

Legal & Property and Financial Services

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Report

Subject : Capital Strategy and Asset Management Plan

Report to : The Cabinet

Date : 6 September 2006

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Cabinet Members for Resources Portfolio: Councillor Don Culver

CAPITAL STRATEGY AND ASSET MANAGEMENT PLAN

1. Report Summary.

To present the attached Capital Strategy and the 2006/2007 version of the Asset Management Plan ["AMP"]

2. Background.

2.1 Whilst there is no longer an obligation on the Council to submit a Capital Strategy and AMP to the government both play vital roles in the Council's corporate planning process. The purpose of the Capital Strategy is to explain how capital currently deployed and new capital available to the Council will be used in furtherance of the Council's corporate goals and objectives. The AMP is essentially a key component of the Capital Strategy.

2.2 The Comprehensive Performance Assessment process now involves looking at how well the Council manages its resources in general and how well the Council manages its property assets in particular. The annual Use of Resources assessment which evaluates how well councils manage and use their financial resources was reported to Members by the Audit Commission earlier this year. The Council received an overall score of 3 out of 4 representing a judgement that the Council is performing well. The assessment covered 5 themes one of which is financial management. All three elements of financial management [covering the Council's medium term financial strategy budgets and capital programme, management of performance against budgets and management of the Council's asset base] were scored 3 out of 4.



Awarded in:
Housing Services
Waste and Recycling Services



3. Headline activities for the AMP over the next 12 months.

- Progression of our new centralised offices at Bourne Hill
- Progression of our asset disposal strategy to support the funding of our new centralised offices
- Determining what land and property transfers as part of any transfer of our housing stock to a housing association
- Meeting our new and existing statutory responsibilities with regard to our assets. New statutory responsibilities to be introduced over the next 12 months:
 - as from 1st October fire certificates for buildings will be replaced by self-certification through the carrying out of fire risk assessments. Criminal liability will attach to non-compliance. Housing Management has already initiated a programme of assessments.
 - As from 4th October the Disability Discrimination Act will be extended to Councillors, and place a duty on the Council to eliminate disability discrimination both as a service provider and as a landowner
 - As from 6th April 2007 the Construction [Design and Management] Regulations will impose greater duties on the council as the client in any construction projects
- Consideration of asset implications arising out of review of leisure provision and any proposals with regard to the Salisbury Vision

4. New National Property Indicators

- 4.1 The Association of Chief Corporate Property Officers in Local Government ["COPROP"] have since the demise of the former ODPM property performance indicators been working on developing a common set of indicators for adoption by local government.
- 4.2 First phase indicators have been developed for:
- Condition and required maintenance
 - Environment
 - Suitability
 - Access
- 4.3. Consultation on second phase indicators finished in June. Draft indicators have been suggested for:
- Utilisation and sufficiency
 - Spend
 - Time and cost predictability
- 4.4. Discussions are taking place between COPROP and the Audit Commission about how the indicators might be used for CPA purposes and whether the condition and environment indicators should become BVPI's.
- 4.5. Authorities are being encouraged by the government to adopt the new indicators and COPROP suggests that all data for 2006/07 onwards is collected using the new indicators. Having a common set of indicators will also facilitate inter-authority benchmarking.
- 4.6. The Council has been collecting much of the data required by the new measures since the first AMP in 2001 but Officers will use the new measures as from 2006/07 with a view to reporting 2006/2007 data in the 2007/08 version of the AMP.

5. Routemap to Property Asset Management Excellence

On 04.08.06 the Office of Government Commerce issued a consultation paper setting out the proposed framework and direction of property asset management in central government over the next

5 years to achieve savings and benefits from better use of public sector assets. It is intended that the Routemap will be launched towards the end of 2006. Although intended for central government it is likely that many of the elements of the Routemap will have significance for local government. Officers will consider how the Routemap can help the Council meet its objectives over the course of the next 12 months and where appropriate reflect the Routemap in the 2007/2008 version of the AMP.

6. Recommendations.

Cabinet recommend Full Council approve the Capital Strategy and the AMP.

7. Background Papers:

OGC consultation paper "Routemap to Property Asset Management Excellence"

8. Implications:

- **Key decision** : yes
- **Financial** : there are budgetary implications arising from the AMP action plan. Any budgetary changes will need to be considered as part of the portfolio plans for 2007/8
- **Legal** : none
- **Human Rights** : none
- **Personnel** : there are human resource demands arising from implementation of the AMP action plan
- **Community Safety**: none arising from this report
- **Environmental** : none arising from this report
- **Council's Core Values**: all
- **Wards Affected** : all

SALISBURY DISTRICT COUNCIL

CAPITAL STRATEGY 2006



Awarded in:
Housing Services
Waste and Recycling Services



1. INTRODUCTION

- 1.1 Salisbury District Council believes that capital investment should support the achievement of key objectives by working with communities, tenants, partners and other stakeholders to identify and act on local priorities to improve local quality of life. The purpose of this strategy is to provide a framework within which the use of capital resources can be co-ordinated and allocated in accordance with the key objectives outlined in the Council's corporate plans and strategies.
- 1.2 The Council has capital resources available for capital expenditure purposes but like other Local Authorities has identified the need for capital investment in excess of the current resources available. This Strategy will show how the Council is prioritising, targeting and measuring the performance of its capital resources to maximise the value of that investment to obtain best value and value for money for the community. To this end, this Authority has taken a longer view than generally expected and approves a 5 year rolling capital programme.
- 1.3 The Government still exercises some control over Local Authorities' capital expenditure through the allocation of approved borrowing. Salisbury District Council repaid all external debt in 1998 and is now among a minority of Local Authorities to be without debt and still retain its housing stock. Since 1 April 2004 sales under the Right to Buy scheme and mortgage capital repayments have been subject to pooling at 75%.
- 1.4 Transitional relief against pooling on a sliding scale over the years 2004/5 to 2006/7 is being applied to reinvestment in affordable housing. The Council has therefore created a capital programme for affordable housing linked to pooled receipts over three years in the region of £3m. Due to the lack of additional resource, investment in the Council's housing stock is limited to that generated from the major repairs allowance (approximately £3m per annum).
- 1.5 The Local Government Act 2003 legislated for Authorities to follow the "Prudential Code". This code, although giving Councils the ability to determine its own unsupported borrowing levels, requires that any the decisions to borrow show the full impact and affordability of such decisions by using prudential indicators. These indicators do not apply readily to authorities without external debt but will be developed over the medium term. All new major investment is evaluated to show the effect on council tax levels.
- 1.6 The Council has set its current borrowing limit at Zero (as it is a net investor) in line with the medium term financial strategy. Any decision to enter into borrowing at a later date or to change this overall limit is subject to a full council decision.
- 1.7 As part of a review of the five year capital programme, the Council has set aside capital resources for a Capacity Fund This resource is designed to support the Corporate Plan to take account of temporary additional expenditure during major projects.

2. MANAGEMENT ARRANGEMENTS

- 2.1 Salisbury District Council has established a modernised Local Authority governance structure to make decision-making more effective and to ensure important cross-cutting issues are dealt with in a co-ordinated strategic way. Our approach is based on the Leader and Cabinet model with 4 Portfolios: Resources, Environment and Transport, Community and Housing, and Planning and Economic Development. Overall responsibility for the Council's finances and asset management falls within the remit of the Resources Portfolio. In addition, the Council has established non-executive Scrutiny Panels. The Resources Scrutiny Panel (chaired by a member of the opposition group) has responsibility for reviewing the management of the Council's finances. An Audit Committee was set up in 2005 to overview the Council's corporate governance and risk management.
- 2.2 The Council's officer structure is based on a Chief Executive and 3 Policy Directors (the Management Team) ensuring implementation of cross-cutting policies and Heads of Service, responsible for day-to-day operations.
- 2.3 The Improving the Performance and Finances of the Council Board has been set up to deal with managing and monitoring the Capital Programme and the Council's overall capital strategy. In addition, the group monitors and manages the Asset Management Plan and capital elements of the Corporate and Portfolio Plans. These contribute to the framework for capital investment within the Authority and identify areas where the Council is able to apply influence through the use of capital resources to promote the Council's policies and objectives. A Policy Director chairs this member/officer board which includes the deputy leader and portfolio holder for Resources. The Board reports to the Management Team and Cabinet.
- 2.4 The Council has approved a 5 year Capital rolling programme linked to strategic policies and objectives and to known and anticipated capital resources including capital receipts, grants, major repairs allowance and third party contributions.

3. CORPORATE PLAN

- 3.1 The 2006/07 Corporate Plan sets out the Council's integrated improvement programme to give direction on how to manage change successfully. The eleven themes of the Integrated Change Programme are drawn from the seven political and four organisational priorities of the Council as follows :-

Political Priorities

- Improving services for our customers
- Maintaining council housing to a high standard
- Creating more affordable housing
- Reducing household waste and improving recycling
- Reducing traffic congestion and improving public transport
- Making the district safer and reducing the fear of crime
- Creating better places to live

Organisational Priorities

- Meeting the financial challenge
- Improving the performance of the Council
- Partnership working and community engagement
- Building the capacity of the organisation

4 LINKS TO OTHER COUNCIL STRATEGIES AND INITIATIVES

- 4.1 The Corporate Plan sets out the vision, values and priorities and provides a strategic framework for the Council. It sets out a shared vision for our future direction from which the key priorities and objectives are derived.
- 4.2 There is a comprehensive suite of strategic plans and policies that support this framework and show how our objectives will be implemented. It is the role of this strategy to identify how capital resources can be used to achieve priorities.
- 4.3 In particular, the Capital Strategy will support the delivery of the 7 political priorities identified for 2006 through to 2011:

Political Priority	- Improving services for our customers	Maintaining council housing to a high standard	-Creating more affordable housing	- Reducing household waste and improving recycling	- Reducing traffic congestion and improving public transport	- Making the district safer and reducing the fear of crime	- Creating better places to live
Relevant Strategy	- IT Strategy - Asset management Plan - Priority outcomes - Office Centralisation - Access to services	- HRA Business Plan	- Housing Strategy - Local Development Framework - Local Plan	- Environmental Strategy - Waste Strategy	- Local Plan - Local Transport Strategy	-Community Safety Strategy	Local Development Framework
Support from Capital Strategy	- Community First Partnership - Capital Receipts	- Major repairs allowance -revenue contributions	- Capital Receipts - Developer contributions -Government grant	- Capital Receipts - Wiltshire Waste Partnership - Defra Grant	-Government Funding via Local Transport Plan - Capital Receipts - Developer contributions	- Developer contributions -Government Grants	-Regional Development Association Grant -Developer contributions

4.4 The Capital Strategy is also complemented by:

Economic Development Strategy
 Medium Term Financial Strategy
 Risk Management Policy
 Treasury Management Policy
 Procurement Strategy

4.5 Current Developments which will provide additional resources to the capital strategy are:

i)-Planning Obligations and the Local Development Framework (LDF)

We are undertaking a complete review of planning obligations as part of the LDF process. This is currently underway and will continue in 2007. We acknowledge that planning gain (or uplift) is a major tool by which a local authority can deliver tangible social and community benefits.

Our review is focusing on the following key areas:

Base lining - what the legal and legislative position is. When and for what purpose can we legally request and use developer contributions.

Benchmarking Best Practice. Identifying authorities at the cutting edge and learning lessons from their experience

Central Place Theory. Identifying a settlement hierarchy within which we can use developer contributions from development in the major centres to improve facilities in small rural satellites, which receive no development of their own.

Pooling Contributions. Looking into the feasibility of pooling contributions and use the resources on areas of identified need in the locality.

The first revised planning obligations policy will appear in a Core Strategy issues and options paper, which will go out for consultation in the autumn. We intend to seek innovative solutions, which push the boundaries and allow us to deliver real benefits for the district.

ii)-External Funding

The Council has appointed an external funding officer with a specific remit of generating external funding through grants and contributions to strengthen capital investment in the District. As well as identifying and applying for funding for the Council the remit also includes advice and support to voluntary organisations to help deliver local priorities which the Council would not have the resource to support.

5 THE COUNCIL'S OBJECTIVES FOR THE USE OF CAPITAL RESOURCES

5.1 The major objectives for the use of capital resources that support the Council's vision, values and priorities are as follows :-

- To maximise capital resources to meet Council priorities
- To demonstrate value for money
- To maximise "Invest to Save" opportunities which reduce dependency on future revenue costs
- To work in partnership with other bodies on capital projects to minimise the impact on the Council's financial position
- To grant aid external organisations which deliver the Council's priorities
- To maintain the Council's assets and ensure the health and safety of the public and staff
- To ensure the capital programme is informed by the outcomes of service reviews, and other developments

6 KEY PARTNERS AND CROSS-CUTTING OUTCOMES

6.1 To improve the social, economic and environmental well being of the people of Salisbury and South Wiltshire requires a partnership between the communities of the District, the public, private and voluntary sector organisations. Salisbury District Council has a key role to play in a number of partnerships that tackle issues, which are not the sole responsibility of any single organisation. These cross cutting issues have been identified by the communities of Salisbury and South Wiltshire through the Community Planning process.

- The community planning process has been developed by the South Wiltshire Strategic Alliance (SWSA – our Local Strategic Partnership). The partnership has been working together on "joined up" projects, which have required new approaches to funding.

7 APPROACH TO PRIORITISING INVESTMENT

- 7.1 This Capital Strategy has been prepared having regard to a consistency of approach to prioritisation of investment with the other key corporate and service objectives contained within the Council's corporate policies and strategies in accordance with the Council's Corporate Planning and Review Process (Appendix B). This process begins with the identification of corporate objectives based on community engagement. It builds the links between priorities identified by the community, service and financial planning, robust financial management and political direction.
- 7.2 The Capital Strategy therefore consolidates the financial details of all of the projects contained in the wider strategies of the Council. These wider Council strategies identify needs, these needs are assessed and prioritised by Members, then projects are identified to meet them. The Capital Strategy then determines the priorities of the projects and the resources that will be used to fund them.
- 7.3 Our Capital Project Appraisal System offers a systematic approach, which enables us to assess all the competing demands for capital. There are six key stages to our approach to the prioritisation of investment in capital projects and these form an intrinsic part of the Council's Corporate Planning and Review Process: -
- a) Preparation of a Project Initiation Document (PID)
 - b) Completion of a financial evaluation including revenue implications
 - c) The use of Whole Life costing techniques as recommended by the Treasury Green Book in appropriate circumstances
 - d) Proposal submitted as part of the Corporate Planning process
 - e) Ensuring that procurement of goods and services complies with contract standing orders and financial regulations
 - f) Monitoring the progress of major projects quarterly and identifying both financial and programme variance from the plan
 - g) For major schemes a post-completion review once the project has been completed. This will seek to identify whether projects and programmes have been delivered to agreed specifications, to agreed timescales and within budget. Further the review will confirm that the final outcomes address the key priorities and targets envisaged at the design and approval stages.
 - h) For recurring investments such as repairs and maintenance and ICT strategy an annual review and 3-5 year fundamental review will be undertaken

8 PERFORMANCE MEASUREMENT AND BEST VALUE

- 8.1 Performance indicators circulated by DCLG (the Department for Communities and Local Government) are being assessed to identify the key items that will assist the Council to measure its key priorities in respect of both the efficiency of its assets and its investment portfolio. In addition local indicators will be developed to aid management of performance in relation to assets.
- 8.2 The financial and operational progress of the Capital Programme is rigorously monitored and a quarterly performance report is submitted to the Improving the Performance and Finances of the Council Board, Management Team and the Cabinet, highlighting progress on major schemes.
- 8.3 The management and monitoring of the capital programme is carried out in a variety of ways including the following:
- Regular "surgery" meetings
 - Regular financial monitoring and reporting
 - Project Appraisals and options
 - Project costing and benchmarking
 - Consultants' briefings and VFM studies

8.4 We will continue to monitor the effectiveness of our processes to ensure we are maximising the positive benefits of our investment decisions. Property performance indicators complement these processes, therefore enabling more effective management of service and financial return.

9 AVAILABLE RESOURCES

9.1 There are a number of sources of funding that have been utilised to fund the capital programme:-

- Capital Receipts – these are receipts generated from the sale of the council assets.
- Revenue Funding – the Council can fund capital expenditure from the revenue budget
- Contribution from Reserves
- The Major Repairs Allowance (MRA)
- Developer contributions e.g. Section 106 Agreements
- Other external funds – these include Invest to Save, Partnership funding, Government Grants, European Union Funds and Lottery Funding

9.2 In support of the Capital Resources objectives, the Council will:

- Review each year as part of the medium-term financial strategy any annual revenue contribution to capital.
 - Build revenue implications of any capital decisions into portfolio plans
 - Ensure that value for money and efficiency principles are applied
 - Utilise all available capital resources over a 5 year period.
 - Undertake during 2006/07 a stock transfer ballot.
 - Confirm its approach to re-investment following a stock transfer
 - Promote partnership working and make the resources the Council has go further. e.g. The Do-it-yourself Shared Ownership Scheme (DIYSO)
 - Explore external funding streams – An external funding officer was appointed in 2005.
 - Leverage resources from the private sector through the effective use of Council land, influence and other assets.
-
- Identify the right financing solution for each project, taking into account cost and timescale for delivery.
 - Make use of the plant and equipment renewal fund where better value for money and greater efficiency can be demonstrated

10 PURCHASING AND PROCUREMENT

10.1 The Council recognises that an integral part of the Capital Strategy is to have an appropriate procurement strategy in place, including arrangements for procuring consultants and contractors.

10.2 The Council is currently considering other methods of procurement in addition to the traditional single stage competitive tendering e.g. term contracting and partnering arrangements as set out within the Office of Government Commerce guidance “Common Minimum Standards”.

10.3 The Council currently in the process of implementing its procurement strategy to enable more efficient and transparent procurement over the next three years.

11 CONSULTATION PROCESS

11.1 Results from consultations with residents of Salisbury District through a Citizens' Panel of 1000 people (the "People's Voice") has demonstrated that the aims and priorities are those of the community, not just of the Council. Over the coming years it is envisaged that by listening to our stakeholders, the Capital Programme will lead to enhanced service delivery in our priority areas.

11.2 The Council has a robust consultation process in relation to its budget setting and recognises the link between capital decisions and revenue budgets.

12 REVIEW OF THE STRATEGY

12.1 The effectiveness of this Strategy will be reviewed annually to enable the Council to:-

- reschedule the Capital Programme in the light of the level of capital receipts from Right to Buy Sales and the sale of other capital assets – taking into account the pooling mechanism
- consult on the future of the housing stock and re-investment in the case of stock transfer
- incorporate the effects of centralised office accommodation
- ensure the effectiveness of the programme and that it reflects developments in Asset Management, the HRA Business Plan and the Council's Community Plans.
- Make amendments to the expenditure profile of capital projects to match the overall project management arrangements.

12.2 The position regarding the Council's position on borrowing will be reviewed annually to see where there is merit in using prudential borrowing to match any gaps identified in current resources against planned service improvements and political priorities. Examples of this are the office centralisation programme and new waste strategy.

13 CONCLUSION

Salisbury District Council is committed to managing its available resources effectively to deliver its priorities. Prioritisation between competing demands is essential in order to utilise limited funding more effectively. Robust procedures and processes are in place to ensure this happens for the benefit of our customers and stakeholders.

ASSET MANAGEMENT PLAN 2006

1. INTRODUCTION AND CONTEXT

1.1 The Council

- 1.1.1 The district covers over 400 square miles and is in the south of Wiltshire, around 90 miles west of London and 30 miles from the south coast. The district is mainly rural with almost half classified as an Area of Outstanding Natural Beauty. It includes historic tourist attractions such as Salisbury Cathedral and Stonehenge, a world heritage site.
- 1.1.2 The population of the district was 116,100 in 2004. Almost 45,000 people now live in the city of Salisbury. Overall, the district has a low population density with an average in 2002 of only 115 people per square kilometre compared to 208 regionally and 380 nationally. Rural isolation and access to services is a problem for many local people.
- 1.1.3 The population grew significantly from 1991 to 2001 with 8.2 per cent growth compared to 2.7 per cent nationally. The proportion of groups other than "white British" was relatively low in 2001 at 3.6 per cent compared to 4.6 per cent for the south-west region and 13 per cent nationally. In 2003 nearly 21 per cent were of pensionable age.
- 1.1.4 Educational attainment is mixed. In 2001 around one-fifth of the population had a degree and one-fifth had poor literacy and numeracy skills. A high proportion of people of working age are in employment [in 2005 81.6 per cent compared to 74.5 per cent nationally].
- 1.1.5 The district is relatively affluent although earnings over 2002-2005 were below average at £355 per week compared to £370 nationally. It was ranked 264th out of 354 English districts in 2004 where 1 is the most deprived. Unemployment is low; in 2001 at 0.7 per cent compared to 1.5 per cent regionally and 2.5 per cent nationally. Major employers include financial services, the Ministry of Defence and local government.
- 1.1.6 We serve a diverse area with pockets of urban and rural poverty. In 2001 twenty per cent of children under 16 were living in low-income households and 1.6 per cent of the population lived within the 25 per cent of the most deprived wards in England. House prices are above average. Affordable housing is an important issue for the community.
- 1.1.7 We have been debt free since June 1998.

1.2 Corporate Goals and Objectives

- 1.2.1 We deliver many services directly, but other organisations also serve the community. We believe that acting in partnership to give "joined up" provision offers the best chance for high quality public services.
- 1.2.2 We have therefore entered into a South Wiltshire Strategic Alliance with other public and voluntary sector organisations.
- 1.2.3 The Alliance consults the public of South Wiltshire through a process known as community planning. Community planning has helped the Alliance formulate a Community Strategy, identifying to 2009 the following joint priorities:
- Crime and anti social behaviour
 - Affordable housing
 - Access to services
 - Acting as exemplary employers
- 1.2.4 Whilst the Community Plan process and Alliance are integral to the way we work we deliver our own services to agreed priorities to reflect public opinion.
- 1.2.5 We have therefore adopted the following core values which help shape the way we behave work and deliver services:
- excellent service
 - a thriving local economy
 - fairness and equal opportunity for all
 - communicating especially listening and responding
 - being open and honest continually trying to improve and learn
 - meeting local needs especially those of disadvantaged groups and individuals
 - working together with other public private and voluntary sector organisations to develop a better more sustainable district
 - achieving practical results and giving excellent value for money through well motivated employees who enjoy working for a progressive employer
- 1.2.6 We have adopted the following political priorities:
- 1.2.6.1 Creating more affordable housing
- Link to AMP: provision of land and capital e.g. proposed redevelopment at Chatham Close Salisbury
- 1.2.6.2 Maintaining council housing to a high standard
- Link to AMP: disposal of land and property following a yes ballot or consideration of options for investment to

meet tenant aspirations and renewal of infrastructure assets following a no ballot. In the interim we have registered our HRA land and property assets.

1.2.6.3 Improving recycling and reducing household waste

- Link to AMP: provision of land for mini recycling centres

1.2.6.4 Making the district safer and reducing the fear of crime

- Link to AMP: provision of land and buildings in which users can feel safe

1.2.6.5 Reducing traffic congestion in Salisbury and improving public transport

- Link to AMP: provision or management of Park & Ride sites and adopting green travel plans with regard to major redevelopments e.g. office centralisation project

1.2.6.6 Improving services for our customers

- Link to AMP: proposed office centralisation/customer services centre, refurbishment of Churchfields Depot, planning for satellite service centres in community areas, consideration of the creation of a leisure trust in respect of some if not all of the leisure facilities that we own and/or manage, action planning for improvements to disabled access to our public land and buildings, review of provision of public conveniences, refurbishment of City Hall, planning for community centres in Stratford and Harnham, proposed enhancements for cemetery provision and to crematorium and review of parks and open spaces

1.2.6.7 Creating better places to live

- Link to AMP: looking at utilising key property holdings in Salisbury to contribute to the development and implementation of the Salisbury Vision, ensuring that all future development of property assets is in keeping with the local environment e.g. provision of an environmental impact assessment for the office centralisation project

1.2.7 We have the following organisational themes to support the political priorities and to help us to continually improve:

1.2.7.1 Meeting the financial challenge

- Link to AMP: rationalisation of property assets, making sure resources follow priorities, managing property assets efficiently, seeking to lever in external funding for projects, applying risk management to projects and ensuring value for money in delivery of projects e.g. vfm

review of office centralisation project by Audit Commission

Looking ahead: building an efficient future

- Link to AMP: proposed office centralisation

1.2.7.2 Improving our performance

- Link to AMP: business process re-engineering office and facilities management, using robust project management techniques for major procurements e.g. review of office centralisation project by 4ps and developing business continuity arrangements

1.2.7.3 Partnership working and community engagement

- Link to AMP: Proposed redevelopment at Chatham Close Salisbury, management of Park & Ride sites, proposed office centralisation, planning for satellite service centres in community areas, consideration of a leisure trust, review of options for the Guildhall, pilot audit of property assets held by statutory bodies in Amesbury and development of proposed vision for Salisbury City centre

1.2.7.4 Building our organisational capacity

- Link to AMP: applying project management techniques for procurement, exploring new working methods and completion of Local Land and Property Gazetteer.

1.2.8 In association with the Alliance we have developed the following vision for the district:

"A place where a rich heritage vibrant cultural life and magnificent environment is supported by:

- A thriving economy
- Lively, diverse and safe communities providing equal opportunities for all; and
- Strong public agencies and voluntary bodies co-operating in the delivery of practical support for those in need."

1.3 Corporate planning framework

1.3.1 Our corporate plan which sets out our intentions direction and focus for the next 3 years draws together a range of documents and policies which shape the way we work. These include the Capital Strategy and the AMP. It is updated every year.

1.3.2 Policies, strategies, plans and other corporate documents which have links to the AMP include:

1.3.2.1 Arts

Cultural Strategy

- Link to AMP: using our land and buildings to support cultural activities e.g. City Hall and Guildhall

Public Arts Policy

- Link to AMP: using our land and buildings to facilitate provision of public art e.g. proposed provision of public art in connection with our office centralisation project

1.3.2.2 Business and economy

Economic Development Strategy

- Link to AMP: supporting an options appraisal for the future development of Churchfields, supporting an investigation into the potential for the provision of office and/or workshop units for start up businesses on flexible terms, supporting enhancements to the centre of the City of Salisbury and supporting proposals to provide one stop access to all available commercial land and property

1.3.2.3 Community

Community Strategy

- Link to AMP: improving access to our services, supporting the provision of shared services in one location close to users, banning smoking in our public buildings and supporting an audit of assets held by statutory bodies

Comprehensive Equalities Policy

- Link to AMP: improving access to our buildings parks and open spaces

Social Inclusion Policy

- Link to AMP: carrying out a programme of works to our buildings to ensure access for people with mobility difficulties

1.3.2.4 Communication and consultation

Communications strategy

- Link to AMP: having a communications plan for the office centralisation project

Corporate identity protocol

- Link to AMP: seeking standardisation of all new signage

1.3.2.5 Customer service

Customer Access Strategy

- Link to AMP: ensuring that customers with disabilities have access to our buildings

1.3.2.6 Environment

Contaminated Land Strategy

- Link to AMP: identification of council owned sites

Waste Management Strategy

- Link to AMP: identification of potential sites for mini recycling centres

1.3.2.7 Information Management and technology

Information Communication Strategy

- Link to AMP: ensuring all ICT issues are embraced in the office centralisation project and completion of the local land and property gazetteer ["LLPG"]

1.3.2.8 Performance and procurement

Procurement Strategy

- Link to AMP: provides the framework for obtaining value for money procurement at the least possible cost to the environment whilst achieving the highest standards of health and safety e.g. adherence to Office of Government Commerce guidance "Common Minimum Standards for the procurement of built environments in the public sector" for the office centralisation project

1.3.2.9 Sport and leisure

Sports Strategy

- Link to AMP: supporting an investigation into alternatives for the management of our leisure facilities, ensuring that physical access to our leisure facilities for those with disabilities is maintained and/or improved and ensuring that sufficient resources are available to implement maintenance programmes in order to maintain and improve them

1.3.2.10 Tourism

Tourism Strategy

- Link to AMP: supporting the development of an enhanced Tourist Information Centre in the City of Salisbury and strategic tourist information points around the City and District

1.3.3 We have an annual integrated service planning and budget setting process. The Capital Strategy and AMP are together reviewed as part of this process and agreed by Cabinet.

1.3.4 A diagram is set out in Appendix 1.

1.3.5 We have developed various tools to support implementation of our corporate plan:

- Project management: we apply project management techniques to projects
- Risk management: we have a formal process to identify and reduce risks associated with projects
- Performance management and procurement: we have a system which monitors amongst other things the progress of projects.

1.4 Organisational framework

- 1.4.1 We adopted a leader and cabinet model of local government in 2001. The Cabinet includes 4 portfolio holders and 4 scrutiny panels reflect the same themes as the cabinet portfolios. One of the themes is resources. In Cabinet the Resources Portfolio Holder and Deputy have responsibility for the Capital Strategy and AMP.
- 1.4.2 Our Acting Chief Executive and Policy Directors form the management team. The Policy Directors are responsible for grouped services and manage service heads in those groups.
- 1.4.3 The Improving the Performance and Financing of the Council Board a cross Member and Officer group lead by a Policy Director which includes the Deputy Leader and Portfolio Holder for Resources is responsible amongst other things for oversight of the Capital Strategy and asset management.
- 1.4.4 The Head of Legal & Property Services is the designated Corporate Property Officer. His role and responsibilities have been previously reported in the 2003 version of the AMP.
- 1.4.5. Legal & Property Services is divided into teams including a Property Team which provides property information advice and assistance. The Property Team buys in external support for valuation services under a framework agreement with a firm of surveyors and buys in other external support as and when needed.
- 1.4.6 Housing Management is responsible for repairs and maintenance and facilities management. External support is bought in as and when needed.
- 1.4.7 Health and Safety arrangements are set out in our Manual which is available on the intranet.
- 1.4.8 A structure diagram is set out in Appendix 2.
- 1.4.9. Asset management decisions are determined either by Cabinet or under the Officer Scheme of Delegation by the Head of Legal and Property Services.

2 CORPORATE ASSET POLICY

2.1 Introduction

We have 4 main types of property assets:

- those that are used directly or indirectly to provide a public service
- those that support the delivery of public services e.g. offices and administrative functions

- non-operational assets e.g. investment properties and land held for future projects
- infrastructure assets e.g. roads and sewage treatment works

2.2 Corporate asset objectives

In summary to support the goal identified in our corporate plan "achieving more for the future".

2.2.1 Public land and buildings and those that support the delivery of public services

- Improved satisfaction of users
- Improved accessibility
- Improved health and safety
- Improved value for money through improved performance
- Improved corporate image
- Increased partnership working

2.2.2 Investment land and buildings

- Obtaining an optimal rate of return which as a minimum is twice the bank base rate.
- Rationalisation where there is underperformance

2.2.3 Infrastructure assets

- Rationalisation where consistent with our strategic operational or investment needs e.g. Investigating adoption of private roads and sewage treatment works as part of Stock Option Appraisal
- Minimised holding and running costs

2.2.4 New capital projects

Decisions are based on a clear business case resulting from the use of options appraisals to deliver better value for money services or another political priority.

2.3 Headline performance measures

2.3.1 These are set out in Appendix 3.

2.3.2 BVPI I56 measures the percentage of authority buildings open to the public in which all public areas are suitable for and accessible to disabled people. Our percentage is 17%.

2.4 Stakeholder views and learning from experience

2.4.1 A wide variety of stakeholders have an interest in our property assets including users, Councillors, staff and our partners.

2.4.2 We seek stakeholder views in the following ways:

- best value reviews of services
- annual surveys of the users of our public buildings and leisure centres which include questions as to the physical environment

- staff surveys which include questions as to the physical working environment
- formal consultation in relation to major projects e.g. the office centralisation project
- annual questionnaires for staff in Legal & Property Services

2.4.3 South Wiltshire Strategic Alliance have carried out a pilot audit of property assets held by statutory bodies in the Amesbury ward with a view to compiling a public register. It is expected that other audits will take place in all other wards of the District.

2.4.4 The Property Manager is a member of the Royal Institute of Chartered Surveyors and of the Association of Chief Estate Surveyors and Property Managers in Local Government. These organisations share information through specific events which he attends.

2.4.5 We have voluntarily arranged for our current major capital project, our office centralisation project, to be audited by 4ps and by the Audit Commission and we have or will implement their respective recommendations.

2.4.6 We have visited other customer contact centres and new public sector offices to inform our thinking in connection with our office centralisation project

2.5 Government policy and statutory responsibilities

2.5.1 The best value framework requires us to encourage continuous improvement in what we do and how we do it and to achieve ever better value for money. We make sure that our property assets earn their keep by continually reviewing their role in the delivery and funding of our services.

2.5.2 Government initiatives to encourage improved customer focus mean that the emphasis is on having property assets which are suitably located, fit for their purpose and which facilitate the delivery of improved services and when appropriate and achievable in partnership with other service providers. We have embarked on a programme of change to support such initiatives.

2.5.3 Pressures on public expenditure require us to prioritise service ambitions and find new and better ways in which to deliver our services. Property is the second most expensive resource after people. We look at these issues each year as part of our corporate planning cycle.

2.5.4 The Gershon review which looked at efficiency savings in the public sector has identified the potential for savings in activities that support the delivery of front line services and the scope for savings through better procurement. Property related savings have been identified in

our efficiency statement and we have robust mechanisms in place to deliver property related projects.

- 2.5.5 The introduction of the Prudential Code, the new system for the management of capital finance in local government, requires us to ensure that our financial strategy is prudent, affordable and sustainable. Our AMP sets out our approach to the proper stewardship of our property assets.
- 2.5.6 The Comprehensive Performance Assessment ["CPA"] process which looks at how well we deliver our services and how well we are run involves amongst other things looking at how well the management of our property assets link into the strategic management of the council and how well appropriate systems, processes and practices support asset management. Again our AMP sets out our approach to such matters. Our overall score for the annual Use of Resources assessment carried out by the Audit Commission is 3 out of 4 which is a judgement that we are performing well.
- 2.5.7 One of our core values is to develop a better more sustainable district. Environmental issues are of ever increasing importance. We are seeking an "excellent" BREEAM rating for our proposed new offices.
- 2.5.8 We have various statutory responsibilities with regard to our property assets including health and safety, disability, asbestos and legionella. We have various policies, programmes and practices covering such responsibilities.
- 2.5.8.1 Additional responsibilities in the forthcoming year include:
- 01.10.06:Regulatory Reform [Fire Safety] Order 2005 – self certification of buildings
 - 04.12.06:Disability Discrimination Act 2005 – discrimination in relation to letting of premises
 - 06.04.07:Construction [Design and Management] Regulations – revised to impose enhanced duties on clients, introducing the empowered co-ordinator in place of the planning supervisor, relaxation of provisions with regard to demolition works
- 2.5.8.2 Likely additional responsibilities in the forthcoming year include:
- spring 2007: Corporate Manslaughter Bill – organisational liability for death arising from gross failure to comply with statutory responsibilities
 - summer 2007: Smoke Free [General Provisions] Regulations – smoke free public and work places appropriately signed
 - summer 2007: implementation of EU Directive on the energy performance of buildings – improvements of

25% in energy efficiency for new build and requirement for energy certificates

2.6 Resource context

2.6.1. Capital programme

The AMP is essentially a component of our Capital Strategy and the core elements of our capital programme are set out in the Strategy.

2.6.2. Revenue programme

Our non-operational property assets provide a total gross income of £635,000 each year which is used to contribute to the funding of our budget.

CHANGES IN EXTERNAL ENVIRONMENT

3.1 E-government

So that we can respond to our twin challenges of better services and better value we are seeking flexibility in our resources. There are clear linkages between people, technology and space. Our aims are to use ICT to allow communication between us and our customers at any time and in any location and at the same time enable those that work for and with us to carry out their activities in new ways, at different times and in a range of locations. We are developing on-line services, centralised offices and customer service centre and satellite centres and we have introduced flexible working arrangements to achieve these aims.

3.2 Market for accommodation and support services provision

3.2.1 There is a growing external market for the provision of accommodation and this is likely to grow further. We have joint accommodation arrangements in place with public sector partners at Mere and Amesbury and we are exploring arrangements elsewhere. We have signed up to LIFT level 2 with Wiltshire County Council.

3.2.2 There is a growing external market for the provision of support services and this is likely to grow further. Cabinet Members have identified exchequer services, property management and payroll as areas for potential consideration. We have also been working in partnership with other Councils in Wiltshire through the Wiltshire Customer First Partnership to explore and develop the delivery of shared services in various areas.

3.3 Market for property services

3.3.1 We deliver property services as set out in 1.4.4 and 1.4.5 above. These arrangements were introduced following a fundamental restructure of the function in 2001.

3.3.2 As set out in 3.2.2 above we have identified property management as an area for potential consideration for market testing.

4 SERVICE DELIVERY AND ACCOMODATION NEEDS

4.1 Overview

We have not developed formal service asset management planning procedures. Community Initiatives is the only significant user of property assets used for service delivery. However our corporate plan provides much information to enable us to assess service requirements.

4.2 Services

We see the key factors which will influence our overall requirements for accommodation as follows:

- The provision of a centralised front office/back office operation in the City of Salisbury
- The provision of customer services in community areas
- The outcome of any ballot on stock transfer
- Whether we proceed with the creation of a leisure trust
- The extent that we engage with partners for the joint provision of services
- The extent that we engage the external market for the provision of services
- The extent to which homeworking takes off
- The challenging financial outlook

4.3 New working practices

4.3.1 We are seeking to achieve flexibility in each of our key resources; people, technology and space.

4.3.2 People

We have developed an overarching HR strategy to deal with cultural change:

- We have done some work on contractual flexibility e.g. employing people on fixed term contracts.
- We have done significant work on time flexibility e.g. part time working, job sharing and annual hours contracts.
- We have introduced flexibility in the location of work e.g. homeworking and remote working

4.3.3 Technology

We have developed an overarching ICT strategy to support our requirements for flexibility in our ICT; when how and where it can be accessed.

- We have increased our hardware and software capacity over time and will continue to do so
- We have developed arrangements for mobile access
- We have piloted the use of wireless IT and telephony at Churchfields Depot with a view to rolling it out in conjunction with the proposed centralisation of our offices

4.3.4 Space

In connection with our office centralisation project we are developing Proposals:

- To move from cellular to open plan space
- Providing support space in the form of break-out zones and meeting rooms to facilitate team working
- To break the link between desk and employee

4.4 Joint accommodation requirements

4.4.1 We work with a number of key partners with whom a joint approach to accommodation provision has already been adopted:

- The co-location of customer services and tourist information with Wiltshire County Council, Citizens Advice Bureau and Shop Mobility at Mere library
- The co-location of customer services and tourist information with Wiltshire County Council, Amesbury Town Council and Citizens Advice Bureau at Amesbury library
- The location of the joint transportation team consisting of staff from Wiltshire County Council and our council at our premises at 37 Endless Street Salisbury
- The location of the Salisbury Magistrates Court within the Guildhall
- The location of City Centre Management in premises we let from a private landlord at 3 Rolleston Street Salisbury

4.4.2 We are working with a number of key partners to further develop joint approaches to accommodation provision:

- Exploring the possibility of co-locating Wiltshire County Council's Registrars at Bourne Hill as part of our office centralisation project
- Exploring the possibility of holding public meetings in Salisbury Arts Centre as part of our office centralisation project. Trialling of Cabinet and Committee meetings has already taken place.
- Delivering customer services at Downton

5. LIKELY FUTURE REQUIREMENTS

We are committed to the delivery of centralised offices and customer services centre in the City of Salisbury which will enable us to deliver improved more accessible services in accommodation which is fit for purpose whilst at the same time releasing other property assets to provide resources

for the project and provide redevelopment opportunities for the benefit of the local community.

6. EXISTING PORTFOLIO AND CURRENT PERFORMANCE

6.1 Statement of portfolio

6.1.1 Data

6.1.1.1 We have signed up to the Mapping Services Agreement with IDEA. This enables us to have access to a comprehensive range of geographical information on property locations and addresses essential to the delivery of improved services.

6.1.1.2 We are a Status 2 LLPG Authority, where Status 1 is the highest and Status 5 is the lowest having created our Local land and property gazetteer and linked it to the NLPG Hub. We expect to achieve Status 1 with the LLPG updating the NLPG Hub in October. This will provide us with a definitive address list in which all of the land and property in our district will be given a unique identity. It will become our master address database eliminating duplication of effort across council departments. It will form a key component of our customer relationship management system to deliver improved and joined up services.

6.1.1.3 We have installed an electronic terrier which will help us to build up accurate records of our ownership of property assets and of land and property use.

6.1.1.4 We have completed the implementation of our new financial information system which provides us amongst other things with integrated real time financial information on our property assets.

6.1.2 General description by category

- Assets used directly/indirectly to provide a public service: 5 public buildings, 3 leisure centres, 23 car parks, Salisbury Crematorium
- Assets used to support public services: various offices, and 3 markets
- Non operational assets: 8 commercial properties, 5 workshops, a number of industrial sites and 12 shops
- Infrastructure assets: various roads, bridges and sewage treatment plants

6.1.3 Overall condition by category of property and condition

Set out in Appendix 4.

6.1.4 Running costs by category

Set out in Appendix 4

6.1.5 Utilisation

We have set a benchmark of 12m2 per person in connection with the Office Centralisation project in accordance with the British Council Of Offices Good Practice Guide

6.1.6 Value

Set out in Appendix 4.

6.1.7 Review of completed capital projects (in excess of £100,000)

Refurbishment of Chuchfields Depot: although practical completion has taken place, the works are still in the defects liability period. The post-completion review will be reported in the 2007 AMP.

6.1.8 Review of performance of each category

This will be reported in the 2007 AMP based on data using the indicators developed by the Association of Chief Corporate Property Officers in Local Government for use by local government as from 2006/07.

6.1.9 Extent to which objectives are being met by each category

See 6.1.8 above

6.1.10 Performance improvements

See 6.1.8 above

6.1.11 Areas for improvement

See 6.1.8 above

6.2 Asset Management Function

Set out in 1.4 above.

7. REVIEW AND CHALLENGE

7.1 Gap analysis

7.1.1 We currently deliver our services in the City of Salisbury from a number of properties which are in varying states and condition and accessibility, with associated significant backlog maintenance costs

and running costs which are relatively high. Some of the properties are unsuitable for their use. In the absence of significant continuing investment in some of the properties the current position is not sustainable over the long term. We are seeking to rationalise our offices, refurbish the House at Bourne Hill and add a new extension as part of our office centralisation project.

- 7.1.2 We are looking to provide a centralised service hub in the City of Salisbury with an integrated group of satellite service centres in community areas ideally in partnership with other public and voluntary sector service providers. Outreach services are in place for 1 day a week utilising partners facilities. Current arrangements are in the process of reappraisal. Centralised offices will close the current gap.
- 7.1.3 We have established that we cannot keep our housing stock and meet our tenants' aspirations over the long term in the absence of significant continuing investment. We are investigating a transfer of our housing stock to a registered social landlord.
- 7.1.4 The Leisure facilities that we own and/or manage are run at a loss and in the absence of significant continuing investment the current position is not sustainable over the long term. We are looking to arrange for the service to be delivered differently.
- 7.1.5 There are significant issues concerning Churchfields Estate such as suitability, image, layout and design and access. We are working with one of our partners South Wiltshire Economic Partnership to address these issues.
- 7.1.6 There is a shortfall of cemetery provision in the City of Salisbury. We are seeking to provide a new cemetery at Cow Lane Laverstock. Salisbury Crematorium requires upgrading. We are looking to develop a long-term business plan for the Crematorium.
- 7.1.7 We have underinvested in infrastructure assets and there is a risk that without significant investment we may not meet our statutory liabilities with regard to them. We will review the position as part of the preparations for any transfer of our housing stock.
- 7.1.8 We are custodians of various listed buildings which are in variable states and condition. As a public body we need to set a good example. We are committed to spending significant resources to refurbish the Grade 2* listed Council House at Bourne Hill.
- 7.1.9 We are looking to develop a vision for the centre of the City of Salisbury which will potentially have demands for significant investment for the Guildhall and its environs and developing a long-term strategy for our city centre car parks.

- 7.1.10 The Public Conveniences that we own are run at a loss. We are looking at options for future provision.
- 7.1.11 We have just started a review of our parks, major open spaces and parks services.

7.2 Review of asset strategy, property objectives and delivery mechanisms

- 7.2.1 We have already reviewed our position as shown by the identification in 7.1 above of the key issues we are addressing and have still to address in the future and some of the steps that we are taking or plan to take. We will further review our position as necessary.
- 7.2.2 The lack of capacity in Legal & Property Services to deliver all of our corporate requirements and to provide day-to-day property management services has been largely addressed through engaging more in-house staff and procuring external support as and when needed. Additional resources may still be needed to
 - support the work of the Stock Transfer Asset Group
 - support the work to identify surplus under used and development assets

7.3 Review of roles and responsibilities

We will review roles and responsibilities on or before the first of the following to occur:

- any transfer of our housing stock
- completion of the centralised offices and customer service centre in the City of Salisbury
- any audit or inspection recommending a review

7.4 Review of decision-making process

- 7.4.1 A review took place in 2004 when the Capital Programme Review Group was amalgamated with the Meeting the Financial Challenge Group to form the Improving the Performance and Financing of the Council Board.
- 7.4.2 As a result of an organisational restructure in 2004 we formed a new procurement and performance team in Democratic Services. It monitors capital projects and provides procurement advice and support.

8. OPTIONS APPRAISAL

8.1 Strategic options for our property assets and appraisal

- 8.1.1 Do nothing

The continuation of the existing arrangements for service delivery and patterns of capital and revenue expenditure. This option is not sustainable in the long term. It will not facilitate services

improvement, make us more responsive, deliver efficiency savings or enable us to meet the challenges of CPA.

8.1.2 Do minimum

Disposal of under-performing property assets. Whilst this option would generate capital receipts and reduce ongoing maintenance liabilities alternative solutions would have to be found for any properties disposed of used for operational purposes. Whilst such an option would deliver efficiency savings it would not of itself deliver services improvement or make us more responsive

8.1.3 Asset change

Rationalisation of the existing arrangements for service delivery by changing service delivery mechanisms. This option would generate capital receipts and reduce ongoing maintenance liabilities whilst at the same time deliver services improvement, make us more responsive and enable us to meet the challenges of CPA.

8.1.4 Outsource

Transfer of ownership and/or management of our property assets to a third party. This option would generate capital receipts and transfer risk but would not of itself deliver services improvement or make us more responsive. This was demonstrated when we had to take the management of 5 Rivers Leisure Centre back in house after it had been managed by a private contractor.

8.2 Preferred option

Our current preferred option is asset change as we see this as the only option that will enable us to meet all of our objectives. We have established a robust business case for this approach with regard to our operational properties which has been reviewed by 4ps and the Audit Commission

9. PROGRAMME

9.1 Capital

The Capital budget for planned maintenance and improvements is £ 525,000 this year and £425,000 in subsequent years. £100,000 from the Capital budget has been 'ring fenced' for structural repairs to the Council House in this and subsequent years.

9.2 Revenue

The Revenue budget this current year for routine maintenance is £433,000.

9.3 Programme Progress since last AMP

9.3.1 Amesbury Public Service Office

- Meeting the following political and organisational priorities – 1.2.6.6 & 1.2.7.1/2/3

Customer Services relocation from a temporary building into Amesbury Library was completed in November 2005 and a range of council services are now being provided.

9.3.2 **Salisbury Arts Centre**

- Meeting the following political and organisational priorities: 1.2.6.6 & 1.2.7.1/3

Cabinet and various Committees have met in the main performance space at the Arts Centre on a trial basis. Initial reactions from both the users and Arts Centre Management appear to be positive. However it is unlikely that Full Council meetings will be held in this space as it is unable to accommodate the current style of 'Council Chamber' layout. The Arts Centre has agreed in principle to the use of its meeting rooms on a pre-bookable basis when the accommodation at Bourne Hill is no longer available.

9.3.3 **Office centralisation**

- Meeting the following political and organisation priorities: 1.2.6.5/6 & 1.2.7.1/2/3/4

Significant progress has been made since the last AMP and the following Table of Key Decisions indicate the number of occasions the project has been considered by Members:

Aug 2005	Cabinet	Detailed Designs Procurement and Contract Strategy
Sept 2005	Cabinet	External Review of the Office Centralisation Project by the Audit Commission
Oct 2005	Cabinet	Detailed Designs and Finish Asset Disposal Strategy
Nov 2005	Cabinet	Approval of Decant Strategy
Dec 2005	Cabinet	Supplementary Conservation Policies
Feb 2006	Cabinet	Asset Disposal Strategy – Implementation Plan
Feb 2006	Full Council	Reconfirmed Capital Programme
Mar 2006	Cabinet	Pre-Construction Drawings
May 2006	Cabinet	Office Centralisation Procurement Strategy
May 2006	City Area Ctte (Planning)	Consultee – Planning and Listed Building Applications
May 2006	Planning & Regulatory Panel	Planning permission
June 2006	Members meeting	Presentation of current business case
June 2006	Cabinet	Business Case – Referred to Council
June 2006	Full Council	Business Case & Revised Capital Programme

July 2006	Cabinet	Re-appointment of consultants to the design team Sign-off of Stage E designs Amendments to the Decant Strategy Supplementary information the Business Case
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The Planning and Regulatory Panel at its meeting on 12th May resolved to approve the planning application subject to various conditions and requirements and refer the Listed Building application to the Government Office for the South West for consideration. The Panel delegated to the Head of Development Services, (in consultation with ward councillors and representatives of local residents) the resolution of outstanding traffic and parking issues. A consultation period with local residents will come to an end on 4th September.

The Government Office for the South West has now given Listed Building consent and indicated that the Secretary of State will not be calling the matter in. It is anticipated that Planning Approval will be issued in September.

Council will consider tenders for the Enabling Works and the Main Construction Contract in December 2006.

Following the Councils decision to approve implementation of decanting during the Autumn, units will be located as follows:

Unit	New Location	Effective Date
Financial Services	47 Endless Street	24/25 October
Democratic Services (excluding Print Unit)	47 Endless Street	30 October
Print Unit	Depot	January 07
Management Team	47 Endless Street	5/6 October
Legal & Property Services	65 Milford Street	27 November
People & Organisational Development (formerly known as Personnel & Trg)	Depot	Training & Employee relations moved on 18 July – rest of Unit will move on 16 August
Environmental Services	Already at Depot	
Parks	Already at 16 Endless Street (with Community Initiatives)	
ICT Services	26 Endless Street (with Housing)	11 December

9.3.4 Churchfields Depot

- Meeting the following political and organisational priorities:
1.2.6.6 & 1.2.7.1

The refurbishment of the unused accommodation at the Depot to provide office space was completed in May. Environmental Services and Personnel & Organisational Development have now decanted to the Depot. IT Services

have created a 'mini' server room for emergency events. The Print Unit will relocate to a purpose-designed workshop early in 2007.

Wireless IT and telephony technology are being piloted and monitored before deciding if it will be feasible to adopt a similar strategy for the new offices.

9.3.5 Customer Services

- Meeting the following political and organisational priorities: 1.2.6.6 & 1.2.7.2/3/4

A Customer Services Centre is being designed as part of the centralised offices project.

9.3.6 Sport and Recreation Facilities

- Meeting the following political and organisation priorities: 1.2.6.6 & 1.2.7.1/2/3/4

We are in the process of reviewing our vision for sports and recreational services and in so doing we will be determining the most suitable option for the future

9.3.7 Park and Ride

- Meeting the following political and organisational priorities: 1.2.6.5/6 & 1.2.7.3

The Park and Ride site at London Road is now operational and this has increased the out-of-town car parking capacity significantly. A further site at Petersfinger is planned. This additional provision will facilitate the opportunity to review the development potential of some of our City Centre car parks in conjunction with the Salisbury Vision

9.3.8 Vision for Salisbury

- Meeting the following political and organisational priorities: 1.2.6.7 & 1.2.7.1 & 3

We have with the South West of England Regional Development Agency and Wiltshire County Council established a partnership to prepare an Area Development Framework ["ADF"] for the future of Salisbury. The Salisbury Vision project is part of this work.

We intend to set out a plan for the City over the 10 to 30 years. The ADF will suggest what development could happen and where in the central area of the City. This will form an important part of the emerging Local Development Framework which replaces the Local Plan as the new planning system. It will also be a key part of the forthcoming Salisbury Area Action Plan (the mechanism to ensure appropriate development in terms of style, mix and quality)

We have significant land holdings within the area covered by the Vision and we will consider the property implications as part of the Vision work.

9.3.9 Chatham Close Affordable Housing Development

- Meeting the following political and organisational priorities: 1.2.6.1 & 2 & 1.2.7.1 & 3

In partnership with Signpost Housing, we are making land available to secure the provision of affordable housing and provide new community facilities for Stratford Social Club and a local scout group.

9.3.10 Cemeteries and Crematorium

- Meeting the following political and organisational priorities: 1.2.6.6 & 1.2.7.1 & 3

Cemeteries

Devizes Road Cemetery is now full except for cremated remains plots. London Road Cemetery has almost reached capacity. A site that we own in Cow Lane Laverstock has been identified for a new cemetery and a planning application has been submitted to establish the land use.

Crematorium

We are looking at commissioning a consultant to produce a long-term business plan over the next 10 years. Substantial capital investment is needed to refurbish and update the building and equipment and to enable us to meet impending changes in the law relating to the abatement of mercury emissions.

9.3.11 Public Conveniences

These are being considered as part of the wider review of the division of responsibility for the provision of local services as between parish councils and ourselves.

9.3.12 Britford Depot

We own the former depot and the adjoining paddock on Lower Road Britford. The combined site area is approximately 2052m² [0.5 acre]. The buildings are generally obsolete and we currently use them for low-grade storage. The site is also used on a commercial basis for the parking of a small number of caravans. The paddock has been used for grazing but is currently vacant.

The site may have potential for redevelopment for alternative uses and a planning consultant has been commissioned to undertake a planning appraisal and advise on the possibility of development.

9.3.13 Access

Under the Disability Discrimination Act 1995 ["DDA"] we have a duty to make adjustments to our services and premises for the benefit of our disabled customers and employees.

The duty has been introduced in stages:

- Since 02.12.1996: it has been unlawful for us to treat disabled people less favourably than others for a reason related to their disability
- Since 01.10.1999: we have had to make "reasonable adjustments" for disabled people
- Since 01.10.2004: we have had to make "reasonable adjustments" to the physical features of our premises to overcome barriers to access.

The DDA provides 4 options:

- Remove the feature
- Alter it
- Provide a means of avoiding it
- Make the service available by an alternative means

What it is reasonable for the council to do will vary according to the circumstances.

Further changes in the law come into effect on 4th December. A new positive duty will be imposed on us to promote equality of opportunity for disabled people, we will have to ensure that all our functions are covered by the DDA, and we must not discriminate against disabled Councillors.

BVPI 156 measures the percentage of council buildings open to the public in which all public areas are suitable for and accessible to disabled people. Our percentage is 17% against an average of 48% and an upper quartile of 67%. Disabled access is therefore an area for concern.

It is against this background that we commissioned an access audit to identify all the physical barriers that disabled customers and employees may face and to offer solutions.

The Audit prioritised work into 4 categories:

- A: essential/critical
- B: medium term/moderate
- C: best practice
- D: forms part of a future refurbishment programme

Cabinet has agreed to a plan which made provision for the implementation over a 2-year period of all Category A works to non-HRA land and property holdings for which we are responsible and used by customers and employees. The plan excludes assets included in the Office Centralisation project and Category A works already incorporated within planned refurbishment works.

It was agreed that priority should be given to those non-HRA land and property holdings that are:

- Most used by customers
- The subject of customer complaints
- The subject of concerns raised by customers in customer satisfaction surveys.

Accordingly it was agreed that priority in the first year of the plan be given to the implementation of Category A works at Five Rivers Swimming Pool, City Hall and the Guildhall. Works have been held back at the Guildhall pending a decision being taken by Members on its future.

During the second year of the plan priority is given to the implementation of Category A works at Shopmobility, Salisbury Crematorium and at Bemerton Neighbourhood Centre. Works at Durrington Swimming Pool, Tisbury Leisure Centre and Beehive Park and Ride will be the subject of negotiations with Wiltshire County Council.

9.4 Responsibilities for implementation

Set out in Appendix 4

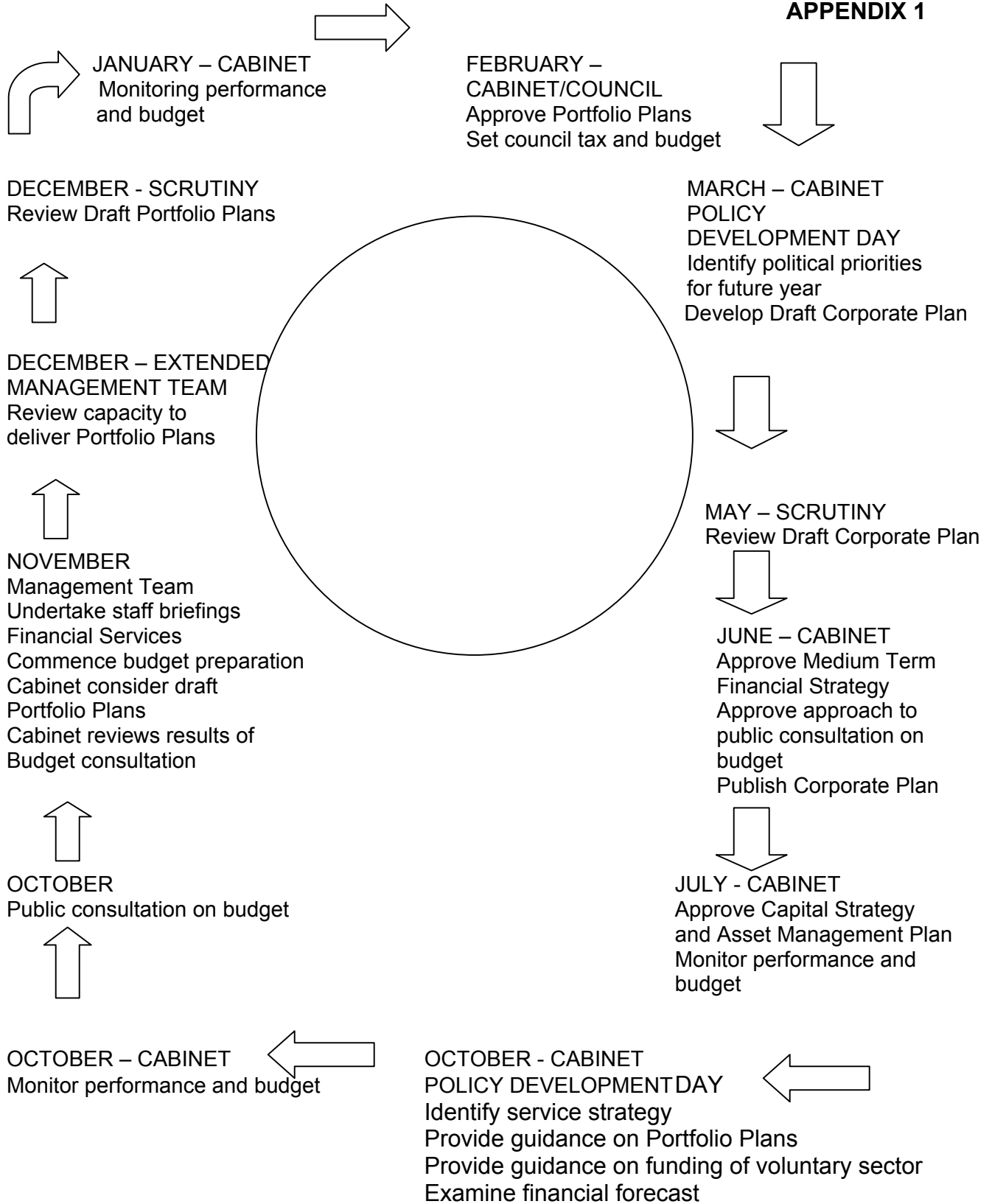
9.5 Timetable

Set out in Appendix 4

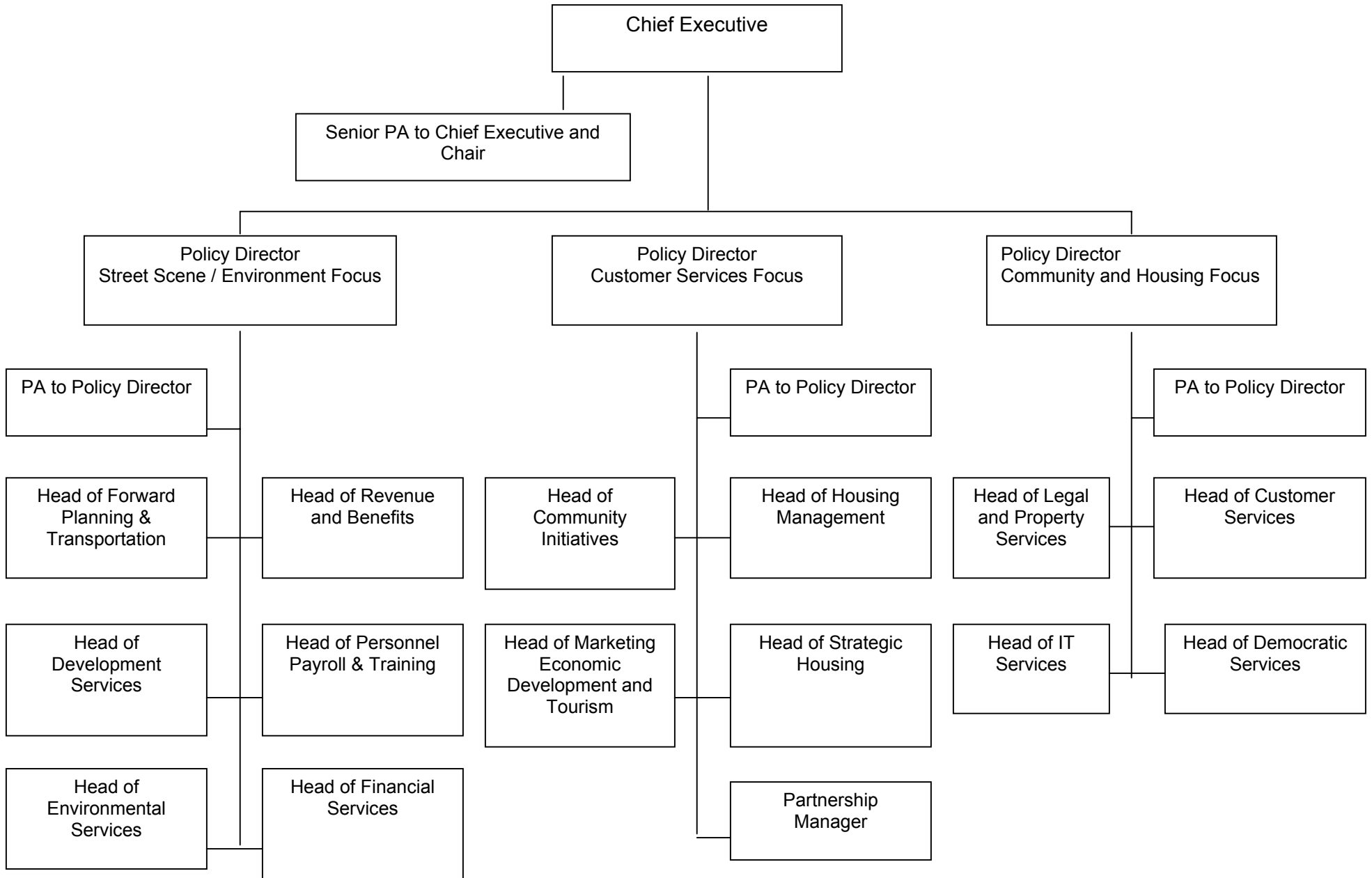
9.6 Overall programme

Set out in Appendix 4

APPENDIX 1



OUTLINE STRUCTURE



CORE DATA - ASSET MANAGEMENT PLAN – 2006

GROSS AND NET REVENUE BUDGETS AT 31/3/06

Gross Revenue Budget	£80,600,000
Net Revenue Budget	£13,174,000

DETAILS OF ASSET BASE AT 31/3/06

Council Dwellings	£301,757,000 (See note 1)
Other Land & Buildings	£44,321,000
Community Assets	£42,000
Non-Operational Assets	£7,629,000
TOTAL	£353,749,000

* Valuation carried out in accordance with the RICS Red Book guidance and represents the social use market value of stock. This is not the same as an LSVT valuation.

MAINTENANCE REQUIREMENTS (identified in the Planned Maintenance Programme) (See note 2)

Urgent	£888,000
Essential	£1,239,000
Desirable	£2,630,000

Total estimated repairs required over next 10 years are £4,757,000

4 RUNNING COSTS

	Area M2	Budgets 06/07	Estimated Planned Maintenance Costs	Energy Costs 05/06 (Note 3)	Water and Sewage Costs 05/06	Property Services Costs
Operational Assets	32,730			£384,075	£124,607	
Other Assets	7,010					
All Assets			£4,757,000			£79,744
R&M – Revenue		£433,340				
Capital		£525,000				
TOTAL	39,740	£958,340	£4,757,000	£384,075	£124,607	£79,744

Planned Maintenance Costs included in 10 year programme

PROPERTY PERFORMANCE INDICATORS – JULY 2006

Floor space by Condition for Council Properties (See note 4)

CATEGORY	DESCRIPTION	GIA (M2)	%
A	GOOD Performing as intended and operating efficiently	4,024	10.13
B	SATISFACTORILY Performing as intended but exhibiting minor deterioration	27,707	69.72
C	POOR Exhibiting major defects and/or not operating as intended	5,948	14.97
D	BAD Life expired and/or serious risk of imminent failure	2,061	5.18

Maintenance Backlog by Priority (See note 2)

PRIORITY	DESCRIPTION	VALUE OF BACKLOG	%
1	URGENT WORKS required within 1 year that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation	£888,000	18.65
2	ESSENTIAL WORKS required in years 2 and 3 that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and or remedy a minor breach of legislation	£1,239,000	26.05
3	DESIRABLE WORKS required within 4 to 10 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety of the occupants and/or a minor breach in legislation	£2,630,000	55.30

NOTE –

- (1) The book value of the housing stock has reduced by about £72m due to Social Housing discount being changed by the ODPM from 45% to 55%
- (2) Costs have been increased from last year by 5% to reflect the rise in construction costs.
- (3) Energy costs have risen significantly since last years report.
- (4) Building Condition category has remained constant pending the disposal of administrative offices and a subsequent review of the remaining estate.

APPENDIX 4

Action Plan

Action	Milestone / Evidence	Resources	Partnerships/others involved in delivery	Lead service	Timescale	Comments
1. Asset valuations	20% Annually	£5,500 per annum	Consultants	Legal/Property	Every 5 Years	Ongoing
2. Reduction of Maintenance backlog Priority 1 Priority 2 Priority 3	Statutory liabilities met.			Housing Management	Ongoing	An interim Target has been set pending the outcome of the office centralisation project. The target is for all maintenance issues that have an impact on our statutory liabilities to be addressed.
3. Reduction of Suitability backlog Category D Category C	See 2. Above	within maintenance budgets		Housing Management	See 2. above	See No 2
4. Set energy efficiency standards	Members decision	Officer time		Legal / Property	2009	On completion of office centralisation project. Project envisages £42,000 savings each year

5. Preparation of AMP	AMP	Officer time		Legal / Property	Annually	Reported to Cabinet 06.09.2006
6. Meetings of the Improving the Performance and Financing of the Council Board	Meetings	Officer time		Policy Director	Every 2 months	
7. Development of SLA with Housing Management	Service Level Agreement	Officer time		Legal / Property		Deferred pending outcome of office centralisation project
8. Set space standards	Management Team decision	Officer time		Legal / Property	2005	Set by Management Team at 12m2 per person in respect of the office centralisation project
9. Meet DDA obligations	Members decision	£120,000 over 2 years		Legal / Property	2 year rolling programme financial years 2005/2006	Action plan approved by Cabinet 11.05.2005. Updated by Cabinet 03.05.2006.
10. Implement Corporate UPRN system	Linked authority status	Officer time		Legal / Property	October 2006	LLPG created. Improvement Schedule agreed with I&DeA 02/05/06.

11. Benchmark performance of Council's property portfolio	Baseline already established	Officer time		Legal / Property	Annual	Reported to Cabinet with AMP
12. Annual consultation of Property users	Surveys	Officer time		Legal / Property	Annually	
13. Office centralisation project						
Decant programme	Bourne Hill vacant	Capital programme	Consultants/contractors	Legal / Property	December 2006	Environmental Services vacated May 2006. Personnel vacated August 2006
Enabling works / construction Programme	Demolition extension Start build of new extension	Capital programme	Consultants	Policy Director	Spring 2007	
Disposal programme	Development briefs old swimming pool site/26 Endless Street	Officer time		Legal / Property	Summer 2007	
14. Stock transfer project Agree which HRA non housing assets should transfer	Members decision	Officer time		Housing	Winter 2006	

15. Charitable trust review consider property implications for leisure assets	Members decision	Officer time		Community Initiatives	Currently unknown	
16. Salisbury vision consider property implications of approved proposals	Members decision	Officer time		Policy Director	February 2007	
17. Consider adoption of E-Property standards	Audit	Officer time		Legal / Property	March 2007	
18. Meet fire safety obligations	Fire risk assessments in place	Officer time	Insurers	Housing Management	October 2006	
19. Develop corporate business continuity plan	Plan in place	Officer time		Legal / Property	October 2006	
20. Review of crematorium	Members decision	£10,000	Consultants	Community Initiatives	October 2006	Will impact on provision of public conveniences
21. District/Parish spend review	Members decision			Acting Chief Executive	November 2006	