ALIGNED ASSET

MANAGEMENT PLAN

2007- 2008

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Foreword

Local Government is a large and complicated business, which involves local councils spending very large sums of money to deliver a very wide range of services from a large number of different locations. The nature of the business means that we are large scale owners and managers of land and property assets on behalf of the communities we serve.

As local authorities we know we can do better at managing our assets, and we also know that we can do this better if we do it together. This Aligned Asset Management Plan for the Borough of Rossendale has been developed by the Borough and County Councils as part of our shared commitment to improving the way the two tier system of local government works in Lancashire and as the foundation for a developing partnership which will secure improvements in the way we manage our assets and ultimately improve the services we deliver to the communities we serve.

We are always seeking to improve what we do, so please let us know what you think of this plan.

CCC Anne Brown
Cabinet Member for Resources
Lancashire County Council

Councillor Brian Essex
Portfolio Holder for a Well Managed Council
Rossendale Borough Council

Introduction

This document has been prepared by Lancashire County Council and Rossendale Borough Council to formalise their aligned asset management agenda. This Asset Management Plan will allow the two Councils to move forward in a clear strategic direction to better support the objectives of their respective corporate and service plans.

Central Government is clearly driving local authorities to make more effective and efficient use of their property assets. This Plan shows a commitment by both Councils to new ways of working and business processes that will have a significant impact on the use of assets and supports our strategic vision for shared accommodation in the future.

We are beginning to further develop the way we work in partnership through the proposals for improving the working of the two tier system of local government in Lancashire. Central to this work is the Locality Plan for the Borough of Rossendale which brings together in one place those things we are doing together because working in this way delivers better outcomes for our communities. Lancashire Local Rossendale and the Borough Council's various engagement mechanisms will also inform the way in which we manage our asset base in particular through their role in encouraging the two organisations to better join up the way we do things.

Both the Borough and County Council's asset management agenda will need to meet the challenges of the future including reducing capital and revenue budgets, increasing expectations in terms of services quality, and legislative requirements leading to changes in patterns of service delivery. Joint asset management solutions will be one way of supporting service improvement in a period of rapid change and financial constraint.

This plan is subject to ongoing review and will be updated annually to ensure that it adapts to new initiatives and the challenges ahead to support innovative service delivery.

Joint Asset Management Strategy

The two Councils have agreed a set of property objectives to support their overall aims and objectives. They focus on the key areas that both authorities will address through this Aligned Asset Management Plan.

The two Councils will work together to:

- optimise the contribution property makes to our current and future aims and objectives;
- optimise and prioritise the level of investment in property assets to meet our current and future service delivery needs;
- promote the innovative use of property and facilitate joint working through co-location of services;
- promote property sharing with other partners and stakeholders;
- improve the suitability of property assets to meet our service delivery needs;
- improve the condition of our property assets and minimise required maintenance;
- improve the environmental sustainability of our property portfolios;
- challenge the use of our land and buildings to minimise revenue expenditure and maximise the generation of capital receipts, and/or rental income, in a way which is consistent with service objectives.

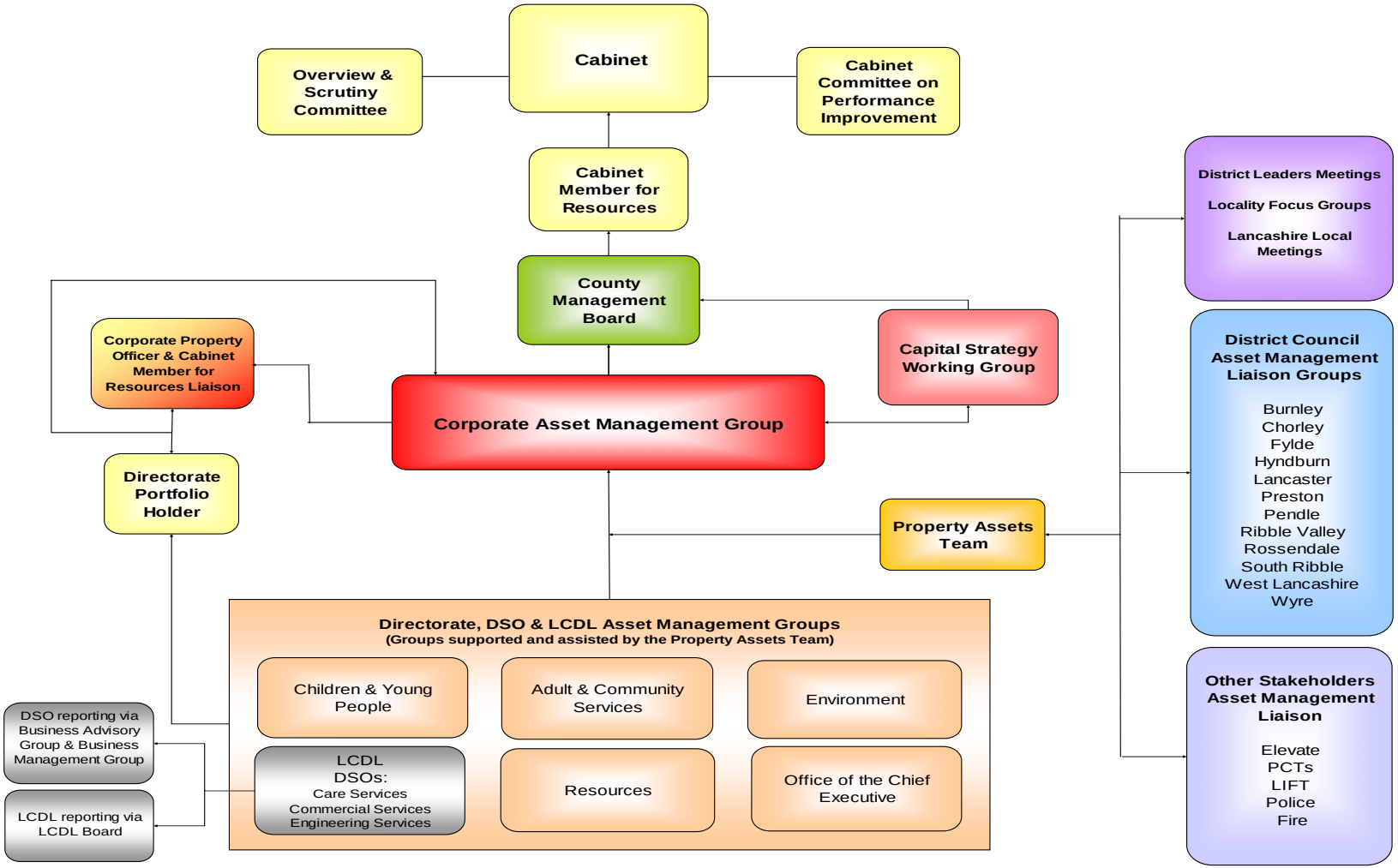
The two councils will work towards these property objectives by:

- holding Borough Asset Management Liaison Group meetings on a quarterly basis;
- sharing asset management best practice;
- exchanging information regarding current property data;
- consulting at the strategic stage of property reviews within the Borough;
- consulting on acquisitions and changes of use with a view to identifying the benefits for co-location;

- consulting on the disposal of property assets within the Borough;
- benchmarking property performance measures.

The aligned asset management action plan for the year 2007/08 which sets out the specific actions to be undertaken can be found on page 12 of this document.

Lancashire County Council's Asset Management Framework



The County Council's Asset Management Framework

The County Council has developed the Corporate Asset Management Framework to provide a clear asset management reporting structure that links service, directorate and cross service issues. This feeds up through to Cabinet Member involvement on key decision and policy making items. The structure also provides for linking in with Borough Councils so that their issues can be considered alongside LCC issues.

The County Council's Corporate Asset Management Group

The Corporate Asset Management Group meets regularly and is chaired by the Director of Property who is the County Council's Corporate Property Officer. The group has senior representatives from each Directorate and DSO of the County Council. Amongst the terms of reference for the group is a duty to consider and identify opportunities for property sharing both across Directorates and with external agencies.

District Council Asset Management Liaison Groups

The County Council has allocated a Property Assets Officer from the Property Group to the Borough Council to carry out liaison duties between the Borough Council Officers responsible for asset management and County Council. This District Council Asset Management Liaison Group reports to the County Council's Corporate Asset Management Group on relevant issues via the nominated Property Assets Officer.

The role of the District Council Asset Management Liaison Group is to:

- Identify any strategic reviews within the Borough to be carried out by the Borough Council or County Council that will require consultation.

- Identify opportunities for increased efficiency and effectiveness through:

    - The Borough and County property review programmes,
    - New / modern ways of working,
    - Innovative methods of service delivery,
    - Partnership working.

- Consider and co-ordinate appropriate consultations to be undertaken with stakeholders in relation to proposed schemes.

- Co-ordinate office utilisation and occupancy for all properties within the Borough, ensuring that that effective space utilisation is clearly linked in with HR / IT / E-Government strategies.

- Ensure appropriate systems are in place to share and update Borough and County property data.

- Ensure that service objectives and issues are taken into consideration in all property related decisions with the Borough.

The County Council's Property Assets Team

The tasks carried out by the County Council's Property Asset Team relevant to aligned asset management with the Borough include the following:

- Servicing & contributing to Locality / Borough meetings in consultation with the District Partnership Officer and attending where appropriate.

- Building, developing and maintaining joint / partnership working & liaison arrangements for asset management with:

    - The 12 Lancashire Borough/District/City Councils.
    - The Lancashire Health Trusts:

        - Primary Care Trusts.
        - Acute hospital Trusts.
        - The Lancashire Mental Health Care Trust.

    - LCDL.
    - Elevate.
    - East Lancashire LIFT.
    - Other external agencies including the Lancashire Police and Fire Authorities.

- Managing, monitoring and reporting of national and local level property performance measures and promoting performance as a driver for improvement.

Rossendale Borough Council's Asset Management Framework

Rossendale Borough Council's framework for getting the best out of its assets is set out in the diagram below. It is designed to support the delivery of the Council's corporate priorities, which are:

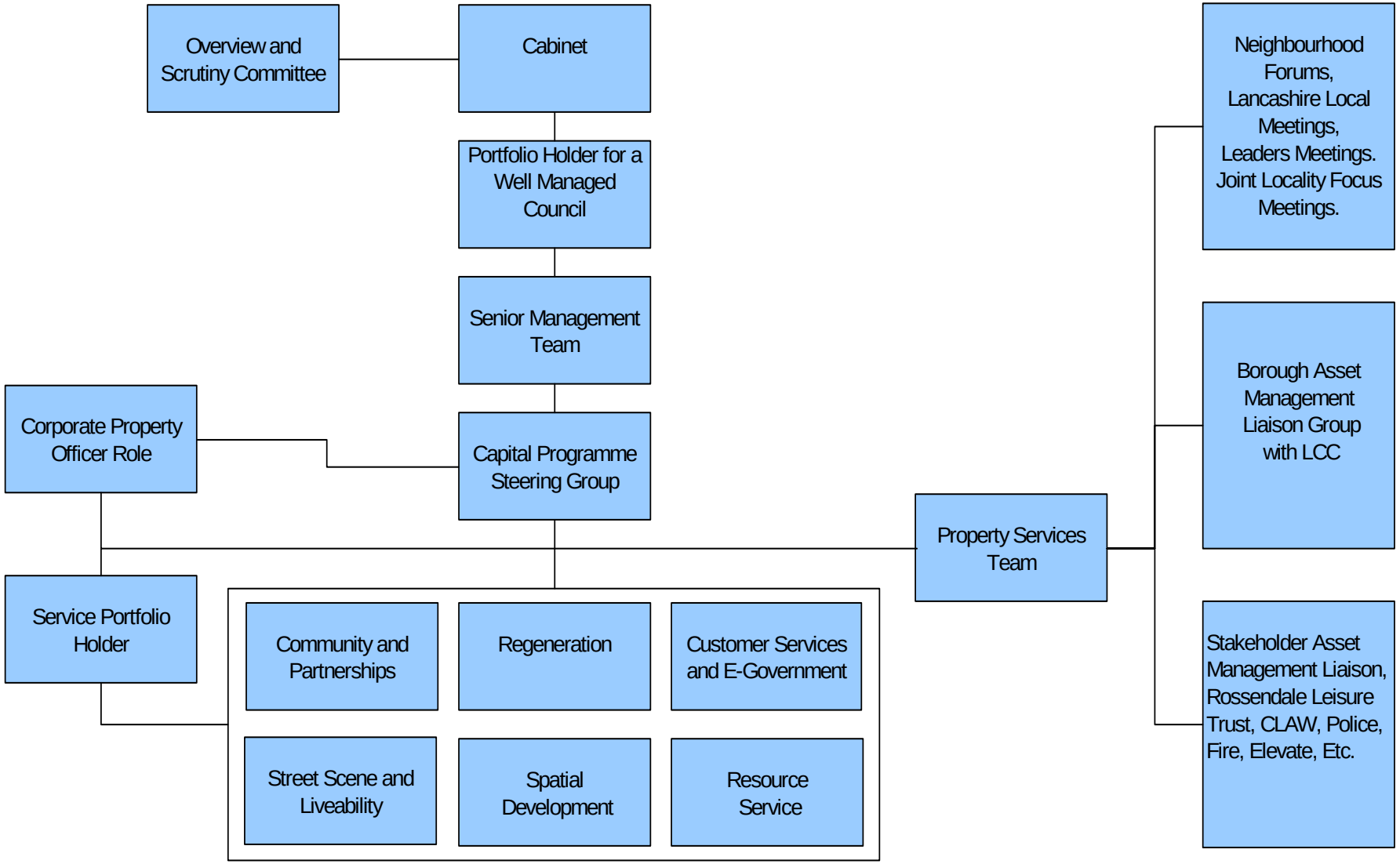
- Delivering Quality Services to Customers
- Delivering Regeneration across the Borough
- Keeping Our Borough Clean and Green
- Promoting Rossendale as a cracking place to live and visit
- Improving health and well being across the Borough
- Being A Well Managed Council

The Council manages its asset base at a strategic level through the Senior Management Team with detailed prioritization and monitoring being undertaken by the Capital Programme Steering Group which is chaired by the Head of Financial Services who undertakes the role of Corporate Property Officer.

The Council's Property Services Team is responsible for all property management and maintenance issues, including those in buildings operated on the Council's behalf by a range of partners including Rossendale Leisure Trust and CLAW. The Team is engaged on delivering a significant improvement programme aimed at shifting the balance of maintenance spending from reactive to planned maintenance and instituting active management of the asset base using the information contained in the Asset Management system supplied by IPF.

The key priorities set out in the Team Plan are:

- Review of Council's Land Holdings to identify sites for development, regeneration and disposal;
- Analysis of all properties to justify retention within property portfolio;
- To provide property advice on major redevelopment proposals such as Valley Centre, Bus Station, and Bacup Retail Site;
- To complete surplus property disposal programme for 2008-09;
- To complete population of Asset Management database;
- To implement the Council's Asset Management Plan;
- To complete capital works programme for 2007-09.


Overview and Scrutiny Committee
Cabinet
Portfolio Holder for a Well Managed Council
Senior Management Team
Corporate Property Officer Role
Capital Programme Steering Group
Property Services Team
Service Portfolio Holder
Community and Partnerships
Regeneration
Customer Services and E-Government
Street Scene and Liveability
Spatial Development
Resource Service
Neighbourhood Forums, Lancashire Local Meetings, Leaders Meetings. Joint Locality Focus Meetings.
Borough Asset Management Liaison Group with LCC
Stakeholder Asset Management Liaison, Rossendale Leisure Trust, CLAW, Police, Fire, Elevate, Etc.

Aligned Asset Management Plan 2007/08 and Onwards

Issue	Timescale	Action
Lancashire County Council Asset Management Issues		
Undertake East Lancashire business case for Countywide Offices Review.	2007/08 Onwards	LCC to consult with RBC to identify opportunities for joint working and property sharing.
Undertake Learning Disabilities Property Review.	2007/08	LCC to consult with RBC to identify opportunities for joint working and property sharing.
Undertake Youth and Community / Connexions Property review.	2007/08 Onwards	LCC to consult with RBC to identify opportunities for joint working and property sharing.
Rossendale Borough Council Asset Management Issues		
RBC are undertaking a comprehensive review of land and property holdings and wish to commission the County Council to deliver the detailed project alongside LCC's own review work.	2007/08	RBC to implement a project management process that ensures that opportunities for joint working are maximised.
RBC are developing proposals for significant changes to accommodation infrastructure.	2007/08 Onwards	RBC to consult with LCC to identify opportunities for joint working and property sharing.
General Asset Management Issues		
Hold Borough Asset Management Liaison Group meetings.	Ongoing	LCC and RBC officers to meet on a quarterly basis.
Sharing of asset management best practice.	Ongoing	LCC and RBC to share best practice and new developments in asset management.
Exchanging information regarding current property data.	Ongoing	LCC and RBC to exchange information including property schedules and plans.
Consultation at the strategic stage of property reviews within the Borough.	Ongoing	LCC and RBC to consult each other at the strategic stage of property reviews within the Borough.

Consulting on acquisitions and changes of use with a view to identifying the benefits of co-location.	Ongoing	LCC and RBC to inform each other on acquisitions and changes of use within the Borough.
Consulting on the disposal of property assets within the Borough.	Ongoing	LCC and RBC to inform each other on disposal of property within the Borough.
Benchmarking of property performance measures.	Ongoing	LCC and RBC to share and benchmark property performance data.

The Size of the Property Portfolio

Lancashire County Council's Property Assets at 31st March 2007

Operational Assets	**Lancashire Portfolio £000**	**Borough of Rossendale Portfolio £000**
Adult and Community Services	71,620	4,275
Children and Young People (excluding schools)	35,365	3,360
Environment	12,261	145
Resources	18,445	0
DSO's	35,628	1,426
Infrastructure Assets	327,348	27,279
Non Operational Assets		
Surplus Land and Buildings	22,654	204
Total	**523,321**	**36,689**

Rossendale Borough Council's Property Assets at 31st March 2007

Operational Assets	**£000**
Land and Buildings	14,707
Community Assets	33
Infrastructure Assets	0
Non Operational Assets	
Assets under construction	0
Investment Properties	598
Surplus Land and Buildings	1,064
	16,402

Performance of the Property Portfolio

National Property Performance Management Initiative (NaPPMI) Performance Indicators 2006/07		Lancashire County Council			Rossendale Borough Council		
		Other land & buildings	**Community assets**	**Non Operational**	**Other land & buildings**	**Community assets**	**Non Operational**
1A % of gross internal floor space in condition categories A – D	**A**	5.52%	-	-	0%	-	-
	B	79.25%	-	-	34.05%	-	-
	C	15.23%	-	-	47.95%	-	-
	D	0.00%	-	-	18%	-	-
	Total %	**100%**	-	-	100%	-	-
1Bi Required maintenance by cost expressed as % in priority levels 1 – 3	**1**	5.81%	-	-	20%	-	-
	2	45.18%	-	-	20%	-	-
	3	49.01%	-	-	60%	-	-
	Total %	**100%**	-	-	**100**%	-	-
1Bii Required maintenance by cost expressed as £ in priority levels 1 – 3	**1**	£3,425,081	-	-	£200,000	-	-
	2	£26,634,275	-	-	£200,000	-	-
	3	£28,892,115	-	-	£600,000	-	-
	Total £	**£58,951,471**	-	-	£1,000,000	-	-
1Biii Required maintenance by cost expressed as the overall cost per m2 GIA		£168.22	-	-	-	-	-
1C Annual % change to total required maintenance figure over previous financial year		-9.40%	-	-	-20%	-	-

National Property Performance Management Initiative (NaPPMI) Performance Indicators 2006/07		Lancashire County Council			Rossendale Borough Council		
		Other land & buildings	**Community assets**	**Non Operational**	**Other land & buildings**	**Community assets**	**Non Operational**
1Di Total spend on maintenance in previous financial year		£6,976,070	-	-	£340,000	-	-
1Dii Total spend on maintenance per m2 GIA in previous financial year		£19.83/m2	-	-	-	-	-
1Diii % split of total spend on maintenance between planned and responsive maintenance		(P) 67.81%	-	-	79.42%	-	-
		(R) 32.19%	-	-	20.58%	-	-
2A Energy cost / consumption per m2 GIA	£/m2	£8.14/m2	-	-	3.52	-	-
	Kwh/m2	200Kwh/m2	-	-	104.47 Kwh/m2	-	-
2B Water cost / consumption per m2 GIA	£/m2	£0.38/m2	-	-	£1.53/m2	-	-
	m3/m2	0.47m3/m2	-	-	0.56m3/m2	-	-
2C CO2 emissions by tonnes of CO2 per m2 GIA		0.052t/m2	-	-	0.023t/m2	-	-
3A The percentage of portfolio by m2 GIA for which a suitability survey has been undertaken over the last five years		85.27%	-	-	100%	-	-
3B The number of properties for which a suitability survey has been undertaken over the last 5 years		402nr	-	-	48nr	-	-
4A % of portfolio by m2 GIA for which an access audit has been undertaken by a		100%	-	-	100%	-	-

competent person						
National Property Performance Management Initiative (NaPPMI) Performance Indicators 2006/07	**Lancashire County Council**			**Rossendale Borough Council**		
	Other land & buildings	**Community assets**	**Non Operational**	**Other land & buildings**	**Community assets**	**Non Operational**
4B Number of properties for which an access audit has been undertaken by a competent person	226nr	-	-	26nr	-	-
4C % of portfolio by m2 GIA for which there is an accessibility plan in place	100%	-	-	100%	-	-
4D Number of properties for which there is an accessibility plan in place	226nr	-	-	26nr	-	-
5A.1(a) Operational office property as a percentage of the total portfolio	2.19%	-	-	7.59%	-	-
5A.1(b) Office space (m2) per head of population	29.39m2	-	-	-	-	-
5A.2 Office space as a percentage of total floor space in operational office buildings using NOS to NIA	52.17%	-	-	-	-	-
5A.3(a) The number of office or operational buildings shared with other public agencies	62nr	-	-	2nr	-	-
5A.3(b) The percentage of office or operational buildings shared with public agencies	1.44%	-	-	-	-	-
5B.1 Average office floor space per number of staff in office based teams (NIA per FTE)	20.41m2	-	-	-	-	-
5B.2 Average floor space (NIA) per workstation (not FTE)	20.14m2	-	-	14.29m2	-	-
5B.3 Annual property cost per workstation	£1,204	-	-	£42.44	-	-

(not FTE)						
National Property Performance Management Initiative (NaPPMI) Performance Indicators 2006/07	**Lancashire County Council**			**Rossendale Borough Council**		
	Other land & buildings	**Community assets**	**Non Operational**	**Other land & buildings**	**Community assets**	**Non Operational**
6A Gross property costs of the operational estate as a percentage of the gross revenue budget	5.82%	-	-	0.9%	-	0.9%
6B Gross property costs per m2 GIA	£101.29	-	-	£37.72	-	£14.64
7A Time Predictability, Design: The % of projects where the actual time between commit to design and commit to construct is within, or not more than 5% above, the time predicted at commit to design	65%	-	-	-	-	-
7B Time Predictability, Post Contract: The % of projects where the actual time between commit to construct and available for use is within, or not more than 5% above, the time predicted at commit to construct	44%	-	-	-	-	-
7A Cost Predictability, Design: The % of projects where the actual cost at commit to construct is within +/-5% of the cost predicted at commit to design	37%	-	-	-	-	-
7B Cost Predictability, Post Contract: The % of projects where the actual cost at available for use is within +/-5% of the cost predicted at commit to construct	45%	-	-	-	-	-

Note:- The property portfolios of Rossendale Borough Council and Lancashire County Council are diverse and vary enormously. This has therefore led to some large differences in the figures. Furthermore, discrepancies may arise through interpretation of the definitions. For example, with regards to performance indicator 1A (percentage of gross internal floor space in condition categories A-D) there is no definitive calculation to determine what constitutes category A, B, C and D. It is left very much open to interpretation and therefore this indicator may not be a like for like reflection of each council's position.

The National Property Performance Management Initiative (NaPPMI) suite of performance indicators is in its infancy. As further data is collected on an annual basis it will allow us to build up profiles and determine the direction of travel of both of the property performance of both local authorities.