC of commencement of Country Park & Nature Reserve within 7 days On commencement of construction of Stage 1 of the Country Park pay EDDC first of the five instalments of the Country Park Officer Contribution £175,000 IL (and thereafter annually) Maintain each Stage of the CP&NR in accordance with specification and management plan for period of 12 months from certified completion to satisfaction of EDDC and replace/repair any damage – if not maintained EDDC can give notice and carry out work On expiry of maintenance period CP&NR may be transferred to a Town Council (in the event a Town Council has been formed for Cranbrook which is willing and able to take on responsibility for maintenance) If not transferred shall be maintained by the owners to the satisfaction of EDDC											
SCHEDULE 11 – LANDSCAPING												
Submit for EDDC approval Off-Site Highway Landscaping Scheme and Phasing Programme Pay to EDDC Off-Site Landscaping contribution £5,000 IL	Carry out and complete Off-Site and On-Site Highway Landscaping and On-Site Landscaping in accordance with approved details and phasing and conditions Maintain Off-Site and On-Site Highway Landscaping and On-Site Landscaping for period of 12 months from certified completion to satisfaction of EDDC and replace any failed planting On expiry of maintenance period pay Off-Site Highway Landscaping Maintenance Contribution £5,000 IL to EDDC – maintenance to pass to EDDC and owners to dedicate as highway On expiry of maintenance period On-Site Highway Landscaping and On-Site Landscaping may be transferred to a Town Council (in the event a Town Council has been formed for Cranbrook which is willing and able to take on responsibility for maintenance) Any On-Site Highway Landscaping and On-Site Landscaping not transferred shall be maintained by the owners to the satisfaction of EDDC											
SCHEDULE 12 – DRAINAGE												
	EDDC may at its discretion agree with the owners to adoption and maintenance of a SUDS on the land other than any SUDS within the public highway which would need to be agreed with DCC Agreement would only be entered into if: i) Owners pay SUDS Contribution £26,000 IL to EDDC on adoption sufficient to maintain the SUDS in perpetuity; and ii) Agreement contains provision for inspection management and maintenance of the SUDS and payment of fees for same Adoption of SUDS may be in phases or other appropriate stages, with consequential phased payments and inspections											
SCHEDULE 13 – PUBLIC CONVENIENCES												
Before dwelling units occupied →	01	50	150	500	750	1000	1150	1500	2000	2200	2900	
									Layout and complete the public convenience building in approved location to the size, specification and completion standard agreed (if not in commercial building) Transfer to EDDC and pay Commuted Sum £200,000 IL			
SCHEDULE 15 – PUBLIC REALM AND PUBLIC ART												
	Pay the Public Art Contribution £60,000 IL to EDDC											
	Prior to construction of any dwelling within a Phase or Sub-Phase details of street furniture to be submitted to EDDC for approval - Approved items to be provided as soon as reasonably practicable Public Realm commuted sum (actual cost of maintaining street furniture for 10 years) to be paid to EDDC in respect of each Phase or Sub-Phase and EDDC to be responsible for maintenance of the items provided for a ten year period											
Before dwelling units occupied →	01	50	150	500	750	1000	1150	1500	2000	2200	2900	
SCHEDULE 17 – YOUTH FACILITIES												
									Layout and service Youth Centre land in accordance with spec. and to completion standard.& transfer to EDDC			

SCHEDULE 19 – TOWN COUNCIL OFFICES AND LIBRARY

Before dwelling units occupied	01	50	150	500	750	1000	1150	1500	2000	2200	2900
<input type="checkbox"/> Pay/DCC/Annual Mobile Library Contribution £10,000 IL (due again on first anniversary and thereafter annually for 6 payments or until Interim Library Facility is available within IMBP) (total £60,000)	<input type="checkbox"/>	Before dwelling units occupied	<input type="checkbox"/>	Location Plan of Town Council Offices and Permanent Library	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pay/EDDC Town Council Contribution £50,000 IL Lay out and completed Permanent Library and Town Council land and transfer to EDDC or DCC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SCHEDULE 20 – POLICE FACILITIES

Before dwelling units occupied	01	50	150	500	750	1000	1150	1500	2000	2200	2900
<input type="checkbox"/> Submit location plan showing Police Station Land and Ambulance Land to EDDC for approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lay out and complete approved Police Station land in accordance with specification and to completion standard Transfer to EDDC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SCHEDULE 21 – HEALTH AND WELLBEING COMPLEX

Before dwelling units occupied	01	50	150	500	750	1000	1150	1500	2000	2200	2900
<input type="checkbox"/> Submit location plan showing Health & Wellbeing Complex on one parcel of land to EDDC for approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Full services to be transferred to EDDC within 24 months of initial transfer Lay out and offer to transfer Health & Wellbeing Complex to EDDC with right to use initial services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SCHEDULE 22 – PLACE OF WORSHIP AND CHURCH WORKER RESIDENTIAL ACCOMMODATION

Before dwelling units occupied	01	50	150	500	750	1000	1150	1500	2000	2200	2900
<input type="checkbox"/> Submit location plan showing Church Worker Residential Accommodation to EDDC for approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lay out & complete in accordance with spec. to completion standard and transfer to EDDC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SCHEDULE 23 – MULTI-PURPOSE BUILDING

Before dwelling units occupied	01	50	150	500	750	1000	1150	1500	2000	2200	2900
<input type="checkbox"/> Submit location plan showing Multi-Purpose Building to EDDC for approval unless building is constructed earlier under IPP 07/2441/FUL + s106	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Construct & complete multi-purpose building to completion standard BREEM Excellent & transfer building to hand to EDDC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SCHEDULE 24 – TOWN & NEIGHBOURHOOD CENTRE RETAIL FACILITIES

Before dwelling units occupied	01	50	150	500	750	1000	1150	1500	2000	2200	2900
<input type="checkbox"/> Submit location plan showing Town Centre Land to EDDC for approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Construct and market 5 High Street Units (total maximum 500m² to completion standard on Town Centre Land	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Amendment: EDDC now to be responsible for Neighbourhood Centre car park

Appendix 10

Playing Pitch Strategy

Playing Pitch Strategy – Project Plan

EDDC has now embarked on the production of an updated Playing Pitch Strategy (PPS). This will replace the now out-of-date 2003 Playing Pitch Strategy prepared by East, Mid and West Devon. The new PPS is being produced jointly with Exeter City Council to achieve cost-savings, because there are numerous clubs and demand for pitches crossing the borders, and because both Local Authorities currently have out-of-date PPSs.

The PPS is being produced to:

- Ensure sufficient provision of good quality playing pitches;
- Protect playing pitches from development;
- Provide an evidence base in responding to planning applications;
- Provide an evidence base for requesting developer contributions towards playing pitch provision through planning obligations/Community Infrastructure Levy (CIL);
- Help direct investment in playing pitches;
- Help co-ordinate the priorities and investment programmes of a range of organisations/bodies

Sport England has published a new methodology for producing playing pitch strategies and the East Devon and Exeter PPS is being produced in line with this. The new methodology encourages strategies to be produced in close partnership with National Governing Bodies for sports (NGBs) (such as the FA, ECB etc), Sport England, sports clubs, pitch providers, and leisure services in the Local Authority's area. Within the authority a wide range of services and relevant Members should also be involved. This being the case, officers from planning, economic development, countryside and streetscene have been involved so far, and Portfolio Holders for Economy and Environment and Member Champions for Asset Management and Health and Wellbeing are being involved in the process.

Following an initial scoping meeting with the above parties, information gathering has begun. Questionnaires were sent to all Parish Councils asking to check lists of all open space sites (including playing pitches) we know about in their area. A good response was received and the list of pitches provided by Sport England was appropriately amended.

Following this, surveys were sent to all football, rugby and hockey clubs as well as educational establishments across East Devon and Exeter. The ECB plan to conduct their own surveys and feed the data into our PPS process. Excellent responses were received from rugby and hockey clubs, but further reminders are currently being sent to football clubs and schools.

Non-technical pitch assessments have been carried out in-house by officers and volunteers. This has significantly reduced costs and allowed better ownership of the data. Devon FA funded a pitch analysing specialist to train relevant officers and volunteers in carrying out the assessments. It is expected that these assessments will be completed by Easter 2014.

Following completion of the non-technical pitch assessments and gathering of enough surveys, it is intended that consultants will be hired to "check and challenge" the data gathering stages, analyse the data and then draft the strategy and action plan with a view to having a draft strategy completed in Summer 2014.

Appendix 11

Benchmarking



Peer Review Challenge

The Corporate Peer Review Challenge undertaken by the Local Government Association endorsed the aspirations set out in the Council's AMP and reiterated the need to continue with our property reviews. In particular, it highlighted the property and cost implications of our leisure service.

Set out below are extracts under the headings of Asset Management and Leisure Services:-

Asset management

"East Devon holds a large asset portfolio of approximately £283m at the end of March 2013 and you are aware that this provides opportunities as well as potential risks. You actively manage the portfolio through an inclusive forum that meets bi-monthly and have taken action to dispose of assets when advantageous to the Council, as with the case of the Elizabeth Hall. However, there is greater opportunity to more vigorously review the portfolio and ensure that it is fit for purpose, removing those assets that do not fulfil the Council's strategic priorities or that are not providing a positive rate of return. Members of the forum should be encouraged to consult with community groups and organisations and look to transfer non-income generating assets. Particular consideration should be given to the relationship with Town and Parish Councils with a view to transferring non-income generating assets including; free car parks, play-grounds and recreational areas so that future maintenance costs do not become a burden to the Council.

There is also awareness that the Council has significant leisure assets, operated through a Trust and that these may become increasingly costly to maintain. There may be consequences if these are decommissioned to LED. However, this will need to be worked through and managed from both sides. Consideration should be given to whether these are the right assets in the right places within the district. With the Growth Point providing new homes and employment opportunities there will also be a need to consider what leisure services will be required here. Consideration needs to be given to increasing private sector supply so that it minimises the Council's exposure to maintenance and running costs. Conversely the authority will also need to consider how to dispose of assets (either through transfer to other providers, cessation of activity or change of use) where they no longer meet the needs of the communities in which they are based. Additionally, the Council will need to consider how new facilities, designed to meet the needs of the changing demography, can be passed to other authorities (Town and Parish) or voluntary organisations, which could support the localism agenda whilst possibly ensuring that the future maintenance costs do not become a burden on the whole Council.

The asset register should be analysed based on how closely individual assets are linked to the Council's priorities, to identify those assets that can be subject to early review to achieve a better community or commercial rate of return. It should also be recognised that additional commercial expertise may be required to assess the development potential of some sites. Consideration should be given to achievement/fee scales to contain abortive costs. Given the scale of leisure spending and the number of assets a separate exercise to review the future of leisure assets they might be considered as warranting a bespoke review.

Leisure services

“There is a good awareness amongst members and officers that the cost of your leisure provision is relatively high to authorities of a comparable size. There is also an appreciation of where your leisure assets are in their useful working lives. However, brave and bold decisions need to be made now to prevent the cost of maintenance becoming unsustainable as facilities age. Members and the public need to be made aware of the cost implications through clearly articulated scenarios that set out options for future leisure provision. Members should be encouraged to consider options for alternative provision, including; more enablement of private sector providers, re-siting of existing provision to better meet the needs of changing demography, disposal of assets before they reach a non-viable state and transferring appropriate assets to Town and Parish Councils.

To support them in the above, members will need to commission viability studies across a range of service delivery scenarios. Consideration should also be given to any training and support members may need, including visits to authorities that have actively undertaken focused scenario/future planning approaches; for example, Wyre Forest are currently commissioning a leisure centre. Given the public’s reaction to the proposal to relocate the Council’s main offices more up-front investment in public relations and consultation could save on future challenges to any proposals to change leisure provision.”

Corporate Peer Challenge

11th to 13th June 2013

Allen Graham

Chief Executive, Rushcliff Borough Council

Lead Peer



Asset Management Theme

East Devon District Council
April 2013

Findings

The following paragraphs detail all findings that warrant the attention of management. The findings are all grouped under the risk to which they relate.

1. Risk: Asset Management is not consistent with the Council's strategic objectives and service priorities.

1.1 Links to Service Planning

The benefit of including asset management as part of the service planning process has been recognised by the Economic Development Service for some time. Although rejected by SMT in the past, we support the Service's view that it is an important way to evaluate how the Council's asset base contributes to the achievement of the corporate and service objectives. A review of assets as part of the annual service planning process should enable managers to ensure that all property held by the Council is required for operational, social or investment purposes and links with the corporate objectives.

Without a clear link between the Council's Aims and Objectives and the assets it has, it is difficult to assess whether the Council is strategically making best use of the resources available to it.

An example of where assets may be held by the Council, but offer little ongoing benefit includes small parcels of land identified by the Grounds Maintenance Team. These could be disposed of (possibly as garden extensions), saving the Council the costs of maintaining the area.

1.1a

It was agreed that the Asset Management Forum will submit a formal request to SMT for them to reconsider the need to include Asset Management within the Service Planning Process.

1.2

Performance Indicators

The Council have identified an aspiration to set and measure performance indicators and carry out benchmarking in respect of asset management, and have included it in the Asset Management Plan's action plan. Due to officer resourcing issues, these tasks remain unimplemented. Without adequate performance measurement and benchmarking information it is difficult for the Council to monitor the success of its asset management strategies.

1.2a

It was agreed that the Principal Estates Surveyor will ensure that the action points in respect of performance measurement and benchmarking are reassigned.

Risk: The authority does not have a complete and up to date record of property assets to facilitate decision making.

2.11

Completeness and Accuracy of the Asset Register

Although a large amount of work has been completed on successfully setting up the Asset Register, it should be noted that work is ongoing and that it remains a work in progress. As a result, there are some data fields on the register that have yet to be completed for some assets. These generally relate to financial data and condition data, which are expected to be populated in due course.

2.1a

It was agreed that the Principal Estates Surveyor will ensure that assets are reviewed on an ongoing basis to check that;

- categories are relevant to their current use
- all relevant data fields have been completed
- data on the asset register reconciles to other data sources.

3. Risk: Acquisitions, transfers and disposals are not managed effectively.

3.1 Council Policy and Procedure

The Council's Financial Regulations and Financial Operating Procedures refer to the existence of a Disposal Policy. However, the 2007 version attached in the Policy Register is out of date and the revised version dated 2009 was never formally approved.

The Principal Estates Surveyor has confirmed that all disposals are approved by the portfolio holder, with larger transactions being approved at Cabinet, having been reviewed at the Asset Management Forum prior to this. However, no up to date, formal guidelines are available.

Although we have been advised that the method of disposal is selected with a view to obtaining best value, no formal guidance or procedures are in use to ensure consistency of approach bar statutory legislation..

Whilst no instances were identified where assets have been disposed off without appropriate authorisation, or at less than fair value, the absence of formal guidance means there is a lack of transparency over the process, and the risk of inconsistency of approach.

3.1a

It was agreed that the Principal Estates Surveyor will ensure that clear guidance is available to all officers advising on the correct process for the disposal (or acquisition) of assets, and that copies of old procedures are removed from the policy register, and associated documents such as the Financial Regulations and Financial Operating Procedures updated to reflect the current process.

4. Risk: Best value is not obtained from property owned by the Council.

4.1

Various programmes of review are in place across the Council to ensure assets are physically fit for purpose. However, there are some exceptions which mean that the Council may not identify all instances where assets are failing to provide best value.

No review programme exists for some classes of asset (e.g. bridges, coastal defences). However, the Senior Engineer (Technical) has confirmed that a new post has been created and that these checks will commence in the near future. Until these reviews take place, there is a risk that the assets may not be suitable for use, or may not be of benefit to the Council.

4.1a

It was agreed that the Principal Estates Surveyor will consider coordinating the condition surveys to ensure the results are captured centrally on the Asset Register, and identify issues regarding frequency (or absence) of review.

4.1b

It was agreed that the Principal Estates Surveyor will ensure that a strategic review of asset clusters such as areas of land managed by Countryside and parks and gardens is included in the next update of the Asset Management Plan to ensure that assets are used in the most effective and efficient way.