Coventry City Council

City Development Directorate

Asset Management Plan Update 2004/05

COVENTRY CITY COUNCIL

ASSET MANAGEMENT PLAN 2004/05

Contents

1.0 INTRODUCTION

1.1 Coventry City Council are very conscious that they are one of a small number of authorities who have yet to receive a 'good' assessment for their Asset Management Plan.

1.2 Since the submission of the 2003 plan, a number of improvements have been put in place to improve the authority's strategic asset management.

1.3 The main change has been to create a new corporate Asset Management section whose principal roles are to:

- develop the strategic lead and corporate co-ordination for property across the authority;
- subject all property to fundamental and systematic review;
- provide services, members and the public with timely, quality, property advice;
- develop a strategic plan for the use of Council assets, fully involving service directorates; and
- co-ordinate the effective management of property data across the Council.

1.4 Substantial additional resources have been secured to deliver these improvements. An experienced team leader has been recruited (previously Corporate Property Officer at another authority) and two other new surveyors have been appointed, but are yet to commence work. Recruitment has proved to be extremely difficult in the current climate. Consequently the speed with which certain improvements can be made has been limited by lack of human resources.

1.5 The Council's budget process for 2005/06 is recommending that a new Property Management unit be created, to give a greater drive and impetus to the strategic management of the Council's commercial and operational property assets and their maintenance. Following the model of support services in the modernised authority, the property functions based in Directorates will all report through to the Head of Property Management.

1.6 This Corporate Property Asset Management Plan provides an update on the 2003 document and identifies where additional improvements have been made. Progress on pursuing certain improvements has been limited through lack of resources, although, as identified above, the Council is endeavouring to address this issue, and it is committed to providing an effective corporate property service. A matrix is attached which identifies where we have provided the evidence to show that we have met the ODPM primary & secondary criteria.

2.0 ORGANISATIONAL ARRANGEMENTS FOR CORPORATE ASSET MANAGEMENT

2.1 The Council operates with a Cabinet style of government. The Cabinet Member (Regeneration and Neighbourhood Renewal) has responsibility for asset management for both commercial and operational property within the Cabinet.

2.2 The Cabinet receive reports which have cross council or multi-ward property implications, for example NHS LIFT, or which involve expenditure above a £500,000 threshold. Individual Cabinet members receive reports with property implications highlighted for their service portfolio responsibilities.

2.3 During 2002/3 the corporate structure of the Council was re-organised, bringing together the strategic aspects of property management under one chief officer, the Director of City Development. The organisation and delivery of repairs and maintenance has also been brought together under one chief officer, the Director of City Services.

2.4 The Corporate Property Officer is the Head of Property and Projects in the City Development Directorate. This officer is responsible for strategic property & asset management, commercial property management, acquisitions and disposals, commercial regeneration and capital project delivery. His role and responsibilities have been communicated to all those concerned in property management and use throughout the authority. He is accountable, and reports to the Cabinet Member for Regeneration and Renewal (para 2.1 above) and is a member of the Capital Working Group.

2.5 The Asset Management Plan is a key corporate plan in the Councils Budgetary and Policy Framework and integral to the Capital Strategy and Medium Term Financial Strategy. The corporate linkages and processes for decision making on property and capital matters have been reviewed and the Council has established a Capital Working Group and an Asset Management Group.

2.6 The Capital Working Group is chaired by the Director of Finance and ICT and draws its membership from across Council Directorates at a senior management level including the Corporate Property Officer. It links into other working groups, for example external finance and the Coventry Partnership (the local strategic partnership). The Group takes a strategic overview of capital investment proposals and makes recommendations to Management Board and members on the development of the Capital Programme through the annual budget process. The group meets on a monthly basis.

2.7 In respect of asset management the Group has responsibility to develop and recommend to the Management Board and Council

- the asset management plans for schools and the corporate estate
- a 5 year property strategy
- criteria for prioritising capital bids
- the strategic management of all property assets

2.8 The Asset Management Group undertakes the detailed work and provides a direct link between major service users and technical officers at an operational level. It is made up of representatives from the Property and Projects Division, the Repairs and Facilities Team, the Capital team (Finance and ICT), Leisure Service Division, Education Strategic Management Team, Central Accommodation (Facilities Management Team), and Social Services Team (Assets Risks and Procurement Manager). Sub groups of this group have pursued the implementation of specific programmes to deal with access improvements under the Disability Discrimination Act Implementation and

Asbestos inspections. The group reports to the Capital Working Group on a range of issues including:

- The development, implementation and monitoring of a structured programme of fundamental property review including:
  - *Identification of surplus, under performing and under-utilised assets;*
  - *Measurement of service, occupier, user and stakeholder satisfaction; and*
  - *Identification of opportunities to significantly improve service delivery through shared use and/or asset replacement*
- The development of a rolling 5 year property strategy, that ensures the corporate estate best develops to meet corporate requirements through programmes of acquisition, disposal, maintenance, improvement and replacement

2.9 The Council endeavours to maintain and raise the profile of asset management by highlighting the significance of property issues at every possible opportunity. All relevant Best Value Reviews are required to bring out property implications against 3 specific questions:

- Does the condition of property used for the provision of this service impair delivery?
- Is the property appropriate and adequate for the provision of the service?
- What proposals do you have in order to remedy any deficiencies identified above?

The Best Value Reviews for libraries, promoting independent living, sustainable waste management, and youth services have made significant recommendations about improving service delivery through changes in property provision.

2.10 All service plans produced by the Council as part of its planning and performance measurement cycle are required to address the property implications arising from their service developments.

2.11 All Committee and Cabinet reports highlight any property implications and authors are required through a checklist to identify such implications. All reports containing property implications require clearance from the Corporate Property Officer.

2.12 The policy framework within which the Council manages its property holdings is as follows

All property

- Is treated as a corporate resource
- To be used in pursuit and support of Council priorities, policies and service delivery
- To be used in support of regeneration initiatives in the City
- Is used to meet neighbourhood priorities if possible
- Is classified and held at value in the Councils accounts

Operational property

The Council seek to optimise its use and investment in operational property by

- Ensuring that key operational locations are developed in line with the Councils Customer Service and e-Government Strategy
- Ensuring that our properties are fit for the purpose and the use to which they are put
- Offer a safe and secure environment for users
- Are maintained to a satisfactory standard having regard to future proposals

- Are used with partners to achieve common objectives
- Are made available for corporate or partner re-use when they no longer fit operational requirements to which they are currently put.
- Have their value realised when no future council / partner use is identified

Commercial property

The Council seek to optimise its use and investment in commercial property by

- Managing it on commercial terms within a business plan framework setting out income and capital targets
- Maximising income and capital returns in so far as this is consistent with Council policies
- By ensuring that it contributes directly or indirectly to Council policies
- By explicitly recognising conflicts between maximising income and Council priorities in individual cases through Cabinet Member reports subject to Scrutiny.

Disposal policies

The Council seeks to support its policies and generate corporate capital receipts

- through a development land release programme for residential and commercial development
- through a discounted land release programme for registered social landlords in return for nomination rights
- through the disposal of surplus operational and commercial properties and land
- through targeted disposals in conjunction with major service changes
- through leasehold disposal (except for residential development land) to ensure that the Council has a greater element of future development control

3.0   CONSULTATION

3.1   In addition to formal consultation on individual projects, sufficiency and suitability classifications have been verified with users and occupiers and co-ordinated through the Asset Management Group.   Service users are

consulted and actively involved in the compilation of the annual repair programme and the items to be included within it, the access programme for DDA requirements and the development of the asbestos inspection programme. Feedback from users in the compilation of these programmes is being used to continuously improve the condition of the premises from which services are delivered.

3.2 Service users are also consulted on energy consumption. Target consumption profiles are provided to service managers together with quarterly 'actuals' against the targets. Service managers are consulted and views taken into account on individual energy management schemes before they are implemented.

3.3 Consultation is integral to Best Value reviews and service users views form part of the consideration of the Review and the development of action plans flowing from it, which will include premises recommendations in some cases. A review has commenced of Community Centres and the property issues are seen as an integral element .

3.4 The Council does not systematically survey premises users about their views. There is now a significant body of literature available through the Asset Management Network about how other local authorities have tackled this issue. Over the last 12 months, the Asset Management Group have piloted this across the Social Services portfolio, with a view to rolling it out more widely in the coming year.

4.0 DATA MANAGEMENT

4.1 Basic core data and intermediate data on Council assets is held and maintained in a number of systems which cover the majority of areas of property management. The Asset Management Group have validated the data held. Details of the systems are set out below:

System	Location (Directorate)	Purpose and information held and collected
Asset Register (ECS)	City Development	- Comprehensive record of all property assets - Manages commercial tenancies - i.e. is updated for tenancy changes, rents, tenancy events and inspections
Terrier	City Development	A plan based record of all Council ownership and transactions
Asset management	City Development	- Details of property areas, categories, sufficiency, suitability and condition. - Data supporting Performance Indicators
Electrical and heating systems	City Services	Management of inspections, systems and budgets
Contract management ['Confirm']	City Services	- Management of internal and external contracts - Reporting of requests

Repairs management ['Servitor']	City Services	▪ DLO repairs management and billing
Energy Conservation ('Stark')	City Development	▪ Analysis of electricity, gas, oil and water usage across all operational property
Office accommodation [Facilities Management]	Legal and Democratic Services	▪ Details of central office space and costs in use
Schools AMP	Education & Libraries	▪ Details of accommodation, condition, sufficiency and suitability

4.2 These systems have been developed and are managed by those who use them in their day to day work and as a result are well used and maintained. The staff who use the systems have been appropriately trained, and additional training needs are highlighted through the annual Performance and Development Review process.

4.3 The definitive register of property assets [ECS] is based on a unique property reference number (UPRN) and has been used to corroborate the other databases in use. This is particularly helpful in the collation of running costs.

4.4 With increased attention being given to surveying properties to address specific pressures such as asbestos, disability discrimination access and mechanical plant the need to develop a more coherent 'data warehouse' for assets across the Council that is more widely available becomes ever more apparent. The Council are committed to developing a single property data system which can be used by all departments of the authority. This is a challenging goal but one which is being actively pursued alongside a review of data systems throughout the authority, taking note of the future data requirements of each department with a property interest. This holistic review should ensure that property data can be integrated with relevant Council financial information.

4.5 As highlighted in section 1, resources have been secured to appoint additional staff to pursue these issues. However, recruitment of appropriately qualified and experienced staff is proving to be difficult. The Council has advertised for a Data Team Leader on two occasions without success. A review of the means of resourcing data management activities is being undertaken, which is likely to involve appointing an external consultant to advise on the best way forward.

5.0 PERFORMANCE MANAGEMENT, MONITORING AND INFORMATION

5.1 Members are informed through quarterly budgetary control and performance reports of progress towards achieving revenue targets and on the implementation and outputs of the Capital Programme and on progress against performance indicators and service plan targets. The National Property Performance Indicators are reported to the Cabinet Member (Regeneration and Neighbourhood Renewal) through his performance reporting framework.

5.2 Set out below are details of the national performance indicators which are monitored.

Performance Indicator	National average	Coventry City Council
PPI 1A: Condition category		
A (Good)	18%	11%
B (Satisfactory)	57%	52%
C (Poor)	21%	35%
D (Bad)	4%	2%
PPI 1B: Maintenance backlog		
1 (Urgent)	14%	20%
2 (Within 2 years)	42%	54%
3 (2-5 years)	44%	26%
PPI 2: Internal rate of return		
A (Industrial)	12.5%	12%
B (Commercial)	11.5%	9%
C (Agricultural)	9%	3%
PPI 3: Strategic Management	£1.10/m2	£0.82/m2
PPI 4: Running costs		
A (Repairs & Maintenance)	£12.06/m2	£13.28/m2
B (Energy)	£7.00/m2	£7.44/m2
C (Water & sewerage)	£1.56/m2	£1.42/m2
D (CO2 emissions)	0.08 t/m2	0.09 t/m2
PPI 5A: Cost Predictability	56%	45%
PPI 5B: Time Predictability	55%	66%

5.3 Based on the comparative information and analysis collected and produced by the IPF Asset Management network, the Council is performing satisfactorily in respect of most of the indicators. The following comments are made:

o Overall condition of the portfolio is below the national average with a higher than average proportion of works required over the next two years. Capital expenditure is being made available to reduce the backlog and deal with the priority works.
o IRR for the agricultural portfolio is low but it is held for long term capital investment purposes

5.4 A set of local performance measures have been developed primarily covering the commercial property portfolio, and are used as a management tool. These are listed in Appendix 2. They link to the Council's corporate objectives in the following way:

o The Council has objectives to ensure sound management of resources, deliver value for money to meet priorities and to maximise resources.
o The Property and Projects Division aims to help meet this objective by reviewing and managing the commercial portfolio in support of the council's policies and strategies. It endeavours to maximise income and other benefits of the commercial portfolio in terms of both strategic management and income generation.
o One of the actions in support of this service objective was to improve the efficiency of portfolio performance by implementing revised performance indicators on a phased basis.

5.5 These local performance measures have been developed taking into account the work undertaken by the Octopus benchmarking group, as well as that undertaken by the West Midlands Benchmarking Group (see 5.8 below). It also recognises the need for user satisfaction surveys and stakeholder consultation to influence the further development and refinement of performance measures.

5.6 In respect of the Councils central office accommodation, a comparative report was commissioned from Johnson Controls, the industry leaders in facilities management benchmarking. The report identified that the Council compared favourably in its' performance against industry benchmarks but identified areas where the performance of individual buildings or facilities performance could be improved. The Council is currently reviewing the recommendations although a number have already been implemented.

5.7 Corporate space standards for central office accommodation have been developed and are monitored on an annual basis. We have now developed a specific local performance indicator, as shown in appendix 2.

5.8 Service managers are supplied with energy targets based on historic consumption levels at the beginning of the financial year for the buildings they control and this is monitored on a quarterly basis for actual vs. target performance to drive continuous improvement in energy consumption.

5.9 The Council currently works with the 'Octopus' Group of comparator authorities - Leicester, Nottingham, Derby, Stoke, Gateshead, Portsmouth, Southampton, and Plymouth. Officers play an active part in this group which seeks predominantly to look at performance against the national PI's but also consider additional local indicators. Working groups established by the Octopus group endeavour to understand variations in the performance between authorities in the make up of the costs in use national property indicators (PI 4a-d), through process mapping and identification of best practices that could be of mutual benefit. The Council previously belonged to the West Midlands Benchmarking Group, although it found that the local performance indicators being pursued did not meet its objectives, so decided to concentrate on the Octopus group. The Council is also a participant member of the Institute of Public Finance's Asset Management network, enabling it access to developing best practice and forums to exchange views and ideas. The AMP network provides a very useful service for comparing PI performance on a national basis

5.10 Where benchmarking identifies that the Council is performing poorly in respect of any of the indicators, the reasons are analysed and, where possible, changes made to improve performance. Clearly this is a developing process. We have only begun to collect performance information over the last two or three years and benchmarking is still in its early stages. Once the PI's are embedded and we are clear, through long term benchmarking, how we compare with others, we can make more rational decisions as to where improvements are required. Performance identified through indicators is an important element in the strategic review of assets.

5.11 The information provided by the Asset Management Plan (on asset condition, suitability and availability) informs spending decisions through the Capital Working Group. Information about the backlog of repairs to assets, and the recommendations for appropriate action, is included in a written report to

members and chief officers as part of the process of resource allocation for the Central Repairs Fund.

6.0 PROGRAMME AND PLAN DEVELOPMENT

6.1 The Councils programme for its own buildings is contained in the 5 year Capital Programme (for investment and disposal), which is informed by and accompanied by a disposal (receipt) programme over the same period.

6.2 A process of bid selection and prioritisation has been developed, aligned to corporate objectives.   Bid proformas are completed which include details of outputs and outcomes, and determine the extent to which bids help to meet corporate objectives. These proformas are scored and a capital programme identified. Before any monies are allocated, a full financial report for each project is considered which identifies output/outcome targets in more detail.

6.3 Over the past four years and continuing over the next five years significant resources (capital and revenue) have been allocated to progressing issues affecting all and individual assets to meet corporate objectives and improve service delivery. Principal elements of the programme are
   - Asbestos surveys and removal
   - Disability Discrimination Access programme
   - Wide Area Network to out of city centre operational premises as part of the Customer service and e-Government Strategy
   - Repairs programme informed by backlog
   - A programme of library replacement and refurbishment
   - Feasibility / option appraisal funding for replacements to Leisure Centres, and the remodelling of children's residential services
   - Improvements and acquisition of central area accommodation to deliver service improvements in housing benefits, housing services, regeneration services and cultural services.
   - Replacement Social Services office to deliver service improvements
   - Significant expansion and refurbishment of cultural assets

6.4 The City Council has an established track record of adopting innovatory ways of delivering service / property solutions and will continue to undertake feasibility for delivery options and pursue the most appropriate routes for delivery in individual circumstances.

   Examples include:

   - Commercial development partnerships involving asset transfer, risk/reward sharing, capital investment and joint ventures
   - Management partnerships for particular assets
   - Integrated Development Contracts where the new operational building procurement and land release are packaged
   - Operational partnerships for service delivery e.g. PFI schemes
   - Partnering arrangements as a means of procurement delivery (the Council has moved to partnering as the preferred procurement method for projects above £1million)

- Transferring services outside of the Council to attract greater resources e.g. housing stock transfer

6.5 The Council has used different vehicles for deriving effective use of operational properties. Service led and best value reviews have been effective drivers for change. Examples include
- the release of sites resulting from the removal of surplus places from schools,
- the replacement of 8 residential homes through the new homes for old package
- the library replacement and refurbishment programme.

6.6 A programme to improve accessibility to Council buildings in accordance with the Disability Discrimination Act is being implemented, as is a programme to improve the electronic communications links to buildings outside the City Centre by connection to the Councils wide area network as part of the Customer Service and e-Government Strategy. Resources have been secured to survey all assets for asbestos identification and remedial treatment. Assets where work is programmed in the current and next year will be prioritised ahead of other assets.

6.7 A systematic programme of property reviews is being developed so that each area of the portfolio is analysed in detail. To date reviews have been undertaken on an ad hoc basis, but now a new team has been created whose principle responsibility is to undertake property reviews. Sufficiency and suitability analysis of assets is undertaken and, together with condition information, forms a basis for making service decisions and bids for resources through the budget process. Recent decisions to relocate a Social Service Office and a Library resulted from the lack of suitability of the current premises to deliver the services required. Similarly, the decision to replace 8 residential homes through the New Homes for Old programme is because the current premises are no longer suitable to deliver appropriate models of care or meet National Care Standards.

6.8 The Council has operated a corporate landlord / service tenant split of repair responsibilities since the mid 1980's. The operational service portfolio is maintained through a Central Repair Fund. Condition Information is used to produce and inform priorities in the Central Repairs Fund [CRF] programme and bids for resources through the budget process. Work funded through the CRF is prioritised based on condition assessments; health and safety considerations; what is essential to keep the premises in operational order; and, future known proposals for assets. The CRF programme is reviewed for potential alternative options, having regard to the sufficiency and suitability of the asset. The commercial repair and improvement programme is generated from an annual round of inspections and is funded by contribution from rental income.

6.9 The Council recognises that energy is a principle expenditure item within buildings where economies can be made. The Energy Section, which is now located within the newly formed Property Assets Team, monitors all energy used within the Council's operational buildings. The focus of the Energy Section is to identify discrepancies in energy patterns and to initiate corrective measures that will ensure that the Council maintains a high level of fuel efficiency thus limiting the production of carbon dioxide, and to prevent the unnecessary use of water resources within its operational buildings. Energy

and water use are key factors in evaluating a building's performance and identifying areas for improvement.

To date 45 energy management systems have been installed within the operational buildings, producing an estimated £159,000 per annum in ongoing energy cost savings. In addition, a review of climate change levy charges has continued to produce savings of £90,000 per annum. The Council procures green energy for all sites that are not exempt climate change levy charges. During 2003/04, the energy section successfully reclaimed £64,500 from our electricity suppliers, for the over-payment of bills. There has been a reclaim of £29,500 to date during 2004/05. The Council recognises the move toward e-government and is currently reviewing the payment methods associated with its energy procurement in order to improve bill validation, bill verification and data management.

The Council continues to work towards addressing Government targets to reduce carbon dioxide production and to promote sustainability. Work has begun on a revised energy strategy, that is being developed in conjunction with the Carbon Trust. It is recognised that the focus on energy consumption needs to shift from costs towards consumption to minimize the production of carbon dioxide. We will work toward the implementation of energy surveys and energy benchmarking, required by the European Energy Performance of Buildings Directive 2002/91/EC, that comes into force in January 2006.

6.10 The Council's policy in relation to central office accommodation is regularly reviewed. The link between quality of working environment and staff morale was identified as part of the Comprehensive Performance Assessment, and is an important issue for the Council to address in the medium term. In the 2003 AMP, we reported that resources were being made available to secure additional space so that service delivery for Housing Benefits could be improved, and bring together operationally the Councils retained housing functions and regeneration services function. These two projects were completed in early-mid 2004 and have delivered significant service improvements in both areas.

6.11 The fact that rental values in the City fall within a fairly narrow band and are not primarily influenced by location presents little option for major change. Previous exercises investigating the conversion of surplus school buildings have concluded that costs of adaptation are likely to be uneconomic.

6.12 The principal driver for changes to demand will arise from changes in working practices, the development of contact centres, and the development of computer technology in dealing with the customer. The Council is implementing a new Customer Strategy which will have far reaching property effects as it develops customer contact centres in the centre and key locations in the suburbs. As part of this process the Council has networked its central office buildings providing gigabit Ethernet connectivity between central office buildings and 100Mb links to the desktop and this is being extended to approximately 140 suburban service offices prior to April 2006 with 50 already connected (October 2004) to deliver 'e-Government' targets and bring more staff on-line.

6.13 Each year targets are set for the generation of investment income and a strategy for reinvestment against specific objectives. These cover longer-term development opportunities and potential regeneration schemes as well as expanding the revenue base. Whilst the Council has consistently released 'poor performing' investment assets for disposal, it needs to review its'

commercial holdings to re-classify its' properties to identify those that are core to the investment portfolio and those that are capable of release. Price Waterhouse Cooper have been undertaking a review to confirm reasons for holding, and identify poor performing assets or those that the Council have no corporate reason to retain. In addition Donaldsons have been undertaking a review of Ground Leases with similar terms of reference.

6.14   The Council has a disposal programme based on the disposal of surplus operational property, surplus commercial property and development land release. Development land can be derived from the commercial estate or from surplus operational sources.

6.15   A five-year plan for operational property approved in September 1999 recognised the major progress made so far in removing over 100 surplus operational property assets and accepted that under-use of assets was no longer the problem that it was and that non-use of assets had been significantly reduced.

6.16   The Council operates an incentive scheme for Departments to release properties or parts of properties that they do not need and this policy was last reviewed in 2000. Increasingly the funding regimes around new asset provision require asset values released to be applied as part of the new provision. Policy development will need to address both changing requirements nationally to re-apply receipts to specific projects and internal pressures to re-provide existing services in different ways from properties no longer considered to be operationally adequate.

6.17   All surplus operational property is accounted for in a separate budget and if not required for alternative Council or partner use, is offered for disposal. The Council have had significant success in this area generating more than £23m in receipts from surplus operational property alone aided by the incentive policy referred to above.

6.18   Residential and commercial land is released for development and should thus be regarded as surplus. Receipts are currently monitored through capital receipt forecasts along with other surplus assets. A five-year disposal and receipt programme is maintained as part of the Council's capital resourcing plans. Land sales are programmed to maximise receipts by the release of smaller sites [approx. 1.5 hectares] and the programme is dependent upon market conditions particularly for residential development. The programme is increasingly reliant on windfall sites from surplus operational property although restrictions on the disposal of playing fields are making this increasingly difficult. This is being addressed through the development of a Playing Pitch Strategy for the City in conjunction with Sport England and an exploration of how the Council can reinvest in its sports facilities. It should also be recognised that from time to time capital investment is needed to open up sites for subsequent sale and thereby enhance the return from disposal.

6.19   Surplus commercial property consists largely of development land - either for employment purposes or for residential and isolated non-core properties. This is a reducing land stock where the rate of release is influenced by several factors including land values and the demand for receipts.

6.20 The Council has produced a Local Performance Indicator to measure and monitor the amount of surplus property – see appendix 2.

6.21 The Council has produced a Contaminated Land Strategy under its regulatory powers. The financial impact of this on the Council as landowner will become clear as the inspection regime rolls out.

6.22 The Council works closely with Registered Social landlords to identify a land release programme for social housing in conjunction with social housing grant allocation. Land is released on a discounted basis in return for nomination rights. The Council is reviewing its Housing Strategy in 2005 to increase the quantity and quality of housing made available by Registered Social Landlords. The continued release of Council land and the terms on which land is released are expected to form part of the emerging strategy.

6.23 The Council has consistently sought to facilitate development of other public sector facilities. It works with the Health Service and the Police to help provide their facilities where they are most needed. Coventry has been designated a second wave NHS LIFT area. The Council has supported the LIFT initiative formally, established a corporate working group to progress LIFT jointly with the Primary Care Trust and is represented on the LIFT Board. A first tranche of Council sites have been allocated to aid in the process of partner selection and work underway to identify shared priority locations for a further release of sites.

Other joint working with health and other partners has included:

- the identification of Council premises to contribute to Intermediate Care requirements to relieve pressure on hospital bed capacity – this has included the conversion of residential homes and area based outreach resources, and the inclusion of additional bedspaces within a new development in conjunction with a social housing provider.
- the relocation of mental health residential facilities for an interim period to release hospital space required for university expansion
- the development of health and doctors surgeries
- the shared use of both Council and PCT accommodation to provide offices for joint mental health teams
- the shared use, transfer and identification of premises for Sure Start
- the provision of a jointly funded Integrated Community Equipment Service in PCT premises
- the reprovision of residential accommodation for older people released land for a PCT development (Stoke Aldermoor scheme – Nigel has more detail re future use)
- the establishment of a multi agency and corporate working group to progress the Childrens Centre audit and initiative.
- a cross authority working group looking at co locating and sharing services in two areas of the city
- identification of premises and shared development for New Deal for Community projects

6.24 Other partners who are regularly consulted on the Council and their own property requirements include Advantage West Midlands and the two universities (Coventry and Warwick)

6.25   Engaging more effectively and systematically with partners to understand how the Council's assets or powers can contribute to a shared agenda of objectives needs to be developed and remain high on the Council's agenda.

6.26   The Council is a major partner in the Coventry Partnership (Coventry's Local Strategic Partnership) and uses its assets to help deliver some of the Partnership's objectives. The Council is also working closely with a New Deal For Communities Project which will impact on the assets that the Council controls in the area concerned.

6.27   With the additional resources provided for corporate asset management, as identified in section 1, a 5 year corporate property strategy is to be developed, which will bring all the work being undertaken into a single plan.

7.0   ACTION PLAN

7.1   The table below sets out the actions proposed for 2003/04 and the progress made.

Action	Progress
1. Better Co-ordinate the property input into the next budget round and bring Neighbourhood Plan property initiatives into the process	The Capital Working group has prioritised property related bids
2. Commence systematic review of assets under the direction of the Capital Working Group and Asset Management Group.	Ground lease review undertaken
3. Review best practice literature on measuring user / stakeholder satisfaction and pilot it in one service area	Programmed for 2004/05
4. Commission a review of our data systems	Corporate review of all the Council's data systems underway.
5. Use the outcome of the Octopus review on costs in use to inform our own practices and performance	Local performance indicators developed
6. Use the outcome of the Central area comparative study to set targets for improvement and set space standards	Space standards set and being monitored
7. Review relevance of local performance indicators to delivery of Corporate objectives	Link with corporate objectives identified
8. Commence the systematic collection of elemental condition information in the operational and commercial stock	Specification being produced
9. Engaging consultants to review the commercial stock for reason for holding and identification of poor performers	Price Waterhouse review undertaken

7.2   The table below sets out the additional actions proposed for 2004/05

Action	Timescale
1. Complete recruitment to corporate asset management section	December 2004
2. Compile a programme of systematic review of operational and commercial property	January 2005
3. Undertake a range of property reviews, involving suitability & sufficiency analysis	From February 2005
4. Specify the requirements for a corporate asset management data system, undertake a review of existing property data	January 2005

systems across the authority, and identify a suitable asset management system that would be available across the authority for asset users and property service related staff	
5. Develop a 5 year Corporate Property Strategy	March 2005
6. Play an active role in developing the Council's customer service strategy, in particular the property dimension	November 2004
7. Contribute to the Best Value Review of Community Centres	November 2004
8. Co-ordinate the Council's DDA actions to ensure that all relevant assets within the portfolio have been reviewed	November 2004

Appendix 1 - Property Classifications and Values

Category	Number	Value £'s
Operational Assets		
Schools	88	288,383,942
Education other	17	9,096,620
Libraries	12	3,810,721
Residential Homes and Day Centres	37	15,751,356
Social Service Other	22	11,281,203
Cemeteries & Crematoria (Bldgs)	5	1,601,727
Offices and Administrative Buildings	19	12,826,736
Museums and Galleries	4	9,887,899
Sports Centres and facilities	3	19,214,905
Parks with buildings	13	2,129,985
Other leisure	7	3,429,723
Off Street Car Parks and Park and Ride	36	25,597,340
Depots	3	4,315,393
WCs	12	780,829
Magistrates	1	9,137,389
Waste Reduction Unit	1	869,000
Sub Total	279	418,114,768

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Non Operational Assets		
1) Buildings		
Agricultural	4	332,000
Industrial	27	17,190,125
Shops	59	45,048,962
Office	17	20,065,367
Mixed Office / Shop	6	16,254,482
Other	38	3,359,835
2) land		
Industrial ground leases	20	12,875,751
Shop ground leases	17	25,709,000
Office ground leases	10	8,173,000
Other Ground leases	29	11,557,099
Sub Total	227	160,565,621
Surplus operational assets		
Commercial development sites	12	52,821,108
Residential development site	20	21,668,499
Surplus operational awaiting disposal	4	659,000
Surplus operational let to third parties	10	580,186
Sub Total	46	75,728,793
Total	552	654,409,182

Notes

1. Schools covered by Education AMP. Numbers exclude denominational schools where ownership is not vested in the Council.
2. Analysis based on significant asset values at 31.3.03 , not yet formally adopted or audited. Substantial assets with a value greater than £20,000 only included.
3. Operational use is made of non operational assets, values have not been adjusted for this
4. Non operational property could fall into more than one classification – predominant use is determining factor in classification
5. Includes Arena site – major regeneration site in North of Coventry

Appendix 2   **Local Indicators**

1. **Rent Income (annual)**
    a) Rent Income billed as a % of maximum achievable, less exceptions.
    b) Rent reserved at year end

2. **Rent Arrears (annual)**
    a) age of debt
    b) amount written off

3. **Vacant Property (Quarterly & Annual)**
    a) number per category each quarter.
    b) notional lost income per category.

4. **Condition (annual)**

5. **Repairs (Quarterly & annual)**
    a) Progress on Major Repairs programme as % of cases in categories
    b) Proportion of reactive repairs by value to programmed repairs

6. **Portfolio Management Cost (annual)**

7. **Customer Satisfaction - across the Division (Quarterly & annual)**

8. **Outstanding LR's & RR's (Quarterly & annual)**

9. **Consultants – across the Division (Quarterly & annual)**

10. **Trends (Quarterly & annual)**

11. **Marketing (Quarterly & annual)**
    Property marketed within 4 weeks of instruction or date income ceases.
    Reported as % of total cases

12. **New Enterprise Scheme (Quarterly & annual)**
    a) No.of new businesses started.
    b) No.of new jobs created

13. **Capital Receipts (annual)**
    Capital receipts achieved as % of Capital Programme

14. **Retail Market (Quarterly & annual)**
    a) Footfall
    b) No. of stalls / traders

15. **Internal Client Services (annual)**
    a) Number of cases by category
    b) Value of cases by category

16. **Surplus Property**
    Operational space declared surplus as % of total operational space

17. **Space Utilisation**
    To ensure the effective use of space in central office accommodation by
    maintaining an average space allocation of 10 sq m (GIA) per person.