

ASSET MANAGEMENT PLAN

2016 to 2020



“Tewkesbury Borough, a place where a good quality of life is open to all.”

Tewkesbury Borough Council

November 2015

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Foreword

Tewkesbury Borough Council Asset Management Plan 2016 – 2020

To support the Growth Agenda and to meet the continued pressure on our finances, it is crucial that we use our assets to maximum effect.

Our approach is to support the Council's strategic objectives, providing high quality cost effective public services and to continue to build on our strong relationships with partners.

This plan is set in the wider context of ensuring a sustainable future for Council expenditure and revenue. Ever tightening financial constraints on local government and the need to adopt a commercial approach requires us to think differently on how we utilise our property assets. We have to investigate all opportunities to raise income to offset budget reductions, including generating capital receipts from the disposal of surplus assets. The Council will continue to develop a commercial culture that will enable it to deliver more efficient and effective public services.

The Asset Management Plan is for the four year period from 1st April 2016 to 31st March 2020. The plan provides an overview of the on-going development of Tewkesbury Borough Council's property assets and sets the strategic direction of its small portfolio over that timeframe. It identifies some of the main capital projects we will be delivering over the period of the plan, as well as highlighting risks and issues that relate to our assets.

The Council will continue to remain open to exploring new opportunities, including acquisition of strategic property and land that make the case for social, environmental and economic benefits for the Borough now and in the future.

Councillor Dave Waters

Lead Member for Finance and Assets

Tewkesbury Borough Council

1.0 INTRODUCTION

Effective use and management of our property assets is fundamental to the economic, social and environmental wellbeing of the people in the borough of Tewkesbury. The Borough Council is in ownership of some 5000 individual land and property assets ranging from small strips of amenity land on housing developments to the Public Services Centre including the new leisure development. The gross book value of these assets is around £22.7m.

Property assets are inextricably linked to the delivery of the vision and priorities of the Council and the way that we manage our land and property assets has a direct impact on the quality of services delivered to the public. It is therefore crucial that efficient and effective use is made of these assets to support corporate objectives. Asset Management is a structured process that seeks to ensure best value from property assets in serving the needs of the Council and therefore the community.

Three features of property assets place primacy on their management are:

1. They are high value in terms of their capital cost / value and annual cost to retain and manage.
2. They need to be carefully managed over their lifetime to ensure best value.
3. It takes time to determine, plan and execute new property needs and decisions and to procure and provide for them.

Asset Management Definition

“Strategic asset management for land and buildings is the activity that ensures the land and buildings asset base of an organisation is optimally structured in the best corporate interest of the organisation concerned. It seeks to align the asset base with the organisation’s corporate goals and objectives...It does not seek to respond solely to the requirements of any particular operating part of the organisation but rather it seeks to take all requirements into account and to deliver the optimal solution in terms of the organisation’s overall operational and financial goals and objectives...It is a corporate, that is, whole organisation activity.”

(Royal Institute of Chartered Surveyors - Public Sector Asset Management Guidelines).

This Asset Management Plan (AMP) is an update to the 2011-14 Plan. The purpose of this plan is to provide a structure to ensure that the corporate asset portfolio is strategically managed, ensuring central co-ordination and maximum utilisation of the assets on behalf of the Council and its residents.

The specific aims and intentions of the AMP are to:

- Identify and explain the context and objectives of Asset Management at Tewkesbury Borough Council.
- Identify and explain how the plan links with our Corporate Plan and processes that will be followed to deliver Asset Management to Tewkesbury Borough Council.

- Identify the specific challenges and opportunities that currently affect Tewkesbury Borough Council's land and building assets and the ability of those assets to deliver the priorities, goals and promises set out in our Corporate Plan.
- Identify and recommended strategies to address and resolve issues and opportunities within the asset portfolio.
- Establish an annual Service Action Plan summarising the required actions arising from those recommendations.

The opportunity to realign the timeframe for the production of AMP has been taken and this new AMP will cover the period from 2016 to 2020. This resetting of the AMP period effectively allows the plan to cover one year into the new Council following local elections in 2019. This should allow sufficient time for the new Council to establish a new set of priorities and its Corporate Plan which would then allow the refreshed AMP to be specifically aligned against those targets.

Whilst this overarching document provides the strategic direction and objectives of asset management in Tewkesbury, a key document will be the annual action plan. This action plan will deal with asset specific targets linked into the overall strategic direction and will be presented to the Transform Working Group prior to the commencement of each financial year covered by this plan. Members will be able to clearly see the proposed activities for the year and approve the resource allocation required to meet those targets. The action plan also gives members reassurance that the strategic ambitions contained with this AMP are being addressed and the AMP therefore remains a 'live' document.

2.0 PROGRESS FROM PREVIOUS PLAN

The previous AMP approved by Council covered the period 2011 to 2014 and was extended into 2015 to allow for the completion of some objectives and the realigned timescale of the new AMP.

A summary of progress made over that period is contained in Table 1.

Table 1.

Asset	Progress made
Public Service Centre	<ul style="list-style-type: none"> • Refurbishment of first floor • Replacement of roof and windows • Reduced desk ratio – now at 8:10 – enabling the vacation of the second floor • Additional partner organisations now operating out of Centre including Gloucestershire Police, Gloucestershire County Council, Department of Works & Pensions, Gloucestershire Fire & Rescue and Severn Vale Housing Society
Leisure facility	<ul style="list-style-type: none"> • Construction of new leisure centre on Public Service Centre commenced in February 2015 with expected completion in May 2016 • Operator contract awarded to Places for People with opening of the new facility planned for July 2016
Roses Theatre	<ul style="list-style-type: none"> • Landlord responsibilities for exterior of the building including replacement of the roof completed in November 2015 • Assisted the Roses Trust with internal refurbishment requirements, again completed November 2015 • New lease heads of terms agreed
Play areas	<ul style="list-style-type: none"> • Transfer of one play area in Churchdown completed • Agreement for the transfer of a further two
Tewkesbury Nature Reserve	<ul style="list-style-type: none"> • Land assembly from various developers • Lease of reserve in place with local group
Old Baptist Chapel	<ul style="list-style-type: none"> • Transfer of property to Abbey Lawns Trust
Homeless properties	<ul style="list-style-type: none"> • One property declared surplus and taken to the market for sale
Car Parks	<ul style="list-style-type: none"> • New parking strategy devised and implemented • Surplus capacity identified • Management and inspection programme put in place
Lower Lode Depot	<ul style="list-style-type: none"> • 3 year lease agreed • Partial retention of area as overflow parking for Public Services Centre
Health & Safety management plan	<ul style="list-style-type: none"> • Plan developed and implemented covering legionella, asbestos, electrical and fire risks across property portfolio
Public conveniences	<ul style="list-style-type: none"> • New and refurbished facilities developed in Tewkesbury • Ownership transferred to Town and Parish Councils • Some sites sold on open market

3.0 POLICY CONTEXT

3.1 Council Plan

In May 2012, the new Council Plan for 2012 – 2016 was approved. The document is a statement of intent to drive forward our vision:

“Tewkesbury Borough, a place where a good quality of life is open to all.”

To deliver this vision and provide focus we have established five priorities and a number of objectives within each priority. We will:

Use resources effectively and efficiently:

- Maintain low council tax.
- Provide value for money service delivery.
- Provide customer focused services measured by output against customer needs.
- Regularly review the effectiveness of customer focused services.

Promote economic development:

- Promote Tewkesbury Borough to attract large scale businesses.
- Provide support to help new start-ups, young and growing businesses.
- Work with the Local Enterprise Partnership to promote economic growth.
- Ensure the Core Strategy makes provision for sufficient employment land.

Improve recycling and care for the environment:

- Focus on continuous improvement in recycling and waste collection.
- Work towards achieving a 60% recycling target.
- Focus on continuous improvement in street cleansing.
- Promote activities to reduce litter and fly tipping.
- Continue work with partners to provide flood resilience measures.

Provide customer focused community support:

- Support and promote joint working arrangements with Gloucestershire County Council's Child and Family Support Services, Gloucestershire Constabulary and other agencies to achieve better outcomes for residents.
- Simplify and standardise business processes for the benefit of customers.
- Work with town and parish councils to deliver the localism agenda.
- Work with partners to reduce the level and perception of crime.
- Support the health and well-being of our residents.

Develop housing relevant to local needs:

- Develop a Core Strategy to meet current and future housing needs
- Promote initiatives to make quality housing more affordable and accessible.
- Work with all stakeholders to promote specific housing types to meet defined shortages.
- Improve the quality of the housing stock

The effective use of council land and property assets can support the Council's priorities in a number of ways. The primary examples of the links between asset management and council priorities are shown below:

- Ensuring our buildings are run efficiently, reducing the cost of inputs such as energy and maintenance, and maximising the value of income generated from our assets, such as property rental, helps to support the core budget of the council and keep council tax low
- Identifying under-utilised or surplus assets for sale or redevelopment which can enhance the supply of employment land to the market or create additional retail units can support our economic development ambitions
- Focussing on the use of renewable energy, such as photovoltaics, and the use of low energy alternatives, such as lighting, can assist the council in caring for the environment
- The transfer of assets, such as play areas and public conveniences, to Town and Parish Council's means that local services are being provided by the most appropriate local body
- Further development of the Public Service Centre has seen the number of partners operating out of the building and delivering services directly to the residents of the Borough increase to seven in recent years with further expansion planned.
- Identifying under-utilised or surplus assets which can be developed as housing units, either through a third party or directly by the Council, to support the needs of people living in the Borough

In addition to the priorities and objectives, which are aimed at delivering our vision, the council has adopted a set of values which we apply across all of our services and activities. We are a council that:

- **Puts customers first:** We will put the needs of our customers at the heart of what we do and listen to what they say, treating people fairly and without bias.
- **Is positive about working with others:** We recognise we cannot achieve our vision by working alone. We will continue to develop productive working relationships with other organisations and our communities, including the voluntary sector, town and parish councils and neighbourhood groups to achieve common goals.
- **Values our employees:** We will support, praise and invest in our workforce to develop our organisation.

The priorities and objectives contained in the Council Plan are important in informing and shaping the actions to be included in the AMP. The Council is at the early stages of developing its new priorities and Council Plan for the period 2016 – 2020. This AMP will need to be reviewed in light of the final Council Plan.

3.2 Corporate Policy framework

The Council's Policy Framework provides a structure for the implementation of desired targets, standards and outcomes. It provides a focus for responding to particular needs or issues, a platform for joined-up working, encourages innovation and provides a mechanism for accountability.

The Asset Management Plan is an important component of the Council's Policy Framework and supports an overarching framework which includes the Housing Strategy, Treasury Management Strategy, Procurement Strategy, Risk Management Strategy and the Medium Term Financial Strategy.

3.3 Service Planning

The Service Planning Framework aims are:

- To help elected members determine the timing of priorities
- To forecast the changes in demand for services and barriers to service delivery
- To show the likely implications of changes in legislation
- To match demand with likely resources
- To provide a framework for programming activities by individual services

This is a key process to ensure that the Council works towards the Council Plan objectives.

The council's Asset Management service will complete an annual service delivery template for consideration by members alongside templates from other service areas. To supplement this, and as detailed earlier, an annual AMP action plan will be submitted to Transform Working Group for approval by members. This will provide a greater depth of detail on planned asset management activities for the forthcoming year and give members assurance that assets are being maintained and used to meet the council priorities.

All actions recommended within the annual AMP action plan will strive to promote the use of assets in a way that positively assists the Council in delivering its priorities.

4.0 ORGANISATION AND GOVERNANCE

There is a need to ensure that there are appropriate structures in place through which decisions are taken regarding the management of the council's assets. The Council operates an Executive model whereby decisions on asset management are delegated to the Executive Committee. The Constitution of the Council sets out in detail what asset related decisions can be made by either the Executive Committee or by further delegation to a senior officer.

To support the asset management requirements of the council and its decision making process, there are a number of key roles, teams and groups and these are summarised below.

Lead Member for Finance & Assets

The Council sub-divides its Executive responsibilities into portfolios and allocates political responsibility to an Executive Member supported by senior officers. Asset Management falls under the remit of the Lead Member for Finance & Assets. No decision making authority is vested in this role but the Lead Member acts as a champion of asset related issues for the authority. Monthly portfolio meetings are held in order to review and monitor the progress of actions against the AMP. The Lead Member is also the Deputy Leader of the Council.

Corporate Leadership Team

The Corporate Leadership Team comprises the Chief Officers of the council and meets on a weekly basis to oversee both the operational and strategic management of the Council.

Group Manager Finance & Assets

The Group Manager for Finance and Assets is the senior officer responsible for the overall strategic development of asset management and ensuring that activities continue to support the Council's aims and priorities. The Group Manager has delegated responsibility for a range of asset management decisions and is also the Council's Chief Finance Officer (CFO).

Corporate Property Officer

The Asset Manager fulfils the role of Corporate Property Officer (CPO) in Tewkesbury and is the most senior officer responsible for the Asset Management function. Management of all property is centralised under this role and supported by the Asset Management Team. The CPO is the initial point of contact for all corporate property management matters, providing advice on standards and procedures to ensure accordance with accepted industry best practice.

Asset Management Team

The Asset Management Team support the CPO in delivering the operational requirements of the service. The service currently consists of 7.97 full time equivalents and includes a range of skills from estates management to project management. Some specialist skills, such as surveying and valuing, are procured services. The team are also responsible for a range of front line delivery services including car parking, cemeteries and leisure provision.

Asset Management Review Group (AMRG)

This group is formed from a number of different service areas in the council and provides a corporate view point on asset related issues. It meets on a bi-monthly basis and has responsibility to review and consider issues received from the Asset Management Team. It does not have any decision making powers but helps guide both the operational management of assets and the development of strategic thinking around assets.

To help explain the relationship of these roles, a diagram is shown below:



5.0 MONEY

Until recently, the Council has had a poor record in investing in the ongoing maintenance of its currently owned assets and the further development of its asset portfolio to support service delivery but also produce ongoing revenue returns to support its overall council base budget. Both the culture of the council to support its assets and the appetite to invest in land and property holdings have changed in recent years and the council is now in a positive position to realise fully the benefits of a proactive approach to asset management and development.

In the last two years the council has committed over £11m to new asset related projects, emphasising its new commitment to assets and the realisation of the potential benefits available from land and property assets. A summary of the schemes approved in this period is shown below:

- £7.5m towards the development of a new leisure facility, incorporating both wet and dry side facilities, on the Public Services Centre site. The new facility will allow the current Cascades facility to close thereby freeing up a valuable site in the town centre to aid future regeneration.
- £1.5m towards the refurbishment of the Public Services Centre. The programme of works included the replacement of roofs and windows, the realignment and redecoration of the first floor and the transfer of all staff to the new first floor accommodation
- £2.0m set aside towards either the purchase of an investment property and/or investments in current assets in order to realise a financial return
- £150,000 towards the council's landlord responsibilities for the Roses Theatre in Tewkesbury. Again, new roofs and windows have been installed and the works coordinated with a schedule of works for the refurbishment of the interior.

This is a significant level of investment for a small council but highlights both its ambition for its asset portfolio and the under investment in previous years which has necessitated such a large investment over a short period.

As a result of this heavy capital programme, coupled together with the council's ongoing commitment towards both Disabled Facilities and Community Support grants being funded from capital, the capital reserves of the council have now diminished to very low levels. Having enjoyed capital balances of approaching £30m 15 years ago, mainly as a result of the sale of council housing to Severn Vale Housing Society, balances are predicted to have fallen to £3.7m by April 2016 and £1.6m by April 2017.

The council's rapidly developing ambitions to increase its asset base, regenerate an area of the Borough, meet housing needs and make the best use of assets currently in its ownership will require substantial investment over a long period. These ambitions will not be met by the balance on the capital reserve. The Council will need to continue to carefully select under-utilised assets for disposal where disposal is considered a better option than redevelopment. The sale of these assets can deliver additional capital receipts which can support the development of the investment programme.

The Council will also need to consider alternative sources of funding. These may include external grants, s106 funds and revenue finance from either New Homes Bonus or retained business rates. In addition, the council will need to consider prudential borrowing. Borrowing from either the Public Works Loan Board or from money markets is particularly attractive at this time as interest rates remain suppressed following the recession in recent years. As an example, current market rates suggest an interest charge of under 3.5% over 25 years. The council will also need to make provision in its revenue budget for the repayment of principal. The amount required to be set aside is dictated by the council's Minimum Revenue Provision (MRP) policy which suggests repayment should be accrued in line with the useful life of an asset.

Any asset investment decision requiring the use of prudential borrowing will require a detailed business case with particular attention being paid to the financial viability of the investment. If, following due diligence, the investment services its financing costs and is considered to promote the council's ambitions, then borrowing should be recommended.

In addition to the one-off investment of capital resources, the council makes available reactive maintenance monies through its general fund revenue budget. The annual sum made available for reactive maintenance is £88,000 and used to maintain all assets across the portfolio including the Public Service Centre (£39,900) and the Cascades leisure centre (£24,000).

The council has not had a cash backed planned maintenance programme in place for a number of years. Whilst a desire to restrict non-essential spending during a time of austerity is understandable, the ongoing lack of a planned maintenance programme is not sustainable and provides an unnecessary risk to the council. A full 25 year costed programme over the full portfolio will be developed in 2016 and presented to members. The aim of this programme is provide annual contributions to a sinking fund to meet known maintenance needs so that large, ad hoc sums are not sought.

6.0 ASSET MANAGEMENT PRINCIPLES

Strategic asset management for our land and buildings is:

- Linked and focused on our business, corporate and organisational objectives.
- Systematic and coordinated.
- Concerned with both non-financial and financial matters.
- An activity that sees property as a key strategic resource to the Council.
- Ensuring these assets make a positive contribution to regeneration of the Borough.
- A corporate activity and not solely the province of property professionals.
- Planned on a medium/long term basis.

In addition to this general statement, five specific principles of asset management for Tewkesbury have been developed and these are set out in the following paragraphs.

A Own assets that meet Council needs

The council should only own assets that are fit for purpose and meet the needs of the council, whether in terms of service delivery or for the wider ambitions of the council. Given the financial position of the council, it cannot afford to continue to own assets that do not meet its assessed current or future need. Likewise it cannot afford to maintain inefficient assets.

Local authorities face a challenge of modernising service delivery and getting the best from valuable property resources. A significant proportion of a local authority's revenue budget is devoted to running and maintaining its operational estate. There is an acknowledgement that property is "resource-hungry" and is generally the second most costly resource after staff.

The existing portfolio is a legacy of piecemeal decision making over a period of time. The Council has acquired its current asset portfolio over the last forty years and it reflects the varying reasons for ownership including:

- A duty to provide
- For delivery of council services
- A choice made to own a discretionary asset

Whilst the portfolio has been subject to review over the period there may be a legacy of value to be released or further opportunities to increase income/reduce costs within the base portfolio. Such a review needs to concentrate on aligning the portfolio to future needs of the council plus provide a challenge at an individual asset level over whether to 'retain' or 'release'. In an era of constrained budgets the council will need to review how and where it provides services. The review needs to proceed on the basis of a 'robust challenge' to the need and performance of individual assets set within the context provided by specific service strategies. It needs where possible to be undertaken on a multi-agency basis so that potential for shared asset use are considered.

To support this process, the council's Asset Management team takes a proactive approach in identifying assets that are surplus to service delivery requirements. Separately from any intervention by Asset Management, surplus properties often emerge from service areas as a result of fluctuations in property needs. In addition, approaches from external organisations, such as developers, adjoining owners and tenants seeking to purchase a property, might trigger a property being declared surplus.

When a property emerges, via one of these routes, as potentially surplus to the Council's operational requirements, details of the property's availability is reported to the Council's Asset Management Review Group (AMRG) which ensures service areas are made aware of the asset and have an opportunity to put forward a business case to retain it for specific service needs.

If no service area can demonstrate a clear and robust business need for a property brought before the AMRG then the Council's Executive Committee is asked to declare the property surplus to the Council's operational requirements. This report will be presented to members in open business in order to provide a robust and transparent audit trail and allow an open debate on the issues surrounding the ongoing use of the asset to be made.

It is following this decision that the council will look at alternative uses of the site and will decide whether to retain the site for redevelopment or release the site to the market. The council will also consider the transfer of the site to a local organisation, such as a Town or Parish Council, to further support the localism agenda.

B Efficient buildings

The council has to ensure that it is maximising the value of each asset under its ownership so that cost is driven down and income driven up so that assets can support the overall Council budget. In addition, the council has a duty to cut carbon emissions and ensure the long term sustainability of its assets.

Space utilisation is a key component of delivering efficient buildings. Within the Public Service Centre a desk to staff ratio of 8:10 has been incorporated. This is seen as a modest first step towards efficient space utilisation and has allowed the majority of council services to be concentrated on the first floor of the building. As a result, the top floor of the Centre has been vacated by the council and is in the process of being let to additional partners. The next step of this strategy will be to reduce the desk ratio to 6:10 to free up further space. This ambition, whilst deliverable, will be heavily dependent on flexible working policies and a solid IT infrastructure to deliver.

The refurbishment of the Public Service Centre included the replacement of the roof, new insulation, new windows, a rebalancing of the heating system and an energy efficient lighting system. These improvements, coupled with a greater ability to manage energy consumption in an efficient manner, have led to a reduction in energy utilisation and a maintenance requirements and as a result have reduced the ongoing cost of running the centre.

The next phase of improvement works at the Centre will see the investment in renewable energy. It is planned to site a bank of solar panels on the main roofs of the centre to provide up to 80% of the centres energy needs during daylight hours, reducing the cost of energy purchase, as well as producing an income from feed in tariffs. The council will look to roll out this initiative across the rest of its asset portfolio depending on the business case for each asset.

Energy efficiency was a key design principle in the new leisure centre and will remain a key consideration as the council looks to develop new assets.

The council encourages the use of cycling to work through the provision of onsite cycle storage and shower and changing facilities. The development of the new leisure centre included the requirement for a whole site orientated travel plan. The aim of this plan is to reduce the number of car visits to the site including both the leisure centre and the Public Service Centre. In addition, investment in better public transport facilities should encourage the use of this form of shared transport to the site.

C Facilities management

A key principle for the council to deliver effective asset management is to actively manage all of its assets. Within its buildings used for service delivery it should provide a full facilities management service to ensure those buildings are comfortable, accessible, clean, safe and secure and operating cost effectively using accurate base data and metrics to help inform decisions.

The facilities management team need to be proactive with a focus on customer service and have excellent communication skills. Training will be provided on an on-going basis to ensure these staff, together with the wider Asset Management team, possess the necessary skills.

To support the team in delivering the service, investment will be made in an online helpdesk facility, to provide an easy to use and convenient method of logging customer requests. The new system will also be invaluable in recording reoccurring issues and measuring the performance of the team in responding to the requests. The system will be further enhanced with the ability for customers to record their satisfaction with the service they have received. Response times to customer issues and customer satisfaction will form part of the suit of performance indicators to be introduced. The system will also aid the management of the service should opportunities be followed to expand the current service to include partner organisation requirements.

The health and safety of staff and visitors to our buildings is of paramount importance. A fully updated suit of health and safety plans has been put in place in 2015. The suit includes documentation surrounding the ongoing management and maintenance of risks associated with asbestos, legionella, electrical and fire in all of the properties owned by the council.

The regular inspection of our assets is a key activity of the Asset Management team. For our assets which are leased to third parties, periodic inspections take place to ensure the tenants are abiding by the lease terms, including health and safety issues, and the asset is being maintained as required. A programme of routine inspections is in place for the councils main operational assets and is based on a risk based approach. To support the inspection regime, investment has recently been made in an online system that allows officers to record the inspection details on site and to be automatically uploaded to the database. The system also allows the direct procurement of corrective works to those assets as the inspection is concluded. It will also provide officers with detailed management information and reporting. The use of this system will be vitally important for the ongoing management of the council's many assets.

D Planned, coordinated and informed approach to maintenance

Property maintenance should be viewed as both essential and a worthwhile investment providing an important return. Well maintained properties can enhance service delivery, and reduce future resource requirements by prolonging an asset life, reducing risk and strengthening value.

The council has a reactive annual maintenance budget of £88,000 but has not had in place a Planned Maintenance Programme (PMP) or budget for over 15 years. As a legacy of under investment, the portfolio comprised ageing buildings which were in a poor condition and necessitated an extensive programme over the last two years to recover the situation. It is important to remember that a maintenance and repairs programme does not cover building alterations or changes that alter or improve capability or functionality of a building; this would normally be capital improvements. It simply maintains the existing state of assets.

It is an aim of this Asset Management Plan to reintroduce a PMP as soon as is possible. Properties that are strategically important, particularly multi-occupied properties, will have whole life costing appraisals carried out that assesses the running costs of the building over a period of 25 years or longer. An annual resource requirement can be established from this plan which will fund the establishment of a sinking fund to be used for future maintenance requirements. The PMP will allow maintenance to be carried out in a coordinated, scheduled and efficient way.

The introduction of a PMP will impact on the revenue budget of the council which is difficult to ask during the ongoing reductions in public spending but is essential. The plan will establish a 5 year rolling resource requirement within the Medium Term Financial Strategy of the Council but will be subject to both an annual 'sense' check and a five year review. The process will also enable the Council to re-charge partners an appropriate proportion of the repair, maintenance and replacement costs.

The 'sense' check and five year review of the PMP will be informed by an ongoing inspection regime and periodic condition surveys. This will ensure that the base information in the PMP is accurate, reflects the needs of the asset base and is prioritised accordingly. Pricing assumptions can also be updated to ensure sufficient monies are being set aside to meet needs.

The council view on strategically managing and maintaining its assets also includes close working with partner organisations such as the County Council, Town and Parish Councils and Housing Associations. The council will seek to break down organisational boundaries so that the maintenance of assets such as grounds maintenance and play area management is coordinated and efficient.

E Investment opportunities

The Council recognises the importance of strategic investment in the asset base to help deliver its economic and regenerative ambitions as well as securing a monetary return that can support the Council's core budget.

The council's commercial estate is small, primarily comprising of two retail units and a depot site although its use of the Public Service Centre enables a strong rental income stream as well as the provision of services to the public. There is a desire to broaden the commercial estate with appropriate investments in retail, commercial and industrial units which are backed by robust business cases considering the risks of further asset ownership, the whole life costs of the asset and the net return that could be made. If the right investments can be sourced and secured, a more extensive commercial estate will make a valuable annual contribution to the council's finances.

An investment decision should not just be limited to making a financial return. Where the council can make a difference to the Borough either through investment's in its own assets or through investment in new assets, this should be considered. For instance, the council will wish to consider the regeneration of the town centre of Tewkesbury to provide a more attractive environment and additional facilities as well as supporting the general economic, social and cultural development of the town. The council may also consider the purchase of land which could be developed as employment land to support the growing need of businesses within the borough and to ensure employment exists for its growing population. The use of assets in this way can make a real difference to the residents and businesses of the Borough as well as its visitors.

The Council may also want to consider how it can directly influence the housing market in future years. Utilisation of current or new assets to bring new housing units forward either for market or social housing could meet a number of council ambitions and priorities. The council will need to investigate the optimum mechanism and structure for delivering an ambition in this service area particularly if it wishes to see an annual revenue return from housing. It will also need to be mindful of the cash flow associated with setting up a delivery mechanism and producing housing units prior to any returns being made and will need to see this in the context of its MTFS.

Investment in assets for any of the purposes mentioned will require the use of significant sums of finance. As mentioned previously, the council will need to consider all available sources of finance and in particular the need to borrow to fund the investment. It is therefore vital for maximising the return from investments, that the cost of financing is minimised.

7.0 VISION FOR ASSETS

In addition to an overall vision for assets and the general principles of asset management, the council has specific needs and visions for individual assets and classes of assets. These are summarised below:

Public offices	Provide suitable, efficient and fit for purpose premises to house the main services of the Borough Council. In addition, to maintain and enhance the number of partner organisations operating from the public offices, encouraging greater service alignment and integration whilst ensuring the council maximises rental returns.
Parking locations	To provide appropriate levels of parking spaces within current locations to meet need whilst improving the presentation and environment of the car parks
MAFF site	To declare the asset surplus to service requirements and develop housing proposals which will attract outline planning approval. The site will then either be taken to the market for disposal at the maximum return possible or redeveloped by the Council itself.
Retained land	Each parcel of land to be reviewed for current use and alternative uses to be investigated if a council priority can be met from the site. Public Open Space should be retained to provide a community amenity within our residential areas unless a very strong business case can be made for the sites disposal.
Roses Theatre	To provide suitable premises to house a significant cultural offering for Tewkesbury Borough secured against a long term lease which clearly defines responsibilities and is subject to regular inspection
Golf club	To provide suitable premises to house a significant leisure offering for Tewkesbury Borough secured against a long term lease which clearly defines responsibilities and is subject to regular inspection
Play Areas	To transfer ownership of play area facilities to local communities where possible and where ownership is retained by the Council to ensure play areas are regularly inspected and maintained in line with a best practice regime
Homeless properties	To regularly review the useage of the properties in conjunction with Housing Services and to declare surplus to service requirements any properties which are substantially under-utilised. Those properties which are retained should be subject to regular inspection and maintenance both from the Borough and the management operator.
Investment properties	To maintain and increase the rental levels associated with all properties currently subject to lease to third parties.

Garage sites	To review the current usage and condition of the facilities and develop proposals, where required, for the redevelopment of the sites.
Surplus land and building	Land and buildings should be reviewed on a regular basis to ensure they are still required for service delivery. If not required, they should be declared surplus by Executive Committee and clear direction for the disposal of the asset identified.
Land and building purchase	To identify land and building purchases which meet with Council Plan ambitions or further service delivery or provide an investment revenue stream in excess of the financing costs of purchasing the asset.

8.0 PERFORMANCE MONITORING

The council has a corporate approach to performance management with progress against council priorities and performance indicator information reported in the Quarterly Performance Report to Overview & Scrutiny and Executive Committee. The process identifies under performance and seeks to support performance improvement and share learning from success.

Asset Management Monitoring

The overall progress and performance of the Asset Management Plan is monitored in a number of ways.

- Review and monitoring of major capital projects at monthly programme board meetings
- Reporting of capital programme progress to Overview & Scrutiny and Executive Committees
- Review progress of major action points at Lead Member meetings
- Progress on the annual AMP action plan will be reported to Members each year

Asset Management Performance Indicators

There are different methods of adopting performance management and indicators to assess asset management performance.

The National Property Performance Management Initiative (NaPPMI) Performance Indicators are an accepted industry standard for Asset Management and further recommended by the Department of Communities and Local Government. The seven recommended performance areas are:

1. Condition of asset and required maintenance
2. Environmental property issues
3. Suitability surveys

4. Building accessibility surveys
5. Sufficiency (capacity and utilisation)
6. Revenue (spend on property, energy, cleaning and rents payable)
7. Capital (accuracy of forecasts of estimates and timing of works)

It is good practice for every organisation to choose indicators that are relevant to that organisation. For instance, particular interest for this council is to develop its investment asset portfolio and see a healthy revenue return from its investment in order to support the core budgets of the council.

As part of the 2016 AMP annual action plan, a suit of performance indicators will be developed in order to assist the service with the management and monitoring of asset related performance. The indicators will utilise the NaPPMI indicators as a starting point but will be developed to meet the council needs, ensuring the data can be reasonably and realistically collected, and will reflect the principles of asset management and the vision for our asset portfolio, as outlined earlier, as well as the Council's priorities. Examples of the type of asset management performance indicators that will may be included are:

1. Workstation/ Full Time Equivalent (FTE)
2. m²/FTE
3. Total cost per sq m
4. Total cost per FTE
5. Amount of energy consumed at Public Service Centre per annum.
6. Facilities Management Helpdesk – Number of Helpdesk jobs resolved with a Good or Very Good satisfaction rating (Target 80% plus)
7. Response to high risk Health and Safety issues within 4 hours
8. Return on investment - investment asset portfolio
9. Occupancy rates – investment asset portfolio
10. Level of rental arrears – investment asset portfolio

These indicators will be compared with national averages and previous years and reported to Members as part of the council's performance reporting framework. The council will also consider the use of benchmarking to understand how well its assets are performing against peer authorities. This could be achieved through the Council's current membership of CIPFA.

In addition to the local authority PI's, where council owned assets are leased and operated by a third party, any KPI's agreed within the contract documentation will be reviewed in line with the approved schedule. An example of this will be Tewkesbury Leisure Centre which will be run by Places for People from June 2016.

9.0 CONSULTATION

Consultation is carried out by the Council regularly on corporate priorities and annually for budget setting purposes. This strategy is set within the context of both the corporate priorities and the available resources of the council to ensure the consultation carried out is reflected in the ambitions for the land and property portfolio.

Specific consultation on major capital schemes is also carried out. An example of this is the consultation carried out for the new leisure facility.