



Asset Management Plan Uttlesford District Council 2010-2013

Background

1. The purpose of this Plan is to set out arrangements and an action plan for management of the non-housing property assets of Uttlesford District Council. As such it will sit alongside other corporate documents which support the Council's Corporate Plan.
2. The Council's objectives are:
 - **Finance** – Effectively managing our Finances in economically challenging times and to achieve an Organisational Assessment score of '3' by 2012.
 - **Partnerships** – Working to deliver effective and co-ordinated services with partners and others at reduced cost while helping those in hardship
 - **People** – Consulting and engaging fairly with staff and customers and helping those in hardship
 - **Environment** – Protecting and enhancing the Environment and keeping communities together
3. The Corporate Plan identifies the Council's priorities as:
 - Restoring the financial credibility of the Council to a level of achieving level 3 for CAA: Use of Resources by 2012.
 - Sustaining the unique character of Uttlesford and the quality of life we enjoy for all who live, work or visit the district.
 - To achieve these aims in an environment of greater demand for services and fewer resources to deliver them.
4. The requirement for this Asset Management Plan was set out in the Corporate Plan 2009-12 as one of the proposed actions to support better management of finance and resources. The purpose of this Plan and associated documents is to set out how the property assets available to the Council will contribute to meeting these aims and in particular:
 - Assisting the Council to move towards being a facilitator rather than a provider of services and
 - Contributing towards achieving the efficiencies required towards the balancing the council's budget.

5. In order to ensure best practice in asset management which supports the council's objectives, this Plan and the Action Plan aim to:
 - Ensure property decisions are consistent with the strategic direction and service requirements
 - Identify opportunities for innovation, income generation, or cost reduction
 - Review the opportunities and benefits of acquisitions and disposals of property
 - Co-ordinate maintenance and other works programmes
 - Review, revise and draw conclusions from performance measurement
 - Identify the need for new assets
 - Identify under-performing assets and preferred solutions
6. This Plan reflects the current use of property resources by the Council. At the present time the Council does not have an adopted Property Strategy and one of the key actions for 2010/11 flowing from this Plan is to develop, agree and adopt a strategy for the use of property resources to support the Council's corporate priorities. ([Action Plan: 1](#))
7. A known priority will be to demonstrate that its property assets are being put to the best use – meaning they are used intensively for a purpose which supports key objectives – and provide value for money.
8. It is also envisaged that the council will look to share property as a means of increasing efficiency whilst also facilitating service delivery through new partnerships.

Approval by the Council

9. This Plan is subject to approval by the Council. Once approved it is envisaged that the Plan will be kept under review on an annual basis pending a full revision in 2013 or otherwise to coincide with future reviews of the Corporate Plan or in the event of other significant pressures upon the Council which require urgent actions affecting its use of property.

Resourcing the Plan

10. The Council does not currently have any in-house resource for asset management. This Plan has been developed with assistance from Essex County Council. One of the key actions within the Action Plan is to identify and agree resources to complete the development this Plan and thereafter keep it under review and also to determine systems, processes and resources necessary to ensure the Council has sufficient, current information and support to make the best use of the property resources

which support services and community activity within the district. (Action 2)

Links to other plans

11. The linkage between this and other plans is described in the Corporate Plan. The Asset Management Plan links primarily to financial documents such as the Medium Term Financial Strategy and Capital Programme. Where there are specific interactions with other plans, these will be highlighted within this document.

Capital Programme

12. The Council's draft Capital Programme for 2010-14 identified expenditure on several non-HRA property assets. These will be identified in the Three-year Action Plan.

13. Significant planned capital expenditure on property includes:

- Saffron Walden Museum Heritage Quest Centre £1.1m (Lottery Funding held by UDC for expenditure on non-UDC asset)
- Repairs to Fairycroft car park £154k
- Repairs to White Street car park £40k
- Contribution to new refuse site £1.3m
- Energy Efficiency programme £75k
- Renovation of glazed link at Council Offices £100k
- Replacement boiler at Council Offices £40k

Consultation

14. Consultation carried out as part of the Corporate Priority and budget setting process informs the Corporate Plan and is therefore taken into account as part of developing the Asset Management Plan.

15. Whilst there is no direct requirement for consultation by a local authority on its asset management plan, it should be adopted by the Council and thereby become a public document. However, there are certain matters within the document - such as decisions to dispose of operational assets - which link directly to operational or other matters and which will require an appropriate degree of public consultation and formal agreement by the council. In addition, some aspects of the plan will be commercially sensitivity and therefore cannot be set out in their full context in a public document.

Action plan

16. The various recommended actions flowing from this Plan are set out in the Action Plan attached. The review of these proposals is an early issue (Action 3)

Governance

17. This Plan is owned by the Finance and Administration Committee who agreed to adopt and implement this Plan.
18. Through the Scheme of Delegation under the Financial Regulations, the Chief Finance Officer is responsible for overseeing good asset management on behalf of the Council.
19. The Capital Officer Working Group will organise work identified in this Plan and will actively keep the Plan under review.

Performance reporting

20. The Chief Finance Officer will report annually to the Finance and Administration Committee on progress with matters identified in the Action Plan and performance relating to the Asset Management Performance Indicators.

Summary of assets

21. This Plan excludes property held within the Council's Housing Revenue Account. However, any significant land or property surplus to the HRA will be identified where this may result in income or expenditure outside the HRA.

Content of the operational portfolio

This consists of property which is owned or managed by the Council for the purposes of delivering services to the community.

Offices

| | |
|-----------------|--|
| Council Offices | London Road, Saffron Walden |
| Lodge House | London Road, Saffron Walden |
| Dunmow Offices | High Street, Great Dunmow (currently for sale) |

Depots

High Street Great Dunmow
Shire Hill, Saffron Walden
Newport

Day Centres

Chequers Lane, Great Dunmow
Vicarage Mead, Thaxted
South Road, Takeley
Hill Street, Saffron Walden

Car Parks

Lower Street, Stansted
Swan Meadow, Saffron Walden
Faircroft Road, Saffron Walden
Debden Road, Saffron Walden
The Common, Saffron Walden
Angel Lane, Great Dunmow
Chequers Lane, Great Dunmow
White Street, Great Dunmow
Margaret Street, Thaxted

Public Conveniences

Hill Street, Saffron Walden
White Street, Great Dunmow
Margaret Street, Thaxted
Lower Street, Stansted

Non-operational portfolio

These assets are held at the discretion of the Council and do not support direct council service provision.

Angel Lane Market, Great Dunmow
Turpins Bowls Hall,
Housing allotments
Guildhall, Thaxted (leasehold)

Community Assets

Dunmow Burial Ground

Investment portfolio

The council currently holds no property for investment purposes

Surplus property

22. The only property currently identified as surplus is the former council office in Great Dunmow.
23. A review of the portfolio during 2010/11 is part of our Action Plan and may identify surplus of potentially surplus assets for release at a future date,

Indication of book value

24. The value of these assets for accounting purposes was £9,099,270 on 31st March 2009.

Leisure Centres

25. The Council's leisure centres at Saffron Walden, Great Dunmow and Stansted are managed and maintained under a PFI contract by Leisure Connection. Consequently, they do not currently appear on the Council's Asset Register, although this will change under new IFRS accounting procedures in 2009/10.

Other property interests

26. The Council has decided to retain its housing stock. The HRA portfolio currently includes 2872 dwellings, a depot (supporting housing maintenance activity) and associated garages, open space and residual interests e.g. restrictive covenants, ransom strips. The potential value of non-Housing land within the Housing Revenue Account needs to be assessed and would come within the remit of this Plan and an associated property strategy.
27. The value of covenants on property previously sold by the Council is only assessed (by the District Valuer) when the need arises. The potential value of such covenants is not known and would also fall within a property strategy for the Council's property.
28. The potential to review the potential scope of these interests is identified in The Action Plan ([Action 10](#)).
29. The Council is a signatory to agreements that mean it will acquire community assets from developers as part of Section 106 agreements. Current examples of these are at Priors Green and Oakwood Park. The Council works with the relevant parish councils to secure transfer of such assets to the local community as soon as is practicable.

Management Information and Performance indicators

Management Information system

30. Because of the relatively small scale and nature of the General Fund non-housing portfolio, the Council does not have a dedicated system to handle management information on property; this has been held in the property register i.e. with the legal / deeds records, so there is no electronic system for holding or extracting information relating to property other than within the legal or financial recording systems. This arrangement is not considered appropriate for recording certain data sets or performance information and resolving data handling is a key activity in the Action Plan (Action 4)
31. Due to a limit on staff resources, the handling of requests which relate to General Fund property is already undertaken by Housing officers although the information is not held on the HRA data systems.
32. In order to capture property information, there are a number of options available to the Council:
- The Council already has a well-established database for recording information relating to its HRA (housing) portfolio and could investigate the extension of this system to include General Fund property, together with identification of staffing resource to manage the additional information
 - Acquisition of an affordable property information system appropriate to the scale and nature of the General Fund portfolio together with identification of staff resource to manage the additional information
 - Contracting with an external AM provider to hold, manage and maintain General Fund information on behalf of the Council
 - Arrange with external partners to hold, manage and maintain General Fund information on behalf of the Council (Shared Service agenda)
33. Given the scale of the portfolio, any selected option must result in proportionate additional revenue consequence to the council.

Performance Information

34. In the previous Asset Management Plan (2004), a range of property performance indicators were reported. These were indicators developed by the Coprop network and related to:
- Condition of the portfolio (PI 1A)
 - Backlog maintenance (PI 1B)
 - Maintenance costs per sq.m(PI 3)

- Energy costs / carbon footprint (PI 4)
 - Project cost and delivery (PI 5)
35. Production of Asset Management PIs is voluntary (it does not come under any of the National Indicator Set) but is used as evidence within CAA that an authority is aware of how its property is performing and the contribution it makes towards broader use of resources.
36. Given the scale and nature of the Council's property portfolio, it recommended that the Asset Management Performance Indicators listed above are collected under the AMP Action Plan with the exception of PI 5 (projects) given the limited capital expenditure on property in recent years.
37. In addition, it is intended that information on the following is also collected:
- Carbon footprint
 - Utilisation to identify how well intensively property assets are used
 - Suitability (NaPPMi 3) which looks at fitness for purpose.
 - Sufficiency: this is to check the degree (or otherwise) of unmet need i.e. does the Council have all the types of property it needs and/or the correct amount.
 - Cost savings / efficiencies arising from measures identified within this Plan.
38. These PI's will be reported annually ([Action 9](#)) as a useful addition to the Council's awareness of its property performance. In most cases these are new measures and data collection systems need to be put in place. The results will form a baseline for 2010/11. Given the scale of the portfolio this can be readily collected through analysis of existing information held by the relevant Head of Service.

Condition

39. The Council's planned maintenance budget for 2009/10 amounted to approximately £47,000. The largest items were repairs to Saffron Walden Museum and the Council Offices.
40. Current Condition information is available for the major General Fund property. However, this has not been used to produce an overview of condition or to update the Council's maintenance programme. An early Action Plan issue is to collate this information and to produce, agree and implement a General Fund Maintenance Plan for the next three years ([Action 5](#)).

41. A quick review of the available condition surveys identifies that:

- The total identified works over the period to 2020 is £646.2k, of which £490k is attributed to the Council Offices. This excludes the potential impact of statutory interventions, for instance legionella testing / works
- By far the largest impact is decoration. Repairs and replacements amount to less than £90k which is of some concern and probably requires further investigation.
- It is suggested that the categorisation of elements needs reviewing as this does not reflect in the planned maintenance programme or with anecdotal evidence of the condition of General Fund property.

Utilisation

42. This measure assesses whether the property is used intensively. The Council currently holds no information on the utilisation of its General Fund property. Although not a formal Property Performance Indicator, this information is important in developing an informed view of how property assets support the indication. This information can be collected relatively easily for the property types in the General Fund portfolio and the Action Plan identifies this as an early action ([Action 6](#))

Suitability

43. This measure assesses whether property is fit for purpose and will remain so in future. As with Utilisation, the Council currently holds no information on the suitability of its General Fund property. ([Action 7](#))

Space standards / sufficiency

44. An assessment of whether the Council has sufficient space of the type and standard required can be assessed during the collection of Utilisation and Suitability data. This will inform the council whether it has sufficient, appropriate property to support delivery of its priority outcomes. ([Action 8](#))

Revenue income / expenditure

45. The level of income from property is small as the council has no commercial investment portfolio or business tenants. The opportunity to increase revenue generation through property will follow from the assessment of utilisation and suitability.

Disability Access

46. A review of access and facilities for people with disabilities had been undertaken to the previous Asset Management Plan and an Action Plan and programme of works was to be implemented. Progress / completion of this programme needs to be reviewed.

Partnership activity

47. The Council has adopted a policy of devolving assets to local communities where it is practical and appropriate to do so. This encourages local-focused decision making about the use of assets and the opportunity to increase use or revenue generation and removes liability from the Council.

48. Particular examples of community transfers have included:

- public conveniences and car parks to Town / Parish Councils
- Burial ground and a number of public gardens transferred to Saffron Walden Town Council together with tapering funding to support upkeep of assets in the short term.

49. The Council is considering options for partnership working in relation to its Revenues and Benefits service. Depending on the model adopted, this could result in freeing-up space within the Council Offices which will be available to accommodate other council functions or partners. At the present time it is not apparent whether any such arrangement would result in Uttlesford incurring liability for alternative accommodation as a result of this proposal

50. The Council is actively considering sharing a vehicle maintenance depot with Braintree District Council to achieve efficiencies and enable both council's services to be based at a single site. The current depot owned by Uttlesford District Council is not considered to be fit for purpose in the longer term and further feasibility studies are being undertaken on the option to share a site in Braintree district with a report to members due in May 2010.

Service drivers

51. The following section identifies the current known service drivers. The Action Plan proposes that these be investigated further with relevant Head of Service officers in order to understand future needs and how these may be addressed to support the Council's objectives within available resources ([Action 11](#)).

Corporate Offices

52. The Council Offices building is used predominantly to support the executive and administrative functions of the Council. Exceptions to this include:
- Uconnect (Advice point)
 - Register Office (operated by Essex County Council)
53. The Lodge is sited within the grounds of the Council Offices but is physically separated from the Council offices. It was originally a dwelling and is not ideally suited to an office use. Options for its future use will be considered alongside a review of the performance of the Council Offices.
54. The Council no longer uses its offices in Great Dunmow and has decided to sell part immediately and will release the remainder during the next financial year.
55. As a corporate resource, the over-arching priority is to ensure that investment in these resources is used as effectively as possible. Given the Council's financial objectives, the use of space must be optimised in order to reduce property costs falling upon council budgets. The relocation of all office facilities to Saffron Walden has reduced expenditure on property and associated overheads but it is believed that further efficiencies can be made through greater utilisation of space within the town hall and exploring the potential to release space to other organisations in order to generate rental income and offset some running costs.

Depots

56. Depots are used to support the Council's waste and recycling, street cleaning, housing maintenance and parks services. The proposal to share vehicle maintenance facilities with Braintree District Council was described above. The level of usage and distribution of these facilities will be reviewed more generally as part of the service dialogue.

Cemetery

57. The Council has no statutory requirement to provide burial grounds and has transferred the burial grounds at Saffron Walden and Dunmow to other organisations.

Public conveniences

58. The Council has no statutory requirement to provide public conveniences and is actively seeking to transfer such facilities to Town or Parish Councils. The properties still owned by the Council were described in the list of property assets above.

Climate change / carbon reduction

59. The Council has undertaken a comprehensive review of its energy consumption with an objective of increasing the use of renewable energy and reducing carbon impact by 25% by 2011/12 compared to a 2006/07 baseline. This was set out in the Climate Change Strategy adopted by the Council in 2007.

60. The Council has good energy performance information to support its carbon reduction commitment and has committed to introduce smart metering to further improve its awareness of energy consumption. This information will be available to support Property Performance reporting on energy consumption ([Action 9](#)).

61. The Council has decided to implement a programme of measures applied to both HRA and General Fund properties, subject to a business case for each individual project. These will provide a range of alternative, renewal energy solutions such as solar panels and will address heating loss through installation of improved insulation materials. Major programmes will include:

- boiler replacement programmes within HRA dwellings
- reducing fuel and business mileage impact
- use of heating and lighting within General Fund properties

62. Funding will be from a combination of the Council's own capital programme and external funding. (Salix). The cost for works to General Fund properties is estimated to be in the region of £56,000, the funding of which needs to be shown in the AMP. The programme will be tendered to external suppliers / fitters and therefore communication on the long-term prospects for each property will need to be clearly communicated so that the guaranteed outcomes (10% saving on carbon emissions to be delivered in 2010) required through the procurement contracts can be delivered. Addressing other AMP issues should be co-ordinated with this programme ([Action 12](#))

Three-year planned work programme

63. Once the Action Plan and the various activities identified in it have been agreed, a detailed three year programme of activity will be developed. It is envisaged that this programme will cover:

- Current approved programmes
- Priority programmes
- Unavoidable liabilities

64. The resultant plan will set out all pressures and liabilities upon individual General Fund property assets, set against known performance indicators, with recommended actions set out in detail.

Asset Management Action Plan 2010/11

| | Issue | Action / Task | Indicative Timescale | Foreseeable outcomes |
|---|--|---|-----------------------------|---|
| | Headline / immediate Actions | | | |
| 1 | Determine approach to deliver Asset Management functions | To determine roles, responsibility and Actions to ensure the Council can demonstrate best use of property resources | March 2010 | Agreement of appropriate approach for UDC. Identification of level of resourcing required. Approaches made to external partners or providers for support in developing AM approach and / or delivery. |
| 2 | Action Plan 2003 | To review actions identified and demonstrate progress | June 2010 | Agreement for actions during 2010/11 |
| 3 | Develop a property strategy | To establish the Council's broad intentions for its approach to property | September 2010 | An agreed approach to ownership and management of current and future property assets to underpin the Action Plan and other activity i.e. acquisition, disposal and maintenance |
| | Individual Actions recommended in action plan | | | |
| 4 | Management decision | Agree approach to collecting, holding and managing property information | June 2010 | Extension of existing Housing database to incorporate information on General Fund property. Need to identify and agree resourcing impact |
| 5 | Performance measurement | Refresh of PIs on condition, maintenance and energy | September 2010 | Information should be available. Approach to external partners to review / assist |

| | Issue | Action / Task | Indicative Timescale | Foreseeable outcomes |
|----|---|--|-----------------------------|--|
| 6 | Performance measurement | Collect Utilisation information | September 2010 | Identify the true rate of use of property and any opportunities to make efficiencies |
| 7 | Performance measurement | Collect Suitability information (PI) | September 2010 | Approach to external partners to facilitate programme |
| 8 | Performance measurement | Collect Sufficiency information | September 2010 | To evidence the need / priority for new investment |
| 9 | Performance measurement | Produce report on refreshed PIs | September 2010 | Refreshed AMP evidencing awareness of property performance |
| 10 | Value of non-housing property interests held within Housing portfolio | Carry out review of covenants and non-housing property to determine scale of interests and potential value | March 2011 | An informed view on whether there is significant realisable assets which can be released to support council's financial priorities |
| 11 | Service direction and implications | To assess future service property needs | March 2011 | Articulation of future property needs and initial proposals for how this would be achieved |
| 12 | Carbon Reduction | Align CRC programme with other AMP issues | March 2011 | Complementary CRC and Maintenance plans which align with the broader property strategy |
| 13 | Asset register | Produce a revised asset register including key information and future implications for all significant property assets | March 2011 | Articulation of all implications, liabilities and pressures upon property resources within a single document. Will require in-house co-ordination to ensure linkage across |