

ASSET MANAGEMENT PLAN

(Report by the Head of Law, Property and Governance)

1. INTRODUCTION

The purpose of this report is to update Cabinet on the National Performance Indicators in respect of the Council's property portfolio for 2009/10. In addition related asset management issues are also drawn to the attention of Cabinet in section 4.

2. BACKGROUND

2.1 Information on property performance indicators, now called Performance Management Indicators (PMIs), has been produced on a regular basis since they were first introduced in 2002. For the year 2009/10, these are summarised in Appendix A together with a brief commentary including, where appropriate, comparison with other authorities using information from the IPF Asset Management Network (IPF). Section 3 highlights the main elements of these indicators.

2.2 Asset management was considered a key area of the use of resources assessment until the Comprehensive Area Assessments were ended by the current government. It is likely that some performance indicators relating to assets will be required.

2.3 For ease of collection of data and comparison purposes, figures for Castle Hill House and Centenary House have been used apart from for PMI 5A (Sufficiency, capacity and utilisation of offices) where these buildings have been excluded and the whole of Pathfinder House included.

3. OUTCOMES

3.1 The main changes between 2009 and 2010 and principal highlights are set out below. More detailed comments on the indicators are contained in appendix A.

- There has been a further increase to 49% in the number of operational properties in the good category (PMI 1A).
- The percentage of urgent repairs at 1% compares favourably with the IPF average of 10% (PMI 1B ii).
- The total cost of required maintenance at £46 per square metre is less than half the IPF average of £116 per square metre (PMI 1B iii).
- Planned repairs increased from 42% to 50% although this is below the IPF average of 56% (PMI 1D iii).

- Energy and water costs are above the IPF averages (PMI 2) mainly because of the types of buildings.
- The suitability of operational property in the top categories (95%) compares favourably with the IPF average of 70% (PMI 3).
- The number of accessibility surveys has risen to 40% of all operational properties but is still below the national average (PMI 4).
- The gross property costs at 3.1% are below the IPF average of 5.2% (PMI 6A)
- Capital schemes are generally managed well in terms of time and costs compared to national averages (PMI 7).

4. ASSET MANAGEMENT DEVELOPMENTS

4.1 Achievements during 2009/10 have included:

- Completion of the remaining buildings at Pathfinder House
- Extension to the Paxton Pits visitors centre
- Transfer of the new Ramsey Community Centre by the developer
- Disposal of land required for the new library at Ramsey
- Various leisure centre improvements throughout the district
- Commencement on site for the starter units scheme in St Ives

5. CONCLUSION

5.1 There has been a continued improvement over the previous year which demonstrates the Council's commitment to ensure that assets are provided and maintained in a fit and proper manner for the effective delivery of services.

5.2 The overall level of expenditure on repairs has generally been maintained and there is a further improvement in the percentage of planned maintenance rather than reactive repairs.

6. RECOMMENDATION

It is recommended that the report be received and the information in Appendix A be approved.

BACKGROUND INFORMATION

Estates Asset Management files. Report to Cabinet 21st January 2010

Contact Officer: K Phillips, Estates and Property Manager ☎ (01480) 388260

HUNTINGDONSHIRE DISTRICT COUNCIL
PROPERTY PERFORMANCE INDICATORS 2010

PMI 1 CONDITION AND REQUIRED MAINTENANCE

1A. % of gross internal floor space in condition categories A-D

| | Operational | | Non- operational | | Total* |
|-----------------|-------------|---------|------------------|---------|---------|
| | 31.3.09 | 31.3.10 | 31.3.09 | 31.3.10 | 31.3.10 |
| A. Good | 47 | 49 | 19 | 19 | 39 |
| B. Satisfactory | 52 | 50 | 81 | 79 | 60 |
| C. Poor | 1 | 1 | 0 | 2 | 1 |
| D. Bad | 0 | 0 | 0 | 0 | 0 |

* this combines the floor areas for both operational and non-operational property

| | 2009 | 2010 |
|---|--------|--------|
| Operational Gross Internal Area (sq metres) | 27,878 | 28,898 |
| Non-Operational Gross Internal Area (sq m) | 15,400 | 15,225 |

1B. Required maintenance by cost

(i) Total cost in priority levels 1-3:

| | 2008/09 | 2009/10 |
|--------------------------|-------------------|-------------------|
| 1. Urgent | £113,000 | £20,000 |
| 2. Essential (2 years) | £1,698,000 | £1,647,100 |
| 3. Desirable (3-5 years) | £2,226,000 | £ 362,000 |
| Total | £4,037,000 | £2,029,100 |

(ii) As a % in priority Levels 1-3:

| | Operational | | Non-Operational | | Combined |
|--------------|-------------|------------|-----------------|------------|------------|
| | 31.3.09 | 31.3.10 | 31.3.09 | 31.3.10 | 31.3.10 |
| 1. Urgent | 3 | 0 | 2 | 5 | 1 |
| 2. Essential | 43 | 48 | 37 | 26 | 44 |
| 3. Desirable | 54 | 52 | 61 | 69 | 55 |
| | 100 | 100 | 100 | 100 | 100 |

2008/09 2009/10

iii) Overall costs per square metre

£93

£46

| | | | |
|-----|--|----------|----------|
| 1C. | Annual % change to total required maintenance: | -3% | -50% |
| 1D. | (i) Total spend on maintenance: | £392,000 | £434,100 |
| | (ii) Total spend on maintenance per sq metre: | £9.06 | £10.10 |
| | (iii) Percentage of total maintenance: planned | 42% | 50% |
| | responsive | 58% | 50% |

Comments on PMI 1 - Condition and Required Maintenance

1. The purpose of this indicator is to measure the condition of assets, changes in condition and the spend on maintenance. It applies to all property where the Council has a repairing obligation.
2. In PMI 1A there has been a continued improvement in operational properties over the previous year with an increase in category A (good) to 49% while category B (satisfactory) is at 50%. These compare favourably with IPF averages of 17% (A) and 58% (B). The changes mainly reflect the expenditure at the leisure centres.
3. Approximately 74 % of the required maintenance by cost (PMI 1B (i)) relates to the leisure centre and 18% to non operational properties. With regard to the overall costs per sq metre (PMI B (iii)), the figure of £46 compares favourably with the IPF average of £116.
4. With regard to PMI 1B (ii) the percentage for urgent repairs (1% for both operational and non operational properties) is well below the IPF average of 10%.
5. Information in PMI 1D relates to the total expenditure on maintenance and the split between planned and responsive repairs. The planned percentage has continued to rise and has now reached 50% which is below the IPF average of 56%. Under best practice the aim is to move towards a higher percentage spend on planned repairs.

PMI 2 ENVIRONMENTAL PROPERTY ISSUES

| | | 2009 | 2010 |
|----|---|--------|--------|
| 2A | Energy costs per square metre | £23.41 | £24.51 |
| | Energy consumption kwh per square metre | 417 | 477 |

| | | | |
|----|---|-------|-------|
| 2B | Water costs per square metre | £3.17 | £3.15 |
| | Water consumption by volume m3 per square m | * | * |
| 2C | CO2 emissions in tonnes per square metre | 0.12 | 0.12 |

* information has been collected on individual properties

Comments on PMI 2 A, B and C – Environmental Property Issues

- 1 These figures apply to all operational buildings which includes 7 leisure buildings with 5 swimming pools. Not surprisingly, therefore, energy costs are above the IPF average of £11.96 and water costs are above the IPF average of £1.69 per square metre. CO₂ emissions are above the IPF average of 0.06.
- 2 The purpose of these indicators is to encourage the efficient use of assets and to measure year on year improvements in energy efficiency. In June 2009, the Council adopted a Carbon Management Plan identifying projects and targets with the aspiration of delivering a 30% reduction in carbon emissions across its estate over a 5 year period up to 2012/13. There was small reduction in energy use in buildings during the year.
- 3 The next AMP report will be able to analyse figures for a full year following the PFH development and also take into account improvements at leisure centres. An assessment of the leisure centres has also taken place in 2010 with a view to seeking major savings in energy and water over a 2 year period.

PMI 3 SUITABILITY SURVEYS –OPERATIONAL PROPERTY

| | | | 2009 | 2010 |
|----|--------------------------------|---|------|------|
| 3A | % of the portfolio by GIA | : | 100 | 100 |
| 3B | Number of properties | : | 39 | 42 |
| 3C | % graded satisfactory or above | : | 95% | 95% |

Comments on PMI 3 A and B – Suitability Surveys

- 1 These surveys are required for all operational properties in order to determine whether buildings are fit for purpose. The assessments are based on the following criteria – location, accessibility, environment, health and safety, fixtures and fittings and image. The outcome of the annual desktop review is summarised below:

| Score out of 30 | 2009 | 2010 |
|--------------------|------|------|
| 1-6 Unsuitable | 0 | 0 |
| 7-12 Poor | 2 | 2 |
| 13-18 Satisfactory | 11 | 12 |

| | | |
|-----------------|----|----|
| 19-24 Good | 24 | 22 |
| 25-30 Very Good | 3 | 6 |
| Total | 40 | 42 |

- The suitability assessments have been carried out for all Council operational properties and compare favourably with the IPF average of approximately 77%. The two buildings rated poor are the public conveniences in South Street, St Neots (now closed) and the Octagon storage depot in St Ives. Reviews will be carried out annually in order to reflect improvements undertaken during the year.

PMI 4 BUILDING ACCESSIBILITY SURVEYS –OPERATIONAL PROPERTY

Access audit undertaken: **2009** **2010**

4A % of the portfolio by GIA : 31% 40%

4B Number of properties : 12 13

Accessibility plan in place

4C % of portfolio : 31% 40%

4D Number of properties : 12 13

Comments on PMI 4 A, B, C and D – Building Accessibility Surveys

- These are required for all operational properties and the surveys have to be carried out by a competent person. An access audit is defined as “an examination of a building, its facilities or services reported on against predetermined criteria to assess its ease of use by disabled people”. After the audit an accessibility plan is drawn up to identify the actions necessary.
- While progress continues to be made, the percentage of properties with an access audit is below the IPF average of 82%. The Facilities Manager will be undertaking further assessments during the current year.

PM1 5 SUFFICIENCY (CAPACITY AND UTILISATION) –OFFICES

For financial year ending 31st March **2008/09** **2009/10**

5A.1 (a) Operational office property as a percentage of the total portfolio 18% 17%

(b) Office space per head of population 0.045 0.049

(per square metre)

| | | | |
|----------|---|--------------|-----|
| 5A.2 | Net office space as a % of total floor space in operational buildings | 80% | 80% |
| 5A.3 (a) | Number of offices shared with other public agencies | 2 | 3 |
| (b) | Percentage of office buildings shared | 20% | 43% |
| 5B.1 | Average floor space per office staff | Not assessed | |
| 5B.2 | Average floor space per workstation | Not assessed | |
| 5B.3 | Annual property cost per workstation | Not assessed | |

Comments on PMI 5 A and B – Sufficiency (capacity and utilisation) Office Portfolio

- 1 The purpose of this indicator introduced in 2007 is to measure the capacity and utilisation of the office portfolio.
- 2 Information has been provided for PMI 5A but not yet for PMI 5B in view of the recent changes in office accommodation. It is intended to refine these in due course so that more accurate information will be available.
- 3 The calculation for PMI 5A.1 (a) has been amended to reflect a percentage of the total portfolio including non operational property.
- 4 The assessment for PMI 5A.2 is an estimate as no detailed calculations have been undertaken.

| PM1 6 SPEND ON PROPERTY | 2008/09 | 2009/10 | |
|--------------------------------|--|----------------|------|
| 6A | Gross property costs of operational estate as a percentage of the gross revenue budget | 3.2% | 3.1% |
| 6B | Gross property costs per square metre for operational property | £78 | £79 |

Comments on PMI 6 A and B – Spend and Property

- 1 This indicator aims to measure the overall property costs and changes in costs over time.
- 2 The percentage figure is below the IPF average of 5.23%.

PM1 7 TIME AND COST PREDICTABILITY**2008/09 2009/10**

| | | | |
|----|------------------------------------|-----|-----|
| 7A | Time predictability, design | 75% | 78% |
| 7B | Time predictability, post contract | 75% | 78% |
| 7C | Cost predictability, design | 87% | 89% |
| 7D | Cost predictability, post contract | 87% | 89% |

Comments on PMI 7 A, B, C and D – Time and Cost Predictability

1. There were 9 applicable schemes in 2009/10 (8 schemes in 2008/09)
2. This indicator relates to all projects over £50k. The Council's performance compares favourably with the IPF averages of 72% (7A), 64% (7B), 64% (7C) and 68% (7D). This confirms that building contracts are generally managed within acceptable time and cost limits.