

Corporate Property Asset Management Plan

2010/2013

Photo of Southwater

February 2010



FOREWORD

Land and Property assets are a key issue for the public sector

At a time of significant increasing budget constraints, it is increasingly important to not only continue to manage and utilise our assets effectively, but also to examine how they can be better used and rationalised to 'encourage town place' and regenerate our Borough towns.

The majority of Council services are provided indirectly through land and property; therefore ensuring that properties meet both our staff and service needs is of paramount importance.

Property provides a significant contribution to the delivery of the Council's vision ambitions, priorities and services. Through investment effective prioritisation of planned maintenance and rationalisation, real improvements are being made to our Land and Property..

Refurbishments, improvements and extensions have been carried out to a number of schools including The Charlton, Moorfield Primary and The Sutherland School. However in addition to this, new developments such as Short Wood Primary School (Wellington) Lightmoor and Old Park Primary School are not just providing high quality educational facilities for our young people, but also provide new housing, an improved retail centre tailored to current needs including doctor's surgery and Children's Development Centre, in collaboration with the Primary Care Trust. All of this development is carried out to the latest environmental standards with sustainability at the heart of the project.

Building Schools for the Future funding provides a huge opportunity to transform educational and recreational service within local communities, further contributing to the "Place Shaping" agenda and The Borough towns initiative.

The regeneration and transformation of our Borough towns and Telford Town Centre is also a priority. The Borough towns is being developed in partnership with local communities, businesses, Town and Parish councils and regeneration partnerships. The built environment will play an important role and whenever possible, property will be used as a catalyst for change. Madeley Centre regeneration commenced June 2008. The first phase involving the demolition of the former supermarket is now complete and the construction of the new Tesco store is nearing completion. The scheme will deliver great benefits to the south of Telford, bringing with it not just a re-modelled vibrant centre, but significant highway improvements. The Dawley and Malinslee project is a major regeneration programme, the proposed re opening of the High Street to traffic and high quality public realm improvements start in spring 2010 and it is planned for major infrastructure works on the brown field 90 acre site to start Autumn 2010.

Wellingtons new library, registry office and co located services at the existing Civic and leisure facility is due to open Spring 2011 after receiving consent from planning in September 2009 and whilst enabling works have already been carried out major construction is planned to start in March 2010. Leegomery Local Centre following its fire damage is being rebuilt by the Council and is due to open in Spring 2010. Randlay and Woodside centres will commence redevelopment in 2010.

Property produces around half of the Council's carbon emissions. Under the "Climate for Change" agenda, it is proposed to significantly reduce the Council's carbon emissions in the coming years. Improving the efficiency of existing buildings and delivering innovative, sustainable new buildings will contribute significantly to achieving this target and

A robust Asset Management Plan will inform decisions relating to service delivery, and bring major benefits to the local community.

Photo of Cllr Eric Carter (cabinet member)

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1.0 Statement of Context

Telford & Wrekin Council is a Unitary Authority responsible for the fastest growing area in the West Midlands. The Council's "Local Development Framework" core strategy has been approved and The Central Telford Area Action Plan (CTAAP) preferred options will be examined in public during summer 2010.

This continuing growth and development of the area ensures services and facilities are constantly monitored and reviewed, resulting in major implications for property holdings and Asset Management.

As part of Comprehensive Area Assessment (CAA) there is a Key Line of Enquiry (KLOE) relating to 'How the Council Manages its Asset Base'. Originally under the last Comprehensive Performance Assessment the Council received a Level 4 result in November 2008. Level 4 was the highest assessment that can be achieved Under the new Comprehensive Area Assessment (CAA) in 2009 this was regarded to a Level 3. Further progress and innovation will be necessary to improve on this level as the 'bar is raised further'.

Telford & Wrekin Council currently delivers services from 165 properties 151 of these properties are owned by the Authority and classed as operational six are "leased in" from private providers, there are two P.F.I. properties and eight are owned by the Telford & Wrekin Council Property Investment Portfolio (PIP) and used as operational properties. These properties do not include the PIP which are held for investment and regeneration purposes or houses leased in for homeless accommodation

Substantial refinement and improvement to these properties has taken place. Work is continuing to rationalise where possible, and to improve the Asset and Property Portfolio in accordance with service requirements and Asset Management principles.

Asset Management Plan - Aims:

- Ensure assets are fit for purpose
- Ensure assets are located in appropriate locations for service delivery
- Deliver an integrated approach to Asset Management across the Authority
- Reinforce a corporate approach for holding property and outline objectives
- Ensure Asset Management decisions are planned in a co-ordinated manner and consistent with council priorities
- Manage a simple and robust performance measurement system
- Provide comprehensive and accurate data to facilitate analysis of Property
- To support and facilitate improved service delivery
- Use land and buildings as an enabler to the “Place Shaping” agenda and the enabler of regeneration in Borough towns, local centre etc.
- Optimise property revenue towards the Council’s current and future aims, objectives, policies and programmes
- Optimise and prioritise the level of property investment, to meet the Council’s current and future service needs
- Promote the innovative use of property together with partners and stakeholders

2.0 Organisational Arrangements - Corporate Property Group

Roles and Responsibilities of Property Group

- To strengthen the corporate approach to Asset Management at a strategic level
- To facilitate the implementation of the Communities for Local Government (CLG) requirement of maximising local authority property assets.
- Develop the Corporate Property Strategy and produce the Corporate Asset Management Plan (AMP)
- Facilitate and lead cross-cutting use of property across the public sector in Telford & Wrekin
- Review and deliver the Council's acquisition and disposal programmes as part of the property review
- Monitor and review the collection, use and maintenance of property asset data
- Review and improve Property Performance Indicators and benchmarks
- Establish a reporting regime to services and Members, particularly to the Cabinet Member with responsibility for property
- Co-ordinate, review and deliver capital and revenue programmes of work

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Service and Financial Planning Relationship to Wider Council (Figure 1)

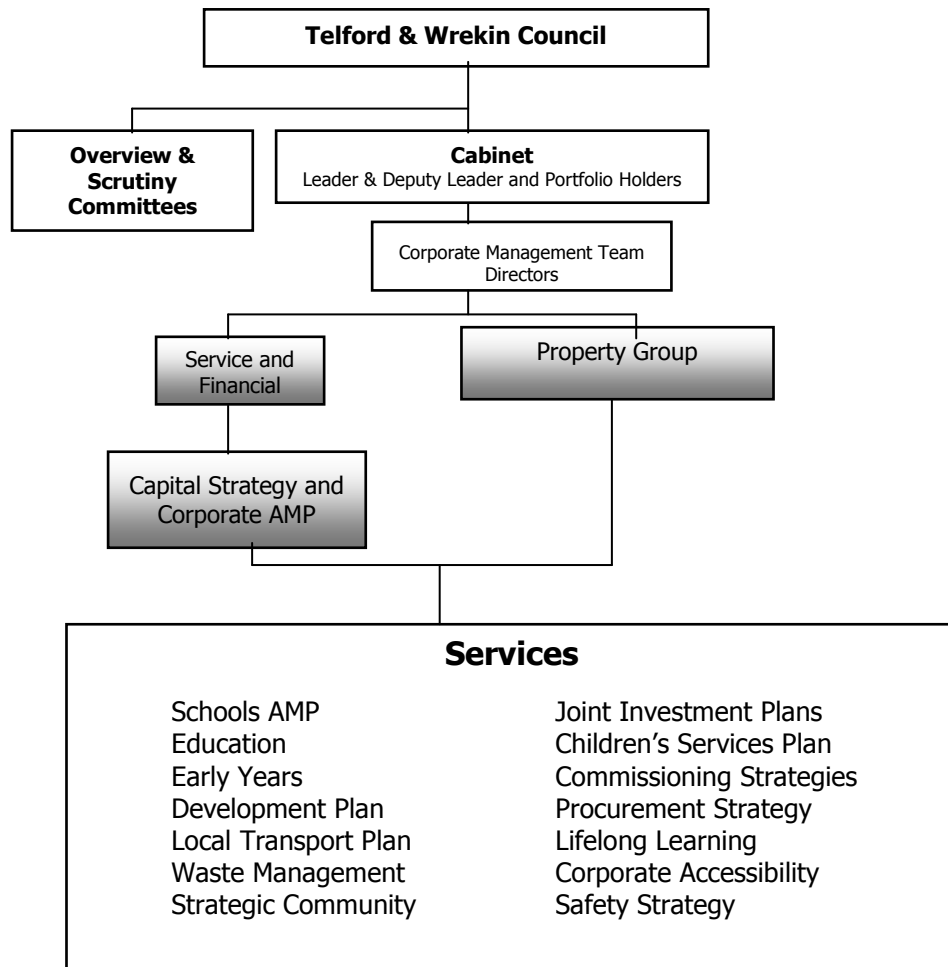


Figure 1, details the links to the Council’s decision making process and indicates service area working, through the Service and Financial Planning Framework and Strategic Property Group.

In line with the recommendations of the Government’s agenda for joint agency working, the Corporate Property Officer (CPO), is liaising with external agencies e.g. PCT, to identify and maximise the use of existing assets and explore partnership opportunities for inter-agency use of property.

Discussions are ongoing with the Fire Service regarding joint working arrangements as have already been established with the PCT at the Glebe Centre and Old Park together with the Police CCTV monitoring station Wellington.

Partnerships involving the Council’s buildings, police and PCT are explained in further detail under Section 8 - Property Investment Portfolio.

Insert photo – PCT and Edward James House

3.0 Links to Key Plans and Objectives

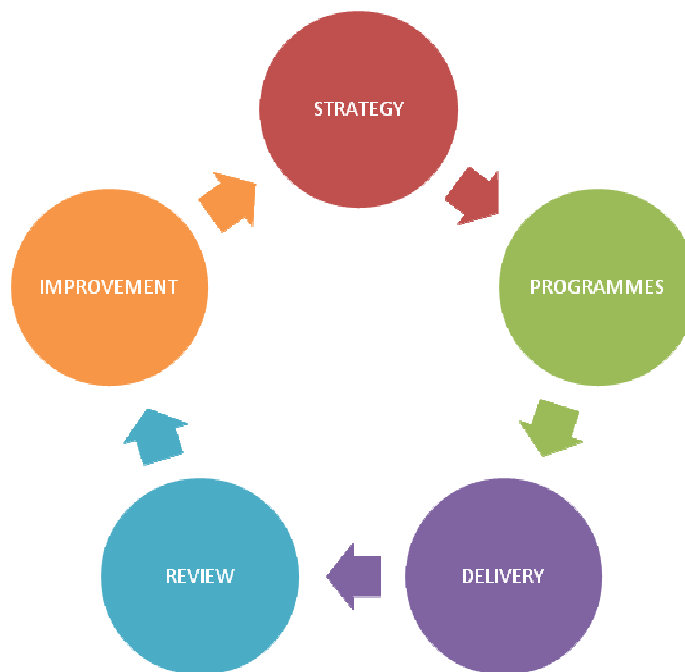
The Council's Vision and Priority Plans identify Key priorities for the Council (see appendix 1). From 2010/11 this process will be revised in accordance with the Council's priority plan. The table below details the strategic Asset Management decision-making links within and across Services:

Strategy

- Understanding community needs and those of our partner organisations
- Corporate policies and priorities
- Service delivery and financial strategies

Improvement

- What are the corporate drives for further change?
Council Vision, Community Strategy, Council Plan, Priority Plans, Service Delivery Plans, Personal Development Plans
- What are the challenges and opportunities now facing services?



Programmes

Analysis of current performance and future needs including:

- Property Audit to understand current performance and trends
- Options appraisal and prioritisation
- Capital planning

Review

- Has the change delivered the expected outcomes?
- How are services performing?
- Have the property-related objectives been achieved?

Delivery

- Delivery planning
- Project management
- Procurement

4.0 Consultation

An integral aspect of the Council's overall approach is to ensure major projects and initiatives are assessed by multi-agency partners, service users, citizens and other relevant stakeholders. This consultation exercise ensures projects and initiatives are fully developed or refined, dependent on consultation feedback.

There are two main consultation routes:

- In partnership and with local multi-agencies – often focused towards priorities and projects
- Community based through a range of quantitative and qualitative methods such as residents' surveys, local meetings and focus groups. A prominent feature of the consultation "landscape" is the Telford & Wrekin Community Panel – a cross-section of some 1,000 local residents.

Insert photo of consultation for Town Centre

The Council's most extensive property related consultation has been conducted regarding the proposed development at Telford Town Centre and Dawley BTI regeneration

- With Dawley BTI Regeneration approximately 2,500 homes and businesses within the area received a leaflet describing the proposed vision and consultation events. A letter and a copy of the questionnaire were circulated to these properties midway through the consultation period to engage with the community
- Briefings were conducted between ward members Regeneration Partnership and Parish/town councils; prior to the launch of a series of public exhibitions. A website is also available detailing the consultation information and an online questionnaire

The Wellington BTI went through an extensive programme of consultation which involved information stands, a stall on Wellington market and public session attended by Councillors. Our initial proposals whilst welcomed were felt to be too modern in design with a more traditional design preferred. As a result the proposal was redesigned and resubmitted to another public meeting, at this meeting it was accepted and a full planning application was submitted.

Insert photo of Wellington Leisure Centre

5.0 Data Management

Core Data

All Council property data is recorded on a Property Management System, which is designed to accommodate all forms of property data in a central location.

The Property Management software brings all the main functions such as Asset Management, Capital Projects, Service Asset Register and Help Desk Software together into one integrated solution. This will provide greater exchange of information and streamlined property database linked help desk. The software is Internet based will provide a direct link to customers and stakeholders, enabling them to access data and information in a user friendly environment. As the software is internet based it will also enable officers to work more flexibly.

- The Asset Register:

The Council maintains a central corporate asset register to record valuations and information for all land and buildings, in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) and Audit requirements. All assets are allocated a central "Unique Property Reference Number" (UPRN). The Register is regularly monitored and updated to record all acquisitions and disposals.

A five-year rolling programme of asset and insurance valuations is in place for Operational Property, ensuring that 20% of assets are re-valued each year after the validity of the basic data/information has been verified. The Property Investment Portfolio is re-valued annually.

- Condition

Condition surveys of all schools and operational buildings have been completed and are re-assessed as part of an on going re-survey process.

All school data has been submitted to Central Government on a number of occasions, and has been successfully assessed by external auditors. This enables officers to determine and prioritise work in accordance with Asset Management principles, and therefore improve the quality of our school building stock, in addition to providing valuable information to enable informed decisions on investment disposal.

Operational data is captured across all portfolios and work is prioritised according to the data, allowing a transparent planned programme of work to be implemented.

- Suitability

All education suitability surveys are complete and have been successfully assessed by external auditors, these are updated annually. Data submission to central Government has provided significant modernisation funds which have been used in accordance with the data to improve the suitability of the education environment, and address a number of shortfalls in accommodation.

Operational suitability surveys provide valuable information when determining the planned programme of work; they will also play a significant role in the overall property review assessment and rationalisation process.

- Asbestos

Comprehensive Asbestos database has been developed, incorporating 'Type 2 Enhanced Surveys' as part of the Asset Management data; ensuring quality and up to date information is retained. The enhanced survey, whilst still non-destructive, includes the inspection of accessible voids to assist with ICT cabling and installations.

In accordance with the Council's Asbestos Management Plan 2009, annual risk assessments are conducted on all previously surveyed properties, to ensure that the Council targets available resources at priority items and manages the risks on site.

In 2009, by analysing existing surveys a programme of priority plans will be developed to target resources to areas of need and manage existing asbestos over the next 5 years subject to capital funding.

- Access

Accessibility to properties is paramount to the delivery of services. Comprehensive Disabled Access Audits of operational properties (excluding schools) ensuring suitability of premises in relation to service delivery.

The Audits are stored electronically on the central Asset Management database and are accessible for stakeholders and managers via a Web browser. This ensures ownership under the duties imposed as part of the Disability Discrimination Act (DDA).

The access audits and our approach to service delivery in accordance with the requirements of DDA, has informed our Programme of Improvement. The Performance Indicator relating to accessible buildings has risen from an original figure of 55% in 2005/06 we are projecting 74% in 2009/10.

A comprehensive strategic approach to asset management provides the Council with the opportunity to address geographical disparity in access to services across the Borough. Regular meetings with service providers as part of the suitability surveys, is part of this approach.

Insert photo – Queens wood primary

- Energy and Efficiency

There is a dedicated energy module as part of the Asset Management Software System, which enables the Authority to input and analyse property related energy data.

This data feeds into the property performance indicators (see Section 11), and assists when making key decisions regarding investment and disposal of property. The data also informs the Council's Climate Change Strategy, allowing a targeted approach based upon poor energy ratings of building to ensure resources are allocated in the right areas to reduce the carbon footprint.

Examples of Energy Efficiency Initiatives include "Invest to Save" bids to install more efficient lighting in Darby House and the installation of a voltage reduction regulator at Civic Offices. At schools and other operational properties, bio mass boilers are considered.

Biomass boilers are now installed at The Place - Oakengates, Oakengates Leisure Centre, Hadley Learning Community, Short Wood Primary School Old Park Primary School.

Water harvesting has been installed at Hadley, Old Park and Short Wood together with cedum roofs to minimise water run off. Web enabled monitoring of heating and ventilation at new schools is proving to be a significant benefit. This controlled regulation should result in meaningful reductions in energy usage, improving efficiency.

- Measured Surveys

Accurate, comprehensive, measured building surveys are available on AutoCAD.

- Historical Information

Several thousand drawings and specifications for operational properties have been scanned and information is stored on the shared network. This enables the Council as a major procurer of construction projects, to protectively fulfil its duties under the construction (Design and Management Regulation) in acting as a competent client.

Continuing Improvement

As part of our ongoing improvement plan, the table below illustrates surveys completed for operational buildings (excluding schools) at the end of 2008/2009, with projected re-surveys each financial year indicated

Type of data	% of surveys/ data completed	Planned work up to March 2009 as a percentage of floor area	Overall target
Condition surveys	100%	25%	Rolling programme to resurvey all properties every 4 to 5 years
Suitability surveys	96%	25%	Rolling programme to resurvey all properties every 5 years.
Asbestos surveys	100%	100%	Rolling programme to reassess risks every year
Disabled access audits	100%	10%	Rolling programme to resurvey all properties every 5 years. Completed in 2005/06.
Geographical system	20%	Direct relationship to data capture above	All graphical data all complete
Weighting and scoring	100%	Direct relationship to data capture above	Weighting and scoring system completed ongoing review every 6 months
Energy data	80%	100%	

6.0 Programme Development and Implementation

The Decision Making Process

The information contained in the Asset Management system allows informed, property related decisions.

This corporate planning process identifies requirements for the Property Portfolio. The Council utilises data detailing condition, suitability, access, sufficiency and asbestos, etc in the following areas (list not exhaustive):

- Education Development Plan
- Early Years Development Plan
- Schools AMP
- Capital Strategy for Schools
- Review of office accommodation
- Repair and maintenance programmes
- Capital programmes
- BSF
- Property Rationalisation
- Borough Towns Initiative

Maintenance Programme

Information on property condition, suitability and sufficiency is already feeding into the formulation of the Council's Repair and Maintenance programme. The Council has completed all condition surveys for operational properties where appropriate, used for the delivery of its services thus establishing a baseline.

The Council has further improved the consolidation of all Repair and Maintenance budgets into a central, strategic location managed by Property & Design. This approach supports the strategy to target resources, at priorities based upon many criteria; rather than delegate Repair and Maintenance budgets to individual sites. The approach also achieves a standardisation in the procurement of areas, such as service contracts (e.g. boiler servicing), developed by construction professionals in addition to channelling all properties to achieve economies of scale through the tender process.

The planned maintenance programme for 2009/10 has been submitted to Cabinet for approval in February 2010. The planned maintenance programme details the priorities set in accordance with the framework described in the Asset Management Plan.

Formulating the Property Related Capital Programme and Key Issues

The advent of the Prudential Borrowing Regime has facilitated 'joined up' consideration of revenue and capital aspects of service development priorities over the short, medium and longer term and supports a more planned approach to property investment and maintenance.

Insert a photo

Option appraisal processes in line with the Prudential Framework for capital projects, take account of the different outputs required; and will include examining reduced operating costs, regeneration factors, service benefits, geographic and deprivation indices, alternate

premises/sharing premises and partnership with the private sector or other public sector partners.

Telford & Wrekin Council actively considers sustainability as part of asset provision, use and management. Sustainable Procurement Strategy is part of our commissioning approach, and we are innovative in ensuring sustainability is part of all new-build and refurbishment schemes, by continually reviewing the content via the Environmental and Sustainability Team and the Procurement Team.

Key Issues Addressed Within our Asset Management Approach to Finalising the 2010/11 Capital Investment Programme Include:

- The delivery of the capital projects for portfolios' property stock, to underpin improved service delivery
- Regeneration – support and project management to the Borough Towns Initiative
- Town Centre Development – at feasibility stage involving assessment of affordability, potential partners, collaborative working.
- Repair and maintenance programmes for operational property. The Council is continuing to develop its approach to connect the Repair and Maintenance backlog to a planned programme and revenue budget allocation across service areas
- Repair and maintenance programmes for property investment portfolio will maintain income levels for the Council redevelopment opportunities within the property investment portfolio
- Climate Change/Energy Efficiency
- Quirk Review - In consultation with Community Groups assessing benefits of transferring management/ownership of buildings to community groups. A number of community centres, including Randlay and Hollinswood have been transferred to Parish Councils
- Building Schools For The Future Programme

Wappenshall Junction

In January 2009 Telford & Wrekin Council purchased Wappenshall Junction in conjunction with the Shrewsbury & Newport Canal Trust (SNCT). Constructed during the 1830's the site includes grade two listed buildings, former canal basin and bridge designated an ancient monument.

Closed since 1944 Wappenshall Junction is set to be transformed in partnership with The SNCT, who will occupy the site on a long lease arrangement. The buildings are to be fully restored by the Trust accessing grant monies to accommodate education and training facilities, visitor centre, shop and office. It is envisaged that the redevelopment will be completed over a five year period and will act as the catalyst for the restoration of the canal network between Norbury Junction and Wappenshall.

Speaking of the acquisition, SNCT Chairman Chris Chambers commented, 'Wappenshall Junction has always been pivotal for our restoration proposals. By purchasing the site and leasing it to SNCT, Telford & Wrekin Council has demonstrated great vision, and a commitment to facilitating the long term restoration of the Shrewsbury & Newport Canal.

Procurement

In our drive to achieve efficiency savings, under the National Procurement Strategy the Council has adopted and continued refining various forms of procurement options during 2009/10.

A number of construction projects have been procured using partnering, the delivery mechanism. As a result of using partnering as the preferred procurement route, it has proved successful by engaging contractors' expertise earlier in the process, together with direct involvement with the supply chain and creating a 'win – win' approach to projects. In the current tendering climate with falling prices there has been a switch back towards more traditional procurement and contracts.

As of April 2008, a term contract was entered into covering the day to day maintenance of the P.I.P. A recent review of this contract highlighted an extremely pleasing number of positive responses from tenants. As a result it was rolled out to operational buildings in 2009.

Option Appraisal and Life Cycle Costing

Embedded in the planning of construction projects associated with investment and disposal decisions, Property & Design has implemented an option appraisal and life cycle costing policy/framework.

The policy includes suggested templates for option appraisal and life cycle costing development. All investment and disposal decisions above pre-defined levels require an option appraisal and life cycle costing assessment.

The construction industry has improved the approach to product delivery and the achievement of customer satisfaction. Where previously the design and construction teams placed a heavy emphasis on delivering buildings at the lowest capital cost, a greater awareness and desire to consider costs over the whole life of the building have prevailed.

Clients now want buildings which demonstrate value for money over the long term, and are no longer simply interested in the design solution which is the least expensive. These changes have led to and highlighted the importance of whole life-cycle costing approaches to the design, construction and operation of buildings.

An example of this is at the Bridge Special School, Brookside. The school is used as a teaching and assessment centre for children with special educational needs. The centre was in need of significant investment. However, following the option appraisal which identified that the site may be suitable for residential development, together with significant costs for what was an inherently outdated building; the decision was taken to build new. The new site at the Malinslee development (see Appendix 2) opened in July 2009.

Whole life cycle costing provides a far more accurate assessment of the long-term cost effectiveness of a project, than standard economic methods that focus solely on first costs or on operating-related costs in the very short term. Research has identified the relationship between capital cost, cost in use and the cost to the business of assets as a ratio of 1:5:200. This results in the cost of operating and maintaining a building over its life will be five times the original capital cost. Moreover, the cost of staff productivity and occupation is two hundred times the capital cost.

7. Key Issues and Areas for Change and Development

Introduction

The Council has inherited a diverse range of land and property, often of varying standard and in which employees work in a range of differing ways/cultures. The current recessionary climate linked with restricted funding and the need to make savings and demonstrate value for money has focussed attention on Property.

There is now an impetus for local authorities to reduce the cultural and physical barriers between and create a more open infrastructure. In October 2009 it was announced that Telford & Wrekin Council would restructure. A key element of this is the removal of portfolios, having strategic Directors and a greater emphasis on matrix management.

The ongoing need to re shape the Councils services and change service delivery leads to continual changes in Council structures which in turn impacts on property. This offers major opportunities to review / rationalise property. This will significantly impact on property requirements and will include reviewing Civic buildings and the outlying satellite front line services, which are geographically sensitive.

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This has already started at Wellington where there is a wide range of properties and services. During the next three years and in conjunction with the Town Centre project, these will be reviewed, rationalised and consolidated.

This offers two interlinked and crucial areas of work:

- New Ways of Working
- Property Rationalisation

The two areas dovetail and complement each other and are governed by:

- Place shaping
- Partnership working
- Regional growth pressures
- Council re-shaping services
- Sustainability and environmental issues
- Equalities and diversity
- Efficiencies agenda
- Government challenge

Insert a photo

Place Shaping

Using Council Property assets together with other public sector assets Property & Design is bringing significant regeneration benefits across the borough. Linking to the Borough Towns Initiative (section 9) many towns are enjoying major investments and improved services under pinned by property.

Partnership Working

The establishment of local area agreements and public sector boards are driving major increases in partnership working and integrated service delivery.

There are aspirations that staff working in partnerships will be co-located with partners. This will impact on the demand and type of office accommodation dependant upon strategy. However, it is recognised that partner organisations may have their own work style, culture and statutory requirements. Flexible accommodation is required to respond to the constantly changing nature of partnerships, and to enable new forms of integrated working to be established.

On behalf of the Shropshire Fire Authority, Property & Design have acted as Client adviser on three projects outside The Borough. The first two were at Craven Arms and Cleobury Mortimer, which involved extending and refurbishing the existing stations. The third and more complex project currently underway is to rationalise the Headquarters building at Shrewsbury by remodelling their current accommodation estimated at £3.5 million build cost. The excellent relationship established across these projects is being mirrored in Telford with a review of accommodation linked to Council needs and opportunities for co located services.

[Photo of Shrewsbury Fire station](#)

Regional Growth Pressures

Regional Planning Guidance outlines proposals for growth in the Telford sub-region of 1300 dwellings per year to be built up to 2016; consequently the Council will experience increasing demands for services and sustainable, quality infrastructures. This demographic growth will impact on Council Services. .

Sustainability and Environmental issues

The Council's commitment to climate change is demonstrated with "A Climate for Change"; document for the community of Telford & Wrekin. Further contributions towards reducing the environmental impact of the Council's operations remain in consideration of "whole-life" value of buildings - the total life costs and material requirements, rather than initial build costs.

The strategy will result in specification for office buildings using fewer raw materials, and having lower energy costs; this will enable the replacement of outdated offices with high energy costs, with new efficient smaller premises.

The Carbon Reduction commitment which comes into effect from April 2010 offer further incentives to responsibly manage property. With significant penalties and rewards the strategic management of property and collection of accurate data is paramount. As a result of this legislation the Council is reviewing its data management and staff resources in this area with a cabinet report planned for March 2010.

Equalities & Diversity

As detailed in Data Management (see Section 5.0), Management Data BVP 156 (Accessibility to Public Buildings) has been an important indicator for several years. Accessibility for both the public and staff has been taken into consideration and is addressed through the collection and monitoring of data and regular meetings with the Council's Equalities and Diversity Officer. Additionally, regular meetings have been held with service providers to consult on the suitability of operational properties. "Equality Impact" assessments have now been completed throughout all areas of Property & Design, and the following monitoring systems will be put in place over 2009/10 for future analysis and evaluation:

Property Investment Portfolio

A Lettings Policy was published in 2009 to govern the lettings of commercial properties to both companies and individuals. To complement the Policy, letting enquiries will be monitored to establish the effectiveness of the Policy and how the Policy, together with spread and type of property, impacts on different community groups.

Operational Property

Suitability Surveys are currently being updated and will include baby changing facilities within public buildings and their availability to both genders. This information has not previously been collected and was completed in 2009.

New Ways Working

This is being driven by 3 main drivers;

Efficiencies Agenda

The efficiency agenda review requires local authorities to make efficiency gains as part of the budget strategy.

There is potential to release both capital and revenue costs from the Council's Operational Property.

In November 2009 Property & Design became the pilot study across the council for New Ways of Working. This reduced the number of desks across the services area from 73 to 59 and the area reduced from 150square meters. The findings from this study will be published in spring 2010. It is then planned to roll this out across all council accommodation with lessons learned in Spring 2010.

Government Challenge

The Government is challenging local authorities in respect of their asset management strategies. The Office of Government Commerce has launched its report 'High Performing Property: Route Map to Asset Management Excellence'. This identifies a number of challenging targets and maps out the changes required to maximise best value from property portfolios.

As a major owner and occupier of property, the Council is required to justify holding land and buildings, and consequently to dispose of assets surplus to requirements. This echoes the Council's prime concerns in the property context, namely that we must:

- Not hold property unnecessarily
- Expeditiously dispose of surplus property

Insert a photo

Council occupation rates across service areas is currently being monitored and will be used to identify existing space standards to create a baseline across services. Property & Design have key tasks in designing high quality, sustainable, public realm and public buildings. It offers significant challenges in re-assessing how we deliver public services, together with challenging existing ways of working.

Changing Work Patterns and Culture

There is now a range of office options, such as “hot-desking”, touchdown, open plan offices and the creation of flexible team, or group-working places, that support and encourage a flexible workforce. Many staff are completely mobile increasingly reliance on I.C.T Public sector agencies now offer combined services from individual premises, however, Council offices have remained substantially unchanged. Similarly the needs of Councils services have changed but again buildings have not kept pace with this level of change. In order to address these issues The Property Group is looking to develop a strategy in 2010/11 that will define new ways of working to support service delivery and drive out efficiencies

8.0 Property Investment Portfolio (PIP)

The Authority holds a number of individual sites for investment purposes (see Section 10.0). Most were transferred to the Authority from the former Telford Development Corporation as part of a Community Related Assets package. The values of the Portfolio are detailed in Section 10.0. Asset details are those currently included in the Authority's Asset Register and based on CIPFA valuation principles.

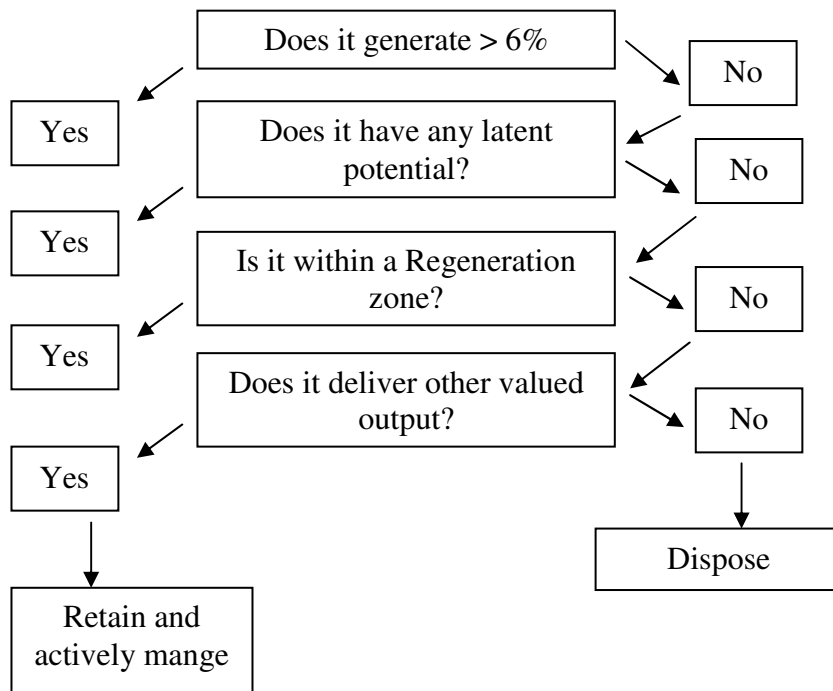
The property portfolio has an annual revenue target of £6.2m. This revenue is then used by the Authority to meet the on going cost of maintaining liabilities including open space, car parks, community centres etc. The liability side of the Community Related Assets package is subject to claw back provisions. As such, a significant part of the capital receipt generated from any disposal, is paid to the Treasury rather than the Council.

An external performance review of the Property Investment Portfolio was undertaken by GVA Grimley for the financial years 2007/08 and 2008/09. The report found that "the Council's portfolio outperformed the IPD benchmarks by a considerable margin", but warns "challenging times until 2011 with increasing instances of tenant default, difficulties re-letting and decreasing opportunities for increasing rental income as market levels fall below those of five years previous".

During recent years the Portfolio has diversified away from being predominantly within the industrial sector. A far greater proportion of the value and revenue produced is now within the modern office sector. Consequently the Portfolio has a more balanced mix in terms of property sector, reducing overall risk to the Authority. The decision to diversify was taken following a detailed appraisal of the Portfolio which included performance, growth areas within the Telford property market and life cost analysis of the existing Portfolio.

Financial performance of the Portfolio is measured against a five year plan projecting rental income and return until 2012. The indicators against which financial performance is measured include rental and capital growth, return on capital investment and yield. Assets providing a return of less than 6% are identified and their performance analysed. Additional measures used to assess performance include Condition, Portfolio Mix, the potential of assets to help achieve the Authority's Borough Towns regeneration initiative, and delivery of Community Benefit. The present system used to monitor performance can be summarised with reference to the diagram over which outlines key questions and actions: Option appraisals and whole life cycle costing exercises are also undertaken before a disposal is recommended.

The Performance Monitoring and Measurement Process for the PIP:



The Authority continues to enjoy close working relationships with a number of key partner organisations and stakeholders within the Borough including Telford and Wrekin Primary Care Trust, West Mercia Police, Parish/Town Councils and elected members.

Practical examples of partnership working include the acquisition and construction of new offices leased to Telford & Wrekin Primary Care Trust. Key local services are now delivered to the Borough from both Longdon House, Montford House and Edward James House, helping achieve the Corporate Vision to deliver, 'a successful, prosperous and healthy community, with a good quality of life for all people of Telford & Wrekin'

Property & Design is also exploring the development of new purpose built doctors surgeries, Telford & Wrekin work with the PCT enabling them to improve coverage throughout the Borough. Working in partnership with the PCT will ensure the best use of public sector assets and funding. At Edward James House, the Council has secured building accommodation to support social care and health commissioning functions in relation to both adults and children and young people.

This has enabled the following teams to co-locate:

- Joint Commissioning (older people, physical and sensory disability and carers)
- Joint Commissioning (adults with learning disabilities, mental health, and substance misuse)
- Joint commissioning (children and young peoples)
- Continuing health care.

This has enabled more effective working between teams who were previously dispersed across a number of buildings.

Property & Design work closely with One Telford (the Council's inward investment agency), Business Link and Shropshire Chamber of Commerce to secure new lettings of its investment properties, attract inward investment, and help job creation within the Borough. A significant development in order to achieve the above is the Donnington Rail Freight Terminal. The £4.2 million development on former military land includes a major new site of 8.9 hectares (22 acres) capable of taking a warehouse in excess of 37,100 sq m (400,000 sq ft) floor space. To date the majority of freight has been linked to the Ministry of Defence. An agreement to link directly to south coast ports has just been agreed and a number of local companies are exploring using it for distribution. Furthermore an International company who is already based in Telford is in advanced talks to locate a major warehouse at the site. This will bring significant employment opportunities through construction and manufacturing / warehouse use.

Property & Design are now delivering multi million regeneration projects at many of Borough Towns. Properties held within the investment portfolio are being used as catalysts for regeneration. Practical examples include the use of properties at Walker Street, Wellington as part of site assembly for the Wellington Civic scheme.

The regeneration schemes will deliver significant socio-economic benefits to local communities and provide the investment portfolio with new properties. Developments at Randlay and Leegomery will see existing investment properties replaced with new commercial units and in the case of Leegomery, a purpose built day care facility. All are intrinsically linked to the delivery of the 'Borough Towns Initiative'

Once constructed the new Borough Centres will host digital CCTV systems, helping to create safer communities. Consultation and briefing events have been held with key stakeholders including Housing, town/parish councils, elected members, Council tenants and local communities.

Property & Design are actively pursuing a programme of rationalisation, and have continued to dispose of poor performing investment properties which have limited rental and capital growth prospects and significant repair and maintenance liabilities.

Key Achievements 2009

- External assessment on the performance of the Property Investment Portfolio undertaken by GVA Grimley for the financial years 2007/08 and 2008/09.
- Condition data relating to the Property Investment Portfolio analysed and the extent of repair and maintenance liabilities obtained.
- Detailed appraisal of buildings within the Property Investment Portfolio completed and a disposal programme devised. Each of the assets were scored against the following criteria:
 1. Condition
 2. Financial Return
 3. Portfolio Mix
 4. Regeneration
 5. Community Benefit

The buildings were then categorised according to the Traffic Light System below:

% Compliance	Traffic Light Indicator	Actions Arising
0-25	Red	Asset suitable for disposal
26-60	Amber	Asset to be reviewed
61+	Green	Asset to be retained

The process has identified 10 assets suitable for disposal and 18 assets for review. The former will be sold via a range of methods including private treaty, informal Tender and auction. The timing of the sales will be at a point when the best consideration can be achieved. The performance of those assets under review will be closely monitored throughout the current financial year and again at year end. A total of 69 assets were rated green, considered to be performing well in all aspects and should be retained at the present time.

- Continued to source alternative sources of funding with which to help finance new developments, and improve condition of the existing stock. An example is the funding from The Townscape Heritage Initiative. Supported by the Heritage Lottery Fund the fund has been used to improve the external appearance of 9 New Street, Wellington, a listed building within a Conservation area and Borough Town's Initiative.
- Energy Performance Assessments undertaken for all investment properties (with the exception of properties with a low energy usage). The Energy Performance Certificates are now available on demand to our customers. The certificates shall also serve as a guide to improving the energy efficiency of those assets to be retained.
- Property & Design are continuing to develop robust debt recovery procedures, in conjunction with the Authority's Business Revenues and Legal Services Business Units. The levels of current and former tenant debt can now be viewed in a graphical format enabling assessments to be made regarding levels and achievements.
- Assisted a number of our customers during the economic downturn, via payment arrangements, agreeing to deferred payments and restructuring leases. This has helped ensure progress towards achieving of Investment Portfolio income target, and helped safeguard jobs within the Borough.
- Continued to work closely with the Council's Economic Development Business Unit and external inward investment agencies such as Business Link and Shropshire Chamber of Commerce. Details of properties available for lease and acquisition are now regularly distributed.
- Greater use of conditional break options, surrender premiums, rent deposits and guarantees, reducing risk during a time of market uncertainty.
- Established Rent, Repair and Maintenance and Service Charge budgets for individual assets.
- Development of new properties capable of achieving the highest possible BREEAM rating, and conforming to national policies regarding sustainability and energy

performance. An example being the new Listen & Care Centre at Leegomery April 2009, now leased to the Listen & Help Self Help Group.

Insert Photo

- Continued reinvestment in properties for the Investment Portfolio, that offer rental and capital growth, reduced liabilities and improved energy efficiencies. An example being a new retail centre for Leegomery consisting of four shops. The development commenced July 2009, and will help achieve the overall rental income target that exists for the Property Investment Portfolio.

Insert Photo

Plans and Developments 2010

- Obtain external assessment from GVA Grimley on the performance of the Property Investment Portfolio for the financial year 2009/10.
- Develop and implement a planned programme of repair and maintenance works, and enforcement of lease covenants. The programme will ensure that the overall condition of assets within the investment portfolio is effectively managed.
- Completion of a new retail centre for Leegomery, Spring 2010.
- Commence new retail centre for Randlay Spring 2010. The development will achieve a 'very good' BREEAM rating, and conform to national policies regarding sustainability and energy performance.
- Commission an independent review of current marketing and promotional practises with the objective of understanding best practice and improving effectiveness.
- Continue the greater use of conditional break options linked to repayment of rent free incentives, surrender premiums, rent deposits and guarantees at a time of market uncertainty.
- Continued reinvestment in properties for the Investment Portfolio, that offer rental and capital growth, reduced liabilities and improved energy efficiencies.
- Development of new properties capable of achieving the highest possible BREEAM rating, and conforming to national policies regarding sustainability and energy performance.
- Identifying and securing external sources of funding, to help finance the development of new investment property.
- Achieving the Investment Portfolio income target whilst being proactive in the assistance of clients in the current economic downturn.
- Review current debt recovery procedures with the objective of reducing both current and former tenant debt.
- Effectively manage Rent, Repair and Maintenance and Service Charge budgets for individual assets.

- Review performance of assets within the Investment Portfolio based on financial information for 2009/10 and formulate disposal strategy based on the Traffic Light Scoring system.

Land Strategy

The land Assets held by the Authority within the Asset Register are defined as playing fields, public open space, amenity land, woodland, paddocks etc and amount to some 300 hectares (Ha). Specifically the area excludes the site area of built operational and non-operational assets (which extends to some 700Ha).

The aim of the Land Strategy has been to undertake a detailed appraisal of each individual land asset by collating information from a number of sources into a single database. The information for each site includes the following key information:-

- Site Description
- Site Area
- Existing Use
- Suitability for disposal
- Potential for alternative use
- Legal issues
- Planning issues
- Engineering information
- Regeneration considerations

In specific issues such as planning, regard has been made to the adopted Local Development Framework and the sites current land allocation, together with a view on future development potential.

The information collated will be used to categorise each land asset. A traffic light system of categorising has been adopted as follows:

Red	Land suitable for disposal
Amber	Land that may be suitable for disposal, further investigations are required before a recommendation is made e.g. Engineering study, Planning application etc..
Green	Land to be retained

Having completed the detailed appraisal of the 358 assets they have been categorised as follows:

Category	Number of Assets
Red	17
Amber	107
Green	234

The assets identified for disposal (red) will be sold through a range of methods including private treaty, informal tender and auction. The timing of the individual disposals will be at a point when best consideration can be achieved.

The land strategy has identified some 107 "Amber sites" that could be suitable for disposal but where further studies/investigations are required before the assets can be sold e.g.

Engineering studies, ecological surveys, Planning applications etc. A programme will be established to investigate these Amber sites over the next 5 years.

Assets categorised as green (land to be retained) will continually be reviewed on a rolling 5 year program (20% per annum) to ensure that where criteria/circumstances have changed the sites development /disposal can come forward.

The Land strategy, Operational Property strategy and PIP strategy will all connect and form the future approach to Asset Management within Telford.

Photos of land

9.0 Under-Use and Disposal (Operational Assets)

Property Review and matching Provision to Need

The Council's Asset Management and Property Review activities are designed to identify areas of mismatch between existing asset provision, and current and future requirements corporately and within specific services. Property reviews examine capital and revenue options and address areas of mismatch, rationalisation, generation of capital receipts, inter-agency sharing of property and opportunities for alternative service provision.

A property review has commenced assessing current position of buildings together with service need and whether a rationalisation of assets could be implemented so as to improve the overall quality of the building stock. Phase 1 of the rationalisation programme will go to cabinet in spring 2010.

As a former New Town, much of the development land is still retained by Homes & Communities Agency and therefore covered by Sec 7 (i) planning approvals. There is therefore limited opportunity of achieving planning gains for community schemes, as would arise in more traditional developments where contributions would arise for transport and infrastructure costs.

Building Rationalisation

Many buildings are unsuitable for current service needs. In addition they are outdated and inefficient to run with high running costs and potentially high future maintenance costs. As part of the Asset Management Data (section 10) we compile a whole range of data against each property including its suitability via meetings with the service providers. As a result we have developed a weighted scoring system with traffic lights to highlight unsuitable properties.

Disposal Programme

There are various disposals and reinvestments associated with BSF, BTI, Telford Town Centre, the Property Investment Portfolio and property rationalisation. The approvals to dispose of sites are brought forward to Cabinet as part of the decision making process.

This programme is partly informed by the Council's bespoke Operational Suitability surveys (see Section 5 Data Management). These not only include weighting depending upon service, but also valuations based on alternate use value rather than existing asset value. This does not rule out windfall disposals, which can arise through special market conditions.

Borough Towns Initiative

The regeneration of Borough towns is a key Council priority. The Council has substantial property holdings in several centres, e.g. Wellington, Dawley Innovative ways of regenerating these towns in a sustainable manner, whilst improving our Operational and Property Investment Portfolio are being explored.

Town Centre Regeneration

The regeneration of Telford Town Centre is a key priority for T&WC, partners and the region. The regeneration will underpin and support growth, stimulate and attract investment in the Borough and create a Town Centre responding to the needs of the community.

During October 2009, the Council jointly submitted an outline planning application for Southwater in partnership with Southwater Event Group (SEG). The planning application is anticipated to be determined by plans in spring 2010. Planning Consent would set the context for regeneration through the establishment of land use zones to include residential, commercial, bars, restaurants, hotels, retail and leisure.

Southwater will see the creation of a high quality Southwater Square, main Street up to the boundary of land owned by SEG and a new Southwater Lake. Collectively these improvements will create a series of distinctive, interlinked and pedestrian dominated routes and spaces throughout Southwater which will more effectively link the shopping centre, town park and events facilities at The International Centre creating a lively and vibrant street scene.

The Learning & Media Centre (LMC) encompassing a new and improved Telford Library and provision for Meeting Point House. This high quality, iconic, BREEAM Excellent building, will act as an exemplar and catalyst to other developments within Southwater, will define quality parameters and have a vital role in framing the southern side of Southwater Square.

Milestone	Start	Finish
Outline Planning Consent	Oct 2009	March 2010
Ice Rink – phased delivery	Summer 2010	Autumn 2011
Enabling Works (including infrastructure)	Autumn 2010	Spring 2012
Public Realm	Spring 2011	Dec 2012
Learning & Media Centre and Meeting Point House	Spring 2011	Autumn 2012

Dawley & Malinslee

The regeneration of Malinslee Centre, including the amalgamation of two primary schools; together with a new shopping centre, health facilities and housing is seen as Notable Practise under our 2008 CPA Assessment. (CPA Notable Practise Submission - see Appendix 2).

The Council is proposing to bring this area back into beneficial use, by developing a mixed use scheme including a new secondary school, residential, employment and leisure use. A Masterplan is due to be submitted in February 2010. A further move as part of the BSF scheme is to re locate the Phoenix school onto this site as part of the first phase of the regeneration proposals. This will provide a major catalyst to the entire scheme together with increased footfall. It will link into Dawley providing a significant stimulus to place shaping, regeneration.

Wellington Centre

As previously outlined, Wellington contains significant operational properties. Within this area there is the Telford Registry Office, Wellington Library, Leisure Centre and office accommodation. Additionally, there are other offices within the area having sensitive and non-sensitive geographic issues. Many are converted Victorian houses, with high maintenance and energy costs located outside the main ring road. A feasibility study has been approved to co-locate the Registry office and Library with other Council offices, to the existing leisure centre and Town Council offices and rationalise existing offices. This will help regenerate Wellington by consolidating a significant number of staff in a purpose built, central, land mark building, in partnership with the Town Council. In addition the police will be provided with an office for their Community Officer. This will be on the edge of the retail core and will have strong links between the two areas. Planning permission was obtained in August 2009 and the contract awarded in December 2009 following the OJEU process with a value of £9 million. Enabling works are currently underway and the main contract starts in March

Madeley Centre

Madeley centre was a typical pedestrianised, 1960's shopping precinct; which suffered from various problems of anti social behaviour and lack of investment. A number of shops were closed as retailing patterns changed and the centre was failing to fulfil its function in the south of Telford.

Options to regenerate the centre were considered and in May 2005, the centre was disposed of and a redevelopment brief requiring demolition of large areas, the building of new retail units connecting of the High Street and the construction of a 2,500 sq metre supermarket to anchor the scheme agreed. The retained Council property including the Library will see significant investment as part of the terms of disposal, including the installation of a lift to ensure the building is accessible to all.

The centre has been totally transformed and has made a significant contribution towards achieving the councils "vision and priorities".

Photos of Madeley

Leegomery Centre

Leegomery was a typical local parade of shops. Constructed in the 1970's, it had suffered from anti-social behaviour and was out dated by modern standards. A fire destroyed two of the four shops. An option appraisal was undertaken to explore alternative forms of redevelopment. This included land assembly to reshaping the area with a modern energy efficient mixed use development. Unfortunately, disposal of the site faltered due to the "Credit Crunch." In January 2009 Cabinet approved the construction of the new centre with the intention of later residential development once the market returns. Construction started in February 2009. The build will be completed in spring 2010

Randlay

Randlay is a similar centre to Leegomery but in this case the shops have been found to have a structurally unsafe roofing system. In addition, the adjoining community centre requires substantial investment to bring up to suitable modern standards. Again, rather than simply rebuilding/repairing these faults, which would have been very costly, the possibility of potential redevelopment was explored. An outline planning consent was obtained and the site put to the market to include a new parade of shops and importantly for the community a new community centre attached to Randlay Primary School. A residential care operator has purchased the site and construction is due to start in spring 2010.

Building Schools For The Future

The Council was awarded funding for Wave 4 of the Governments Building Schools For The Future Programme in 2007. This is a one off chance to completely transform secondary education and community buildings within the Borough as part of a £200 million vision to create 'Campus Telford'. Property & Design advise on all 'Technical' aspects of this project.

In order to deliver real transformational change the Council has considered co locating secondary education with primary schools and leisure/community facilities. In certain cases this will involve closing certain facilities disposing of the sites and re locating them elsewhere. Some school locations will change to provide better coverage across the Borough. The proposals will include some new schools and the remainder being remodelled. In order to meet the Partnership For Schools timescales an Outline Business Case was submitted in January 2009. This included an Outline Planning Application for the first pilot school the Abraham Darby School submitted in November 2009.

In October after an extensive evaluation process Kier Construction were appointed as the "preferred bidder". This contractor will provide all the schools with Abraham Darby set to start in Spring 2010. In addition further financial modelling and feasibility for the remaining schools will need to be undertaken based on schools requirements and reflecting the reduced capital receipts from land sales due to the market.

The delivery of this programme to time and budget will be challenging and staff resources will need to be carefully considered

Photo of Abraham Darby

10.0 Asset Details

Statement of Assets

The analysis of assets held by the Council comprises the following as assessed in accordance with CIPFA guidelines (valuations as at 1st Quarter 2009):

Information on Operational Assets Held (Owned Corporately by the Authority)

Fixed Assets Utilised by the Council		Total Values*
Emergency Planning Centre	1	£200,000
Bus Stations	4	£474,000
Cemetery Building	1	£1
Changing Rooms & Pavilions	12	£1,067,000
Community Centres	6	£1,264,500
Travellers' Sites	2	£1,070,000
Hostels, Refuges, Homeless & Sheltered Accommodation	2	£1,798,000
Ice Rink	1	£1,500,000
Leisure Centres	4	£8,932,000
Libraries	8	£2,869,400
Municipal Golf Course	1	£1
Nursery Schools	1	£279,000
Offices	15	£9,994,000
Outdoor Activity Centre	1	£457,000
Primary/Infants/Junior Schools	55	£84,526,200
Public Conveniences	3	£105,800
Secondary Schools	10	£34,830,000
Ski Slope	1	£367,000
Special Schools	3	£5,678,000
Swimming Pools	2	£1,124,000
Theatres	1	£1,350,000
Training/Day Centres & Residential Care	6	£4,820,700
Visitors Centre (Spout Farm)	1	£250,000
Youth Projects	5	£608,000
Joint Service Facility (Swan Centre)	1	£1,191,000
Pupil Referral Units	1	£430,000
Children Centres	2	£1,805,000
First Point Centres - Former Hadley Library	1	£60,000
TOTAL	151	£167050602

Operational Property Leased in from Property Investment Portfolio

Property Type	Quantity	Total Values
Offices	6	See PIP table for asset value
Training / Day Centre	2	See PIP table for asset value

* These values are as set out under CIPFA guidelines and therefore may not reflect open market values

Leased in (Private External Landlord)

Property Type	Quantity
Offices	6
HLC Learning Community (Private Finance Initiative – PFI)	1
Jigsaw (PFI)	1
TOTAL	8

Property Investment Portfolio - Details

Property Investment Assets	Quantity	Total Values
Smallholdings	1	£400,000
Offices	28	£19,109,700
Retail	30	£7,903,831
Industrial	29	£22,416,680
Miscellaneous/Ground Rents/rationalisation	134	£22,352,700
TOTAL	222	£72,182,911

The values detailed above are currently as included in the Council's Asset Register and are therefore based on the CIPFA valuation principles of that Register.

The following tables identify condition backlog for Operational and Educational properties over the next 5 years as at January 2010.

Operational Property – Condition backlog

Property Type	No	Priority 1	Priority 2	Priority 3	Total
Emergency Planning Centre	1	£5,000	£6,250	£10,000	£21,251.00
Bus Station	4	£8,275	£10,750	£15,550	£34,579.00
Cemetery Buildings	1	£3,188	£101,763	£517	£105,469.00
Changing Rooms & Pavilions	12	£14,303	£112,713	£191,235	£318,263.00
Community	6	£29,407	£98,136	£202,457	£330,006.00
Travellers' Sites	2	£0	£165,357	£57,181	£222,540.00
Hostels	2	£89,910	£68,007	£120,385	£278,305.00
Ice Rink	1	£1,199,654	£1,014,496	£276,865	£2,491,016.00
Leisure Centres	4	£104,545	£484,791	£1,133,763	£1,723,103.00
Libraries	8	£132,728	£88,658	£624,458	£845,852.00
Municipal Golf Course	1	£22,927	£8,067	£61,121	£92,116.00
Offices	27	£153,416	£897,176	£1,649,796	£2,700,412.00
Outdoor Activity Centre	1	£4,450	£364,423	£171,237	£540,111.00
Public Conveniences	3	£4,456	£22,164	£8,593	£35,216.00
Ski Slope	1	£2,716	£64,381	£12,799	£79,897.00
Swimming Pools	2	£35,380	£330,938	£237,516	£603,836.00
Theatres	1	£0	£4,169	£106,473	£110,643.00
Training/Day Centres & Residential Care	8	£33,657	£291,390	£345,700	£670,754.00
Visitors	1	£0	£3,300	£15,629	£18,930.00
Youth	5	£56,203	£81,310	£125,858	£263,376.00
Joint Service Facility (Swan Centre)	1	£123,453	£8,329	£241,492	£373,275.00
First Point Hadley	1	£0	£2,029	£5,192	£7,222.00
TOTAL	93	£2,023,668.	£4,228,597	£5,613,817	£11,866,172.00

Education

Property Type	No.	Priority 1	Priority 2	Priority 3	Total
Secondary Schools	10	£1,436,029	£4,945,818	£6,792,166	£13,174,023.00
Primary/Infants/Junior Schools	55	£1,086,991	£3,744,054	£6,475,284	£11,306,384.00
Special Schools	3	£20,512	£103,471	£318,172	£442,158.00
Nursery Schools	1	£9,611	£3,670	£32,797	£46,079.00
Children's Centres	2	£0	£24,147	£4,460	£28,609.00
Pupil Referral Unit	1	£33,178	£10,492	£65,925	£109,596.00
TOTAL	72	£2,586,321	£8,831,652	£13,688,804	£25,106,849.00

*Note: Hadley PFI / Jigsaw / Madeley Academy / Abraham Darby Academy have not been included within the above figures.

The annual capital programme allocation for property condition will be reviewed annually against the backlog categories. The Planned programme for 2010/11 will be assessed by Cabinet in February 2010.

The budget allocations do not take into account the capital investment relating to amalgamation of schools, and the potential investment relating to Building Schools

for the Future which will greatly reduce the condition backlog for Education properties as part of the building rationalisation process

11.0 Property Performance Indicators for all Operational Properties Including Schools (excluding Property Investment Portfolio)

The use of property performance indicators is recommended and endorsed by the Communities for Local Government (CLG) and the Department for Children Schools and Families (DCSF), as a valuable means of measuring and comparing performance in Asset Management. The introduction of the governments “one place” initiative places further emphasis on Local Government agencies ensuring efficiencies of which property assets are a fundamental aspect. Monitoring the performance of our assets effectively will allow Telford & Wrekin to ensure that property assets are best suited to need.

The existing Property Performance indicators originally established by the Office of the Deputy Prime Minister (ODPM) and Association of the Chief Corporate Property Officers (COPROP) have now been superseded by the National Property Performance Management Initiative (NAPPMI) – Property Performance Indicators. These indicators allow the Authority to measure performance of:

- Condition and required maintenance
- Accessibility of public operational buildings
- Building suitability for service delivery
- Environmental Property Issues

Furthermore, Telford & Wrekin Council is a member of the “Octopus Benchmarking Group”; which consists of eight authorities throughout the Country of similar size and design. The group enables all members the opportunity to compare, share and debate issues relating to Asset Management of both Operational and Investment Properties.

National PMI 1 – Condition and Maintenance

Objectives

- Measure the condition of the asset for its current use
- Measure changes in condition
- Measure the annual spend on required maintenance
- Illustrate the severity and extent to which maintenance problems affect the property portfolio
- Assist in development of detailed information on required maintenance
- Encourage authorities to invest in planned maintenance
- To show year-on-year changes in required maintenance
- To show the annual spend on repair and maintenance

Definition - Required Maintenance (Backlog)

Required maintenance is the estimated cost to bring the property from its present state to the state reasonably required to deliver the service and/or to meet statutory or contract obligations and maintain it at that standard.

Definition of condition categories:

- A: Good** – Performing as intended and operating efficiently
- B: Satisfactory** – Performing as intended but showing minor deterioration
- C: Poor** – Showing major defects and/or not operating as intended
- D: Bad** – Life expired and/or serious risk of imminent failure

INDICATOR: 1A - % Gross Internal Floor-Space in Condition Categories A - D

Category A

- 5% of the **School Property** Gross Internal Area (GIA) is in condition category A
- 4% of the GIA of **Operational Property** GIA is in condition category A

Category B

- 45% of the **School Property** GIA is in condition category B
- 48% of the GIA of **Operational Property** is in condition category B

Category C

- 40% of the **School Property** GIA is in condition category C
- 41% of the GIA of **Operational Property** is in condition category C

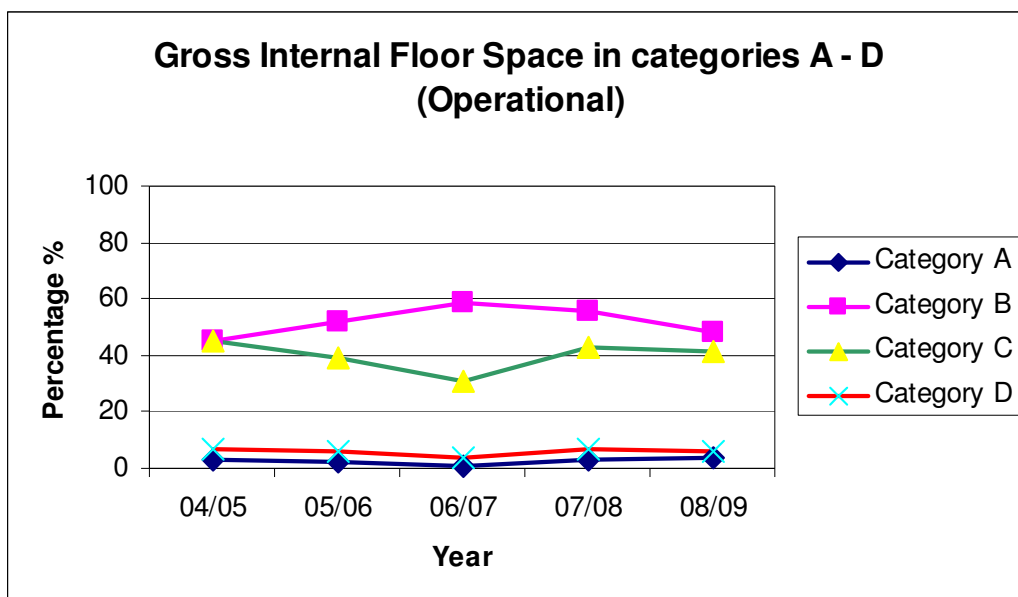
Category D

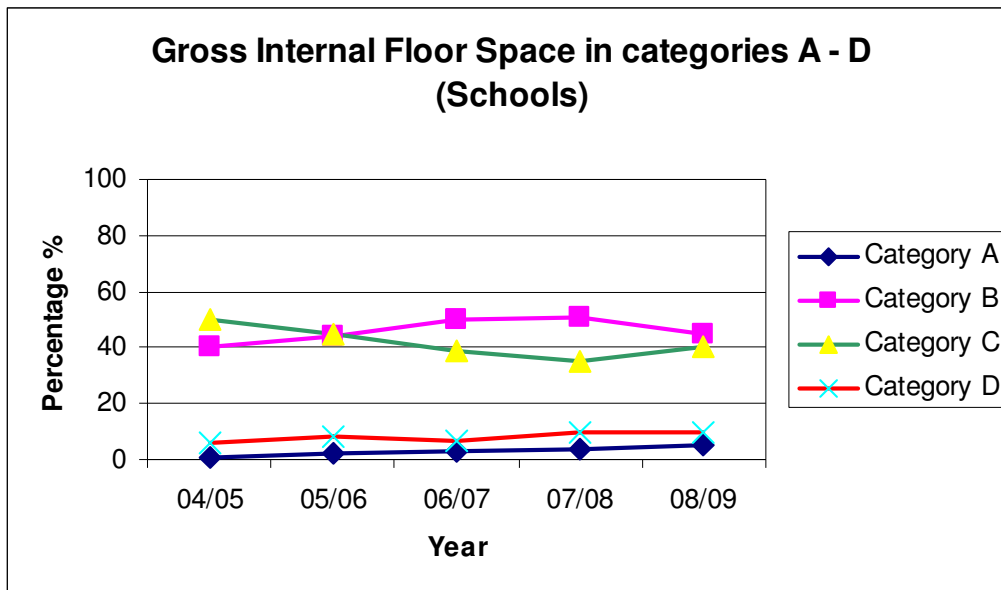
- 10% of the **School Property** GIA is in condition category D
- 6% of the GIA of **Operational Property** is in condition category D

The condition categories from 07/08 – 08/09 for school property have remained relatively stable. There has been a 1% increase in category A (good condition) whilst category B (satisfactory condition) has decrease and represented by an increase in C (poor condition).

The condition categories for operational property have also remained stable showing a slight improvement from last year as the category D (urgent) condition items have reduced.

This demonstrates that the authority is maintaining its property assets effectively within the resources available.





PMI INDICATOR 1B

Definition of priority levels:

Priority 1: Urgent works that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation.

Priority 2: Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to health and safety of the occupants and/or remedy a minor breach of the legislation.

Priority 3: Desirable work required within three to five years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety of the occupants and/or remedy a minor breach of the legislation.

INDICATOR 1Bi : Required maintenance by cost expressed as a total cost in priority levels 1 – 3

The total cost of priority level 1-3 works for all operational property (including schools) is £37,261,325.

This figure is split as follows:

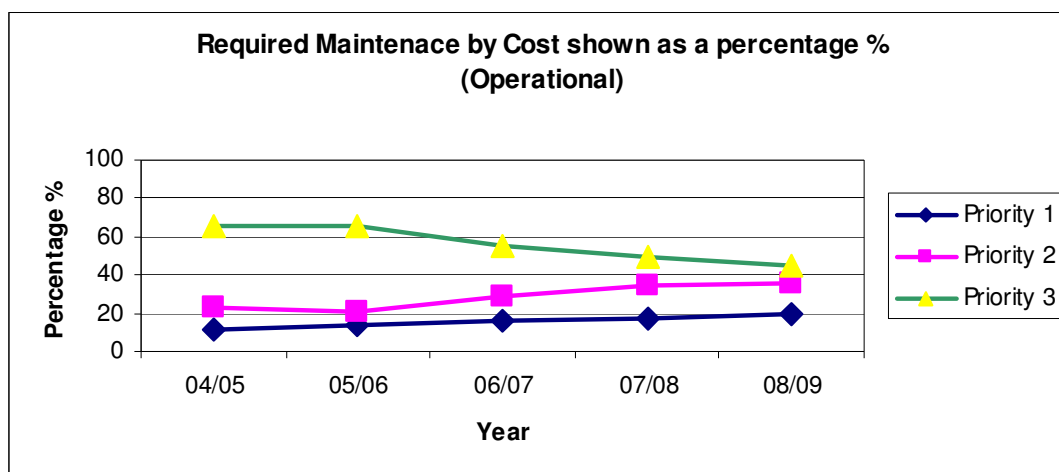
- Operational Property - £10,134,790
- School Property - £27,657,372

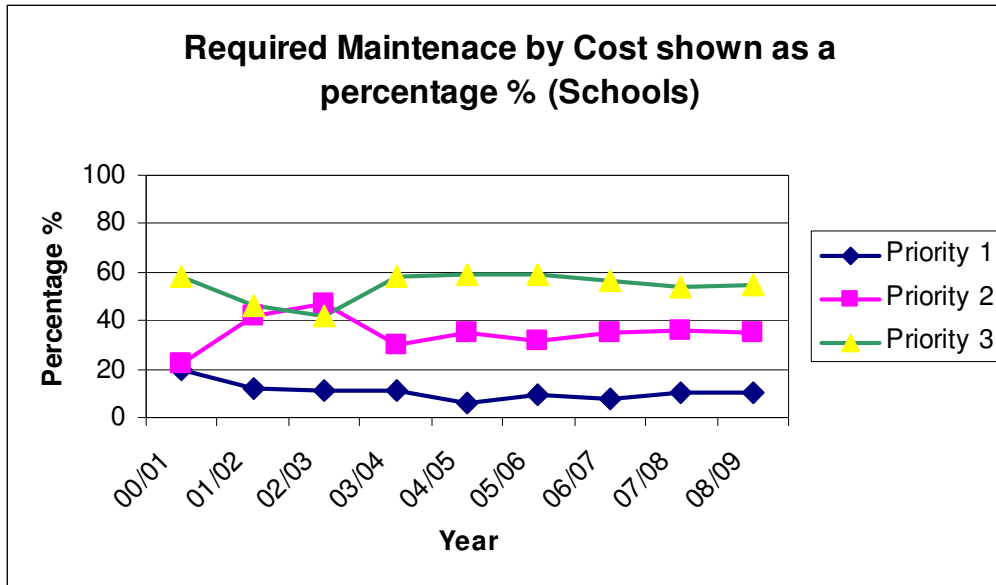
INDICATOR 1Bii : Required maintenance cost expressed as a % in priority levels 1 – 3

- **Priority 1 Works –**
- 19% of **Operational Property** is in priority level 1
- 10% of **School Property** is in priority level 1

- **Priority 2 Works –**
- 36% of **Operational Property** is in priority level 2
- 35% of **School Property** is in priority level 2
- **Priority 3 Works –**
- 45% of **Operational Property** is in priority level 3
- 55% of **School Property** is in priority level 3

The total condition back log has increased for school assets and decreased for operational assets. This reflects increase in investment in planned maintenance for operational properties and a decrease in education investment. Over the last two years education have reduced the expenditure on the school estate, especially in secondary accommodation due to the pending Building Schools for the Future programme. Out of the education condition backlog £15.7 million is attributable to secondary accommodation which the majority will be addressed over the next few years. The property rationalisation agenda that is being developed will also reduce the back log with associated disposal of operational properties.





Indicator 1Biii : Required maintenance by cost expressed as an overall cost per square metre gross internal area (GIA)

Indicator 1Biii equates to £149.87 per m2 of GIA. This is a slight increase over the previous years overall costs. As noted above the secondary school property stock which accounts for a large proportion of the condition backlog will be dealt with under the Building Schools for the future initiative.

INDICATOR 1C – Annual percentage change to total maintenance figure over previous year

The annual percentage change to the total maintenance figure identifies a 1% increase on the previous year. This is mainly due to the reduction in floor area relating to school amalgamation and disposals of operational properties.

PMI INDICATOR 1D

Indicator 1Di: Total spend on maintenance in previous financial year

Total spend on maintenance in 2008/09 financial year for schools and operational property was £3,727,902

The level of investment in maintenance overall has increased. This is a positive result and demonstrates the authority is investing in its assets with a planned approach.

Indicator 1Dii: Total spend on maintenance per square metre GIA

The total spend on maintenance per square meter GIA equates to £16.82 m2

Indicator 1Diii: Percentage split of total spend on maintenance between planned and responsive maintenance.

26% was responsive and 74% was planned. Total Spend on R&M for operational property £1,896,748 27% was responsive and 73% was planned this equates to £16.82 m2

This is a change from the previous years figures where responsive maintenance was the higher percentage. This demonstrates that the Authority have embedded Asset Management principles taking a greater approach to planned maintenance.

PMI 2 – Energy/Environmental Property Issues

Objective

- To encourage efficient use of assets over time, year-on-year improvements in energy efficiency
- To reduce environmental impacts of LA operational property
- To highlight areas of poor or mediocre energy and water efficiency/performance, and act as a catalyst for improvement
- To compliment the process for 'Energy Certificates'
- To support the LA's assessment of property performance, together with condition and suitability within the framework of Asset Management Planning
- To inform the Climate Change Strategy Group and monitor the impact of carbon reducing initiative

The quality of the energy data held within the AMP software is improving each year and therefore the reporting capability is becoming more accurate and reliable, however due to this comparison over past years is difficult.

Definitions

Local authorities must also be able to obtain this information on a per building basis to comply with EU directives regarding energy certificates. This only applies to operational buildings over 1000m².

- Energy incorporates electricity, gas, coal and oil (excludes water)
- Gross Internal Area (GIA) is inclusive of stairwells, landings, partitions, circulation corridors etc.

CO2 Emissions

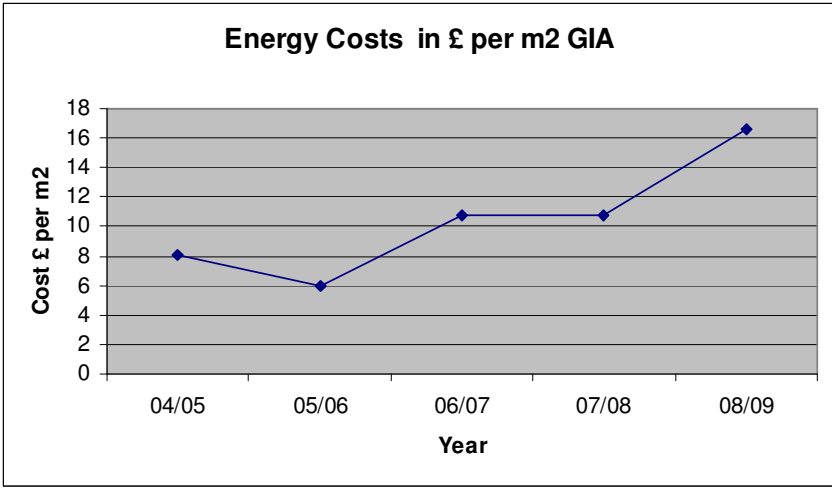
- CO2 emissions data will fit with the UK's Climate Change Programme targets
- To be reported for operational
- Properties occupied by the Local Authority, including schools, (excluding housing / dwellings)

INDICATOR 2A – Energy costs/consumption

The cost for all operational buildings including schools is:

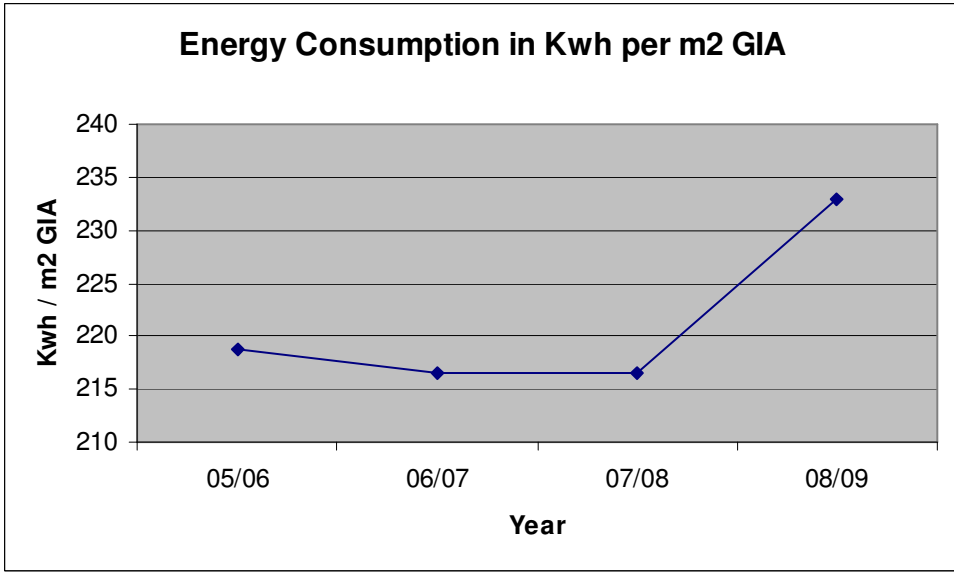
- £ spend per m² GIA – £16.59
- Consumption kwh per m² GIA – 233

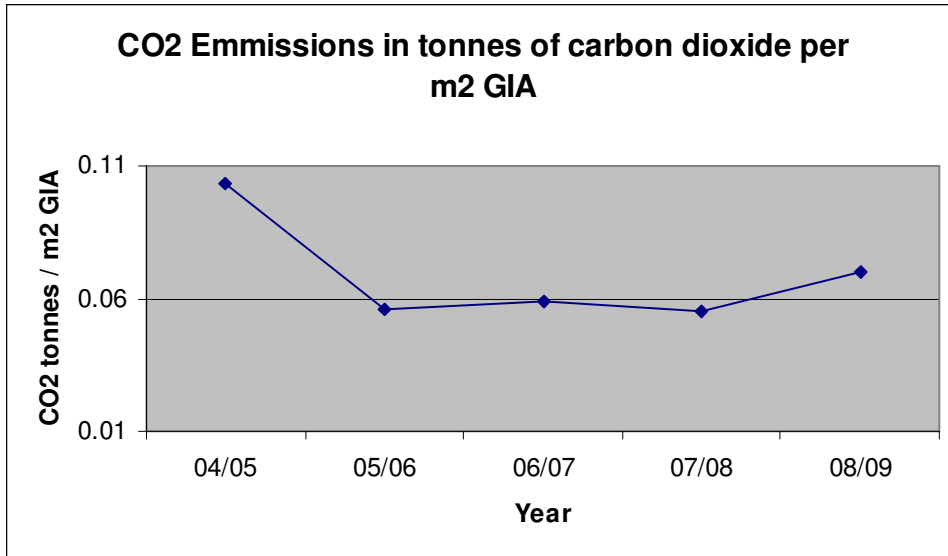
The graph below identifies that there has been an increase in energy costs over the last 2 financial years. This is mainly due to the cost increase in the supply market. It is expected that this will increase further for the next financial year; however the Council is taking all steps possible via energy campaigns and environmental policies to keep cost increase to a minimum; and reduce the councils CO2 emissions.



The below graphs identifies that energy consumption and Co2 levels are increasing within the Authority. This could be attributed to the more comprehensive data collection system that has been introduced and that we are using more IT systems.

The winter of 2009 was also the coldest for approximately 30 years. This would inevitably lead to increased usage





INDICATOR 2C – CO2 EMISSIONS - reported by property category in tonnes of carbon dioxide per m2 GIA

Co2 emissions = 0.07 tonnes /m2 GIA

The energy consumption Co2 and cost of energy to authority has increased over a 12 month period. This is due to the fact that it was the coldest winter on record for 30 years which will inevitably lead to longer heating periods.

The increased installation of IT systems within buildings will have also contributed to the usage rise.

PMI 3 A and B - Suitability Surveys

INDICATOR 3A - Percentage of portfolio by GIA sq.m., for which a suitability survey has been undertaken over the last 5 Years

100% have been completed

INDICATOR 3B - Number of properties, for which a suitability survey has been undertaken over the last 5 years

100% have been completed

PMI 4 A, B, C and D – Building accessibility surveys

Objectives

- To monitor progress in providing access to buildings for people with disabilities
- To monitor the progress at which local authorities carry out access audits
- To enable key decisions to be made

INDICATOR 4A - % of portfolio by GIA sq.m., for which an access audit has been undertaken by a competent person

Access audits have been undertaken on 100% of the school property portfolio and 100% of Operational properties (Operational properties as part of BVPI 156 criteria).

INDICATOR 4B - Number of properties, for which an access audit has been undertaken by a competent person

100% of properties have an access audit undertaken by a competent person

INDICATOR 4C - % of portfolio by GIA sq.m., for which there is an accessibility plan in place.

A strategic accessibility plan has been developed for 100% of school properties.

INDICATOR 4D - Number of properties, for which there is an accessibility plan in place.

An accessibility plan has been developed for 74 schools (100%)

INDICATOR BV156 – Accessibility to Public Buildings

Although not a national indicator the Authority still collect data to assess the Accessibility to public buildings. As of January 2010 the Authority has 75% of its building areas that are open to the general public are deemed to be fully accessible.

LOCAL INDICATORS

Suitability / Sufficiency surveys of Telford and Wrekin Council's Operational properties started early in 2006 and cover a range of questions under the following headings Location, Environment, Safety & Security, Space, Fixtures & Fittings, Image, External Areas and Equalities & Diversity.

The results of the questionnaire provides useful information on service delivery issues and provides a number of local indicators designed to monitor the performance of our Operational buildings that Condition surveys do not report on and provides an overall assessment of the building's ability to deliver the service i.e. is the building 'fit for purpose'.

The methodology to undertake this overall assessment grades the buildings as Good, Satisfactory or Poor and after one complete set of survey results the following overall assessments have been found:

Number of Properties graded Good, i.e. performing well and above 75% = 50 properties.

Number of Properties graded Satisfactory, between 50 – 74% = 9 properties

Number of Properties graded Poor i.e. not performing as desired and below 50% = 11 properties

The above gradings are taken forward into an overall property rationalisation process, along with all other property related data to determine whether each property requires continued maintenance, major investment or should be considered for disposal.

Other Local Indicators being collected but in the early stages of data capture are:

Number of security incidents logged per month for all our schools

Annual % reduction in our vandalism budget for schools

Asbestos samples within schools or operational properties that are high or medium in material assessment.

Appendix 1

Corporate Vision

The wider Corporate Vision of the Authority seeks:

“A successful, prosperous and healthy community which offers a good quality of life to all the people of Telford and Wrekin that reflects the needs and opportunities of the 21st Century”

Creating a successful, prosperous and healthy community is dependent on all parts of the community and local organisations and agencies working together in a ‘joined up’ way. Together with our partners on the Local Strategic Partnership, the Council is committed to realising a shared agenda of community priorities that support the delivery of the Vision. The seven shared priorities, together with our key focuses for action that we have identified. Each of the AMP drivers which will contribute to their achievement are identified as follows:

Priority 1: Transforming Telford & Wrekin:

- To maximise revenue income from the Council’s investment portfolio within sound estate and asset management principles and having due regard to supporting the local economy and job creation
- To contribute to a dynamic economy via a capital spending programme
- To create a vibrant place via the provision of public buildings, areas, schools, etc
- To develop the Town Centre regeneration programme
- To participate in the regeneration of Borough towns and in particular, the redevelopment of Woodside and Leegomery local centres, Sutton Hill, Dawley, Brookside and Wellington
- Redevelopment of Hadley Park Industrial Estate
- Construction new offices at Donnington

Priority 2: Giving Children & Young People the Best Possible Start in their lives

- To deliver value for money, well constructed and designed school buildings and other learning facilities (e.g. school amalgamations) in which people can learn and develop.
- Development of the Building Schools for the Future (BSF) programme embedding ‘every child matters’ principles at the heart of decision making.
- Continue with the modernisation programme for schools to improve condition and suitability of the schools.
- To ensure delivery of the construction projects relating to amalgamation of schools.
- Delivery of construction projects relating to Children’s centres, post 16 agenda and wrap around care in partnership with school clusters and the BSF agenda.
- Delivery of the Primary Capital Programme in consultation with Children & Young People.
- Maintaining property assets to a high standard in line with good Asset Management principles and Service Delivery requirements

Photo Old park 2

Priority 3: Maintaining a High Quality, Attractive and Sustainable Environment:

- To ensure that the public areas are maintained to a high standard
- To seek enhancements to the environment of public and office areas
- To provide attractive, energy efficient public buildings and schools within a quality environment
- To strive towards an excellent BREEAM rating in relation to school provision.

- To ensure environmental principals are embedded within Land Disposal and the Planning Process, E.g. Eco Homes Standards.

Priority 4: Creating a Safe, Strong and Cohesive Community:

- To improve the safety and sense of well being on estates and local centres for the public, by continuing to improve security and safety measures through risk assessments, guarding and other sustainable methods
- To provide safe schools in which to learn and study
- Support and work with local police forces and community safety officers, to ensure they target resources where the Council is suffering a high level of incidents (working with Business watch also) and to inform of planned construction projects.
- Undertake Equalities Impact Assessments on all major projects to ensure that the needs of the local communities are embedded within the design process.

Priority 5: Promoting Healthy Communities and Improving the Quality of Life of Vulnerable and Older People

- To participate in the proposed development of Dothill Day Centre, Downing House, Stirchley Day Centre.
- Develop co-location strategies with external partners to improve support to community e.g. Primary Care Trust, Fire Service.
- To maintain, refurbish and develop leisure buildings which help to maintain a healthy and well educated community.
- To ensure that buildings are adapted to ensure that the needs of people with disabilities are encompassed within service delivery.
- To participate in the further development of the “Sports Village” concept TSLEC, centred around the Bucks Head, TCAT, Wrekin College and Hadley Learning Community.

Photo Downing House

Priority 6: Strengthening the Local Economy & the Skills of Local People

- Redevelopment of Hadley Park Industrial Estate
- Construction new offices at Donnington
- Development of the Building Schools for the Future (BSF) programme embedding ‘every child matters’ principles at the heart of decision making.

Priority 7: An Efficient, Effective and Customer-Focused Council that delivers Value-For-Money for the Community:

- Provide and maintain appropriate assets, property and infrastructures (e.g. ICT/eGovernance) to successfully support service delivery.
- Property Review and rationalisation of office accommodation and new ways of working.
- Seek appropriate methods of procurement (i.e. Term Contracts) to ensure that value for money and high service delivery is provided

Photo Civic Offices

Translated Introduction (very back Page)

If you require any part of this Telford and Wrekin Council Corporate Asset Management Plan 20010/2013 of Telford and Wrekin Council translating into your own language, please telephone our Translation Service on 01952 382121 and quote reference AMP2009/2012:

This document is also available in large print, in Braille and on audio tape.

Insert Translation 1

Insert Translation 2

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