

REPORT

Authors: Alan Osborne and John Crawford
Acting Head of Financial Services and Head of Legal & Property
Telephone numbers: 01722 434393/434607
aosborne@salisbury.gov.uk and jcrawford@salisbury.gov.uk

Councillor Mrs Warrander: Cabinet Member for Resources

CAPITAL STRATEGY (1) AND ASSET MANAGEMENT PLAN 2004/2005 (2)

1. Purpose of Report

To present the Capital Strategy and the 2004/2005 version of the Asset Management Plan [AMP]

2. Background

- 2.1 Whilst there is no longer an obligation for the Council to submit a Capital Strategy and AMP to the Government, it is recognised that good asset management and a clear capital strategy play an important role in the Council's corporate planning process as they are important tools to underpin the priorities and organisational themes that contribute to continual improvement.
- 2.2 The key benefits in preparing the AMP are:
 - Improved information on assets as an aid to decision making
 - Assisting the achievement of a sustainable asset base
 - Adopting a longer planning horizon
- 2.3 All local authorities are required to continue to provide returns on their property performance indicators to GOSW but arrangements for this year are not due to be confirmed by GOSW until the summer at the earliest. Returns will be submitted to GOSW and made available to Members in accordance with such arrangements.

3. AMP 2004/2005

- 3.1 This is the Council's fourth AMP
- 3.2 The following key outputs now flow from the AMP development process
 - A contribution to strategic capital planning
 - Identification of key investment issues relating to the property portfolio and proposals for dealing with them
 - Identification of resources and gaps
 - Property implications arising from Best Value reviews identified and actions proposed
 - Action planning

All of which provide the building blocks for improved service delivery and achieving value for money in the use of the Council's property assets

4. Capital Strategy

4.1 The attached revision to the strategy encompasses three main elements of change from previous versions taking into account Council decisions to date on:

- The requirements of the Prudential Borrowing system
- The use of transitional arrangements to fund an affordable housing capital programme
- The limiting of capital investment in our housing stock to that available from the major repairs allowance

4.2 The strategy is used in arriving at new investment proposals under the portfolio and corporate planning cycles and sets out the criteria and management arrangements necessary.

5. Recommendation:

5.1 It is recommended that Cabinet approves the 2004/2005 versions of the Capital Strategy and AMP.

6. Implications:

- **Financial:** None arising from this report however set out in the AMP action plan are possible actions in respect of maintenance and suitability backlogs following consideration of the arrangements for property performance indicators to be announced by ODPM over the summer. Any change to existing budgets will need to be considered as part of the portfolio plans for 2005/6.
- **Legal:** none.
- **Human Rights:** none.
- **Personnel:** human resource demands have been identified in the AMP action plan which may be subject to review in the light of any targets set to address the maintenance and suitability backlogs.
- **Community Safety:** the AMP provides a framework for the development of the provision of a physical environment in which its users can feel safe.
- **Environmental :** the AMP provides a framework for a commitment to sustainable development.
- **Council's Core Values:** the AMP supports all of the Councils core values.
- **Wards Affected:** all

CAPITAL STRATEGY

1. INTRODUCTION

- 1.1 Salisbury District Council believes that capital investment should support the achievement of key objectives by working with communities, tenants and partner bodies 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 for the community. To this end, this Authority has taken a significantly longer view than generally expected and approved a 5 year 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 are subject to pooling at 75%.
- 1.4 Transitional relief against pooling on a sliding scale over the years 2004/5 to 2006/7 applies to reinvestment in affordable housing and regeneration. To this end the Council made two important changes to its capital strategy in December 2003. These were to create a capital programme for affordable housing linked to pooled receipts over three years and to limit the investment in the Council's housing stock to that derived from the major repairs allowance.
- 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 will be developed during 2004/5.
- 1.6 The Council has set its current borrowing limit at minus £1m (as it is a net investor) in line with the previously adopted capital 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 "Invest to Save" and "Invest to Improve" These resources are designed to support the Corporate Plan.

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. Responsibility for the Council's finances 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.

- 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 Meeting the Financial Challenge Group 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 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 Group of senior officers from a number of service areas. The Group reports to the Management Team and then to the Cabinet.
- 2.4 The Council has approved a 5 year Capital rolling programme linked to strategic policies and objectives and known and anticipated capital resources.

3. INTEGRATED CHANGE PROGRAMME

- 3.1 The 2004/05 Corporate Plan sets out the Council's Integrated Change Programme to give direction on how to manage change successfully. The eleven themes of the Integrated Change Programme are drawn from the six political and four organisational priorities of the Council as follows :-

Political Priorities

- Improving customer service
- Maintaining our housing stock
- Delivering more affordable housing
- Improving waste management
- Improving transportation
- Improving community safety

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 6 political priorities identified for 2003/04 through:

Political Priority 2004/2005	- Improving Customer Service	- Maintaining our housing stock	- Delivering more affordable housing	- Improving waste management	- Improving transportation	- Improving community safety
Relevant Strategy	- IT Strategy - Asset Management - E.Govt - Public Offices Plan	- HRA Business Plan	- Housing Strategy -Local Plan	- Environmental Strategy	- Local Plan - Local Transport Strategy	Community Safety Strategy
Support from Capital Strategy	- External Funds e.g. LGOL - PPP - Invest to Save -Capital Receipts	- Government Grant (MRA) - Capital Receipts - Revenue Contributions from HRA - Capital Receipts	-Capital Receipts Pooling Transitional Relief	- Invest to Save - Capital Receipts	- Government Funding via Local Transport Plan - Capital Receipts	Government Funding

- 4.4 The Capital Strategy will also be complemented by:

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

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 maximise "Invest to Save" opportunities which reduce dependency on revenue
- 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 Best Value reviews, and other developments
- To maintain a minimum of £1m in uncommitted resources as a contingency.

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 one 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. 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 money. 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) Proposal submitted as part of the Corporate Planning and Review Process
- d) Ensuring that procurement of goods and services complies with contract standing orders and financial regulations
- e) Monitoring the progress of the project quarterly and identifying both financial and physical slippage from the plan
- f) 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.

Each stage of the system is explained in detail at Appendix A.

8 PERFORMANCE MEASUREMENT AND BEST VALUE

- 8.1 Performance indicators circulated by the ODPM (the Office of the Deputy Prime Minister) 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.
- 8.2 The financial and operational progress of the Capital Programme is rigorously monitored and a quarterly report is submitted to the Management Team and the Cabinet.
- 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
 - Developers’ contributions
 - 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.
 - Utilise all available capital resources over a 5 year period, subject to a minimum of £1m being uncommitted at all times, as a contingency measure.
 - Undertake as part of the HRA Business Plan during 2004/05 a stock options appraisal.
 - Promote partnership and make the resources the Council has go further.
 - Explore external funding streams, including PPP for delivery of the Accommodation Strategy.
 - Leverage resources from the private sector through the effective use of Council land and other assets.
 - Identify the right solution for each project, taking into account cost and timescale for delivery.

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. A comprehensive procurement strategy has recently been approved by Cabinet.

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 promoted within the Egan report "Rethinking Construction".

10.3 The Council currently in the process of replacing the Corporate Financial Information System new system will enable the Council to meet Central Government's e-government targets by 2005.

11 CONSULTATION PROCESS

11.1 Results from recent 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 residents, the Capital Programme will lead to enhanced service delivery in our priority areas.

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
- examine options for the future of the housing stock
- incorporate the effects of the proposals for centralised office accommodation
- ensure the effectiveness of the programme and that it reflects developments in Best Value, Asset Management, the HRA Business Plan and the Authority's 6 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 during 2004/05 to see if there is any merit in using prudential borrowing to match any gaps identified in resources against planned service improvements and political priorities.

13 CONCLUSION

Salisbury District Council is committed to managing its 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 the community.

CAPITAL PROJECT APPRAISAL SYSTEM

OUTLINE OF SYSTEM

There are six key stages to the proposed system which will form an intrinsic part of the Corporate Planning and Review Process:

1. Prepare a project brief
2. Complete a financial evaluation
3. Submit proposal as part of the Corporate Planning and Review Process
4. Ensure procurement of goods and services complies with contract standing orders
5. Monitor the progress of the project quarterly and identify both financial and physical slippage from the plan
6. Once the project is completed conduct a post-completion review

Each stage of the system will now be explained in more detail.

STAGE 1 THE PROJECT BRIEF

The project brief should outline the details of the proposed scheme and in particular should address the following:

- Identify the service need which the project is attempting to address and the options for meeting them.
- Does the need relate to the overall service delivery strategy as contained within the Council's core values?
- Define the objectives of the scheme.

STAGE 2 FINANCIAL EVALUATION

The financial evaluation is the first major task, which has to be completed. It is important to identify both CAPITAL and REVENUE consequences of the project so that Members have all relevant information before them when making a decision on whether to commit resources. This should also include an assessment of how the project is to be financed e.g. capital receipts, leasing, grant, revenue. Please consult with Financial Services if you are unsure.

It is more likely that schemes will be approved if they can show a payback for the resources committed.

STAGE 3 CORPORATE PLANNING AND REVIEW PROCESS

The timing of approval will be important and the following sequence of events will apply to the approval of capital projects:

- Officers prepare Project Briefs and Financial Evaluations
- Project Briefs/Financial Evaluation to Capital Programme Review Steering Group
- Project Briefs/Financial Evaluations submitted to Management Team
- Project Briefs/Financial Evaluations submitted to appropriate working groups
- Final Project Briefs/Financial Evaluations submitted to Cabinet

No project should be commenced or any expenditure committed until all the appropriate approvals have been obtained.

If projects are identified at times outside of the Corporate Planning and Review Process, they should still be considered in the same way by Management Team, the appropriate working group or Cabinet.

STAGE 4 ENSURE COMPLIANCE WITH CONTRACT STANDING ORDERS

It is absolutely vital that no goods or services are procured improperly. Internal Audit should be consulted at the start of the process to ensure that all procedures are being adhered to. This may sound like a lot of red tape but the procedures exist for the protection of both officers and the Authority when committing public funds.

STAGE 5 MONITOR PROGRESS QUARTERLY AND IDENTIFY BOTH FINANCIAL AND PHYSICAL SLIPPAGE FROM THE PLAN

The agreement to progress a capital project is only the beginning of the process. The most important part is to ensure that there is continuous monitoring throughout the lifetime of the project.

A report will be submitted to the Cabinet each quarter which will identify the spend to date on each scheme and the physical progress which has been made on the scheme. Any slippage from the plan will also be highlighted so that members are aware what is happening and officers will be able to inform them of any variations against the original plans agreed.

STAGE 6 POST-COMPLETION REVIEW

Just because a project has been completed on time and within budget doesn't mean that it may necessarily be an unqualified success! We need to review all aspects of a completed project to ensure that lessons are learned for future projects so that we can do things better next time. This is the reason why it is important to formalise this part of the process.

THE PEOPLE INVOLVED IN THE PROJECT

There are two key officers involved in the process.

PROJECT INITIATOR

This is the Officer who commissions the project in the first place. He/she is responsible for writing the project brief and presenting the reports to Management Team and Cabinet for approval. This person is also responsible for carrying out the post-completion review.

PROJECT MANAGER

This officer is nominated by the Project Initiator and is responsible for the practical management of the project. He/she will be accountable to the Project Initiator for the completion of the project to the initially agreed plan. The Project Manager is also responsible for the on-going financial and physical monitoring. Financial Services will provide the necessary financial information, please consult with the Unit regarding your information requirements.

THE ROLE OF THE CAPITAL PROGRAMME REVIEW STEERING GROUP

The Capital Programme Review Steering Group will ensure that the correct procedures are being adhered to throughout the life of the project. It will ensure that no money is committed prior to all the necessary approvals being obtained and will also be responsible for ensuring that Standing Orders are followed. It will also maintain a Capital Contracts Register to facilitate overall control of the Capital Programme, particularly between years.

The Group will receive the physical and financial monitoring information from the Project Managers and will summarise the information for Committee reporting purposes. The Group will continually monitor the review process to ensure it is working and implement any improvements.

CONCLUSION

The proposed system offers a systematic approach that will enable us to assess all the competing demands for capital money. Please remember that we will be glad to provide you with any assistance you need.

(2) APPENDIX B

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 <ul style="list-style-type: none"> Priority 1 Priority 2 Priority 3 	Targets will be set following consideration of the announcement letter to be sent out by ODPM to all local authorities over the summer	To be determined following consideration of the ODPM announcement letter		Housing Management	Targets will be set following consideration of the ODPM announcement letter	As a minimum targets will need to be set to address compliance with statutory requirements
3. Reduction of Suitability backlog <ul style="list-style-type: none"> Category D Category C 	See 2. above	See 2.above		Housing Management	See 2. above	See 2. above
4. Preparation of AMP	AMP	Officer time		Legal/Property	21/07/04	
5. Development of SLA with Facilities Management	Service Level Agreement	Officer time	<ul style="list-style-type: none"> Housing Management Finance 	Legal/Property	01/04/06	Legal & Property prepared draft template SLA in September 2003 with a view to piloting for one year from 01/04/05
6. Condition Surveys <ul style="list-style-type: none"> Generic Asbestos DDA 	Reports	<ul style="list-style-type: none"> c£50,000 Officer time c£20000 	<ul style="list-style-type: none"> Consultants In house Consultants 	Legal/Property	<ul style="list-style-type: none"> 31/12/06 31/ 05/04 01/10/04 	Ongoing

7. Computerise Terrier	System in place	C£5000	Consultants	Legal/Property	31/12/04	Installation of corporate GIS will enable the transfer of the paper records
8. Establish LLPG	System installed, audited data loaded, link to NLPG	£22,000	Consultants	Legal/Property	31/12/04	Software acquired to maintain LLPG. Consultants appointed to carry out the work of data conversion. It is intended that maintenance of the LLPG will be carried out in-house. Revised timescale 31/12/04.
9. Benchmark performance of Council's property portfolio	Baseline already established	Officer time		Legal/Property	To be carried out following consideration of the ODPM announcement letter	Information is collected annually for the pPIs and will be submitted to GOSW in a format and within a timescale to be set by GOSW further to its announcement letter to be issued over the summer

ASSET MANAGEMENT PLAN 2004/05

I. INTRODUCTION

This is the fourth Asset Management Plan ["AMP"] the Council has produced and on this occasion, where there have been no changes to previously adopted arrangements, comments have been kept to a minimum.

The Council has defined the Asset Management process as making the best use of its property assets ("the Estate") in terms of its corporate plan, service benefits and financial returns.

The Council has four main types of property assets: -

- Land and buildings used to deliver a direct service to the public such as housing and leisure facilities;
- Land and buildings that support service delivery such as administrative offices and depots;
- Non-operational property such as industrial property;
- Infrastructure assets such as roads;

The following strategic framework supports the Council's Asset Management work: -

a) VISION

- To have an Estate of the right size and quality to support the delivery of the Council's aims that is managed and developed effectively and efficiently in line with the top 25% of district councils and is sensitive to social and environmental considerations.

b) OBJECTIVES

- i) **Council Capabilities:** making sure that the Council's operational needs are kept at the heart of the strategy for the Estate.

- To make sure that the Estate is suitable to meet the Council's commitments, now, and in the foreseeable future;
- To improve the Estate in such a way as to raise the quality of life for its users;

- ii) **Value for money:** making sure that the Council seeks to manage the Estate in a cost efficient way so as to release resources to contribute to the delivery of the Council's aims.

- To make sure that the Estate is used to optimum capacity;
- To minimise estate running costs overall and achieve more effective spending on estate maintenance;

- To achieve rationalisation and consolidation of the Estate wherever consistent with strategic operational or investment needs, seeking to work in partnership with others in doing so;
- To maximise net receipts from estate disposals;
- To reduce the through life costs and timeframes involved in building projects;

iii) **Impact on society:** taking account of the wider interests of society with particular reference to accessibility, sustainability and the environment.

- To take proper account of public access, social, planning, environmental and heritage factors in managing the Estate and the use to which the Council puts it;
- To manage the Estate in a way that takes account of the interests of all stakeholders.

iv) **Innovation and learning:** making sure the best estate management practices are used throughout the Council and are supported by suitable levels of training.

- To identify and adopt best practice in line with the top 25% of district councils;
- To make sure that the skill levels exist to enable the Estate to be managed effectively.

v) **Enablers:** making sure that the structures, systems and procedures are in place to allow the Estate to be managed effectively as a corporate whole.

- To identify and provide the structures and systems needed to manage the Estate, produce management data and drive optimum performance;

c) **DESIRED OUTCOMES**

- High quality Estate, suitably located and fit for purpose;
- Improved services;
- Reduced occupancy costs;
- Improved use of the Estate.

LINKS WITH OTHER COUNCIL PLANS, STRATEGIES AND INITIATIVES

The 2004/05 Corporate Plan sets out the ten themes of the Integrated Change Programme that are drawn from the six political priorities of the Council and the four Organisational priorities. They are: -

POLITICAL PRIORITIES

- Improving customer service
- Improving our housing stock
- Delivering more affordable housing
- Improving waste management
- Improving transportation
- Improving community safety

ORGANISATIONAL PRIORITIES

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

The AMP is one of the tools which supports the delivery of the political and organisational priorities. A key organisational priority is Meeting the Financial Challenge and asset management together with strategic capital planning provide the means not only to make possible the most effective and efficient use of available resources but also to identify for disposal surplus assets so as to provide capital to support the Council's priorities.

Asset management and strategic capital planning will underpin the framework of the new Prudential system.

2. EXISTING MANAGEMENT ARRANGEMENTS

Continue as before – no change since the last AMP

3. PROGRESS (since the 2003 AMP)

Accommodation Strategy

Cabinet approved a Development Brief for the Bourne Hill site including College Street Car Park and the former swimming pool in the autumn of 2003. Architects [Stanton Williams] were later appointed to prepare a Master Plan to show potential choices for the development of the site. After extensive consultation with interested parties, statutory consultees, potential users and the local residents association. Cabinet agreed in June 2004 that, (1) the outline Master Plan be approved, (2) the full Design Team led by Stanton Williams be appointed to complete detailed designs and make a planning application, (3) negotiations with Wiltshire County Council and other potential partners continue. The Master Plan envisages an extension to the rear of the Council House largely for Council use and a new office being developed on either the College Street Car Park or the swimming pool site.

The County Council's Cabinet has approved in principle the co-location of the Registrars Service and Trading Standards in the Council House and Children's Services in the new office building.

- **Customer Services**

The core of the Customer Services management team has now been set up. However because of the general shortage of suitable Council office accommodation it has not been possible to bring the whole team together. Pennyfarthing House has been identified as the base for the Customer Services unit and so as to create adequate space there it has been agreed that the Parking Team will leave the building and move to a rented office in Crane Street Salisbury. It is expected that the Crane Street office will be ready for occupation by the Parking Team by September thus enabling the alterations to Pennyfarthing House to be completed to make it possible for the Customer Services team to occupy it in October.

- **Facilities – Swimming Pools and Leisure Centres**

The Council decided to take back the management of the Five Rivers Leisure Centre from the private sector provider on the 31st March 2004. So as to allow a settling in period for the new arrangements consideration of the choices for the future delivery of Leisure Services has been put back to the autumn.

- **Car Parking Services – additional sites for new Park & Ride facilities**

Work has started on the Park and Ride site at Wilton. When operational this site will accommodate about 400 vehicles. It is expected that work on the new Park and Ride site at Downton Road Britford will start soon. This will also accommodate about 400 vehicles. There are two other Park and Ride sites in the pipeline, one at Petersfinger and the other at London Road. Both are awaiting final approval from the Council.

- **Affordable Housing**

Legal & Property Services has carried out a review of empty and/or underused sites next to existing Council Estates and provided a list to Strategic Housing for consideration to find out if any of the sites could be used to provide affordable housing.

4. CONSULTATION

A fresh round of Community Planning has started and is due for completion in the autumn. Any feedback in respect of land and property will be looked at as part of the process.

5. DATA MANAGEMENT

Geographical Information System (GIS)

The Council's corporate GIS is now fully operational.

Land and Property Gazetteer (LLPG)

Consultants have now been appointed and it is expected that the installation of the system, loading of audited data and a link with the National LLPG will have been set up by the end of the year

6. PERFORMANCE MANAGEMENT

Awaiting Government guidance - the AMP will be changed to reflect any changes to the Property Performance indicators since last year.

7. PROGRAMME AND PLAN DEVELOPMENT

Continue as before – no change since the last AMP

8. CROSS CUTTING & PARTNERSHIP WORKING

Amesbury Public Service Office

Since the last AMP the situation has changed significantly. The redevelopment scheme referred to at the Clinic/Library has been aborted. Vacant possession of Redworth House was obtained in April and the sale to the Co-op is due to complete in the autumn.

The County Council made arrangements to move the Social Services teams to rented accommodation in Amesbury and Tisbury. The Citizens Advice Bureau has moved into empty space in the Clinic [courtesy of the Primary Care Trust] and the Tourist Information Centre is now running from a Portakabin located next to the Library thanks to the co-operation of the County Council. These are only temporary arrangements whilst the feasibility of the County Council's scheme for the redevelopment of new offices next to the Library is being tested.

Salisbury Arts Centre

The Arts Centre has been awarded additional grant monies by the Arts Council of England and this Council has also made further funds available from the Planned Maintenance Budget as a contribution towards to cost of repairing the fabric of the St. Edmunds building. The contractor is on-site and work on the refurbishment and new extension is progressing satisfactorily. Completion is expected by the end of 2004.

South Wiltshire Economic Partnership [SWEP]

The Council works closely with SWEP on a variety of AMP based initiatives such as the development of a strategic plan for Churchfields, the investigation of incubator units for new businesses and the recently launched business community based property website. The property research commissioned by SWEP gives useful background information for the AMP.

9. LOOKING AHEAD

The following will all have an impact during the period of the current AMP: -

- **Legislative Changes** – using, where suitable, the well-being powers under the Local Government Act and the powers under the Planning and Compulsory Purchase. Taking into account the Landlord and Tenant Act and the Land Registration Act
- **Health & Safety** – managing the risk of enforcement of Corporate liabilities e.g. legionnaires and meeting the requirements of the Asbestos Regulations
- **Disability Discrimination Act** – meeting the extension of responsibilities under the Act
- **E-government** – meeting Government requirements with regard to the setting up of a LLPG and achieving National Land Information Service Level 3 for Land Charges.
- **2005 Revaluation of non domestic premises**
- **Repairs & Maintenance** – planning a way forward for dealing with major items of structural disrepair identified at Culver Street Car Park and various bridges
- **Development of a Disposal Strategy** for the office accommodation declared surplus as a result of the implementation of the Accommodation Strategy

10. CONCLUSION

The major property-related issues facing the Council stay constant and as a result of the work carried out to prepare the AMP can be summarised as follows: -

- the maintenance backlog and funding shortfall;
- the emerging Accommodation Strategy and the choices for change; and
- challenging the existing extent and performance of the Estate.