

REGENERATION AND ASSET BOARD

Venue: Town Hall,
Moorgate Street,
Rotherham.

Date: Wednesday, 11th July, 2007

Time: 10.00 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Minutes of the previous meeting held on 13th June, 2007. (copy attached) (Pages 1 - 5)
4. Matters arising
5. York Consulting Case Study Report. (report attached) (Pages 6 - 47)
Asset Manager to report.
- to present a briefing note to the Board.
6. Industrial Land and Floorspace 2006. (report attached) (Pages 48 - 61)
Economic Strategy Manager and Research & Spatial Development Officer to report.
- to report details on the amount of floorspace and available development land in the Borough and how this has changed over the year.
7. Strong and Prosperous Communities - The Local Government White Paper October 2006 - Community Buildings Review and Area Asset Management Plans - Making Assets Work, the Quirk Review Findings. (report attached) (Pages 62 - 84)
Asset Manager to report.
- to propose an integrated comprehensive strategy and implementation programme.
8. EXCLUSION OF THE PRESS AND PUBLIC
The following items are likely to be considered in the absence of the press and public as being exempt under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended March 2006) (information relates to the financial or business affairs).

9. Town Centre Safety Manager. (report attached) (Pages 85 - 94)
Town Centre Manager and Programmes Officer, to report.
- to note the approval of RERF.
10. Employment of Police Architectural Liaison Officer. (report attached) (Pages 95 - 98)
Development Team Manager to report.
- to note approval of RERF.
11. Rotherham Economic Regeneration Fund. (report attached) (Pages 99 - 112)
Programmes Officer to report.
- to report details of project activity during 2006/07.
12. Aston-cum-Aughton Service Centre - Progress Report. (report attached) (Pages 113 - 117)
Asset Manager to report.
- to provide an update on progress of the Aston-cum-Aughton Service Centre.
13. Land at Longfellow Drive. (report attached) (Pages 118 - 126)
Valuation Manager and HMR Manager, Rotherham East, to report.
- to report details of a proposed extra care housing development.
14. Land at Ridgeway Road, East Herringthorpe for extension to Cemetery. (report attached) (Pages 127 - 131)
Strategic Property Manager to report.
- To seek approval for the appropriation of the above-mentioned land from Asset Management Service to Neighbourhood Services.
15. Land at Milton Street, Swinton. (report attached) (Pages 132 - 136)
Strategic Property Manager to report.
- to seek authority to settle a claim for registered title on land at Milton Street, Swinton.
16. Land and Property Bank - Capital Receipts update. (report attached) (Pages 137 - 141)
Strategic Property Manager to report.
- to provide an update on the current position.

For information:-

17. Date, time and venue of next meeting:
(Note the August recess)

WEDNESDAY, 12TH SEPTEMBER, 2007 AT 10.00 A.M. AT THE TOWN HALL, ROTHERHAM

REGENERATION AND ASSET BOARD
Wednesday, 13th June, 2007

Present:- Councillors Ellis, Rushforth, Smith, Stone and Wyatt.:

Apologies for absence were received from Councillors Hussain, R. S. Russell and Sharman.

1. APPOINTMENT OF CHAIRMAN

Resolved:- That Councillor Stone be appointed Chair.

(Councillor Stone in the Chair)

2. APPOINTMENT OF VICE-CHAIRMAN

Resolved:- That Councillor Sharman be appointed Vice-Chair.

3. MINUTES OF THE PREVIOUS MEETING HELD ON 17TH MAY, 2007

Consideration was given to the minutes of the previous meeting of the Regeneration and Asset Board held on 17th May, 2007.

Resolved:- That the minutes be approved as a correct record.

4. MATTERS ARISING

There were no matters arising from the previous minutes.

(The Chairman authorised consideration of the following item in order for the Council to comply with legislation.)

5. SMOKE FREE LEGISLATION - REQUEST FOR FUNDING FROM THE MINOR STRATEGIC CAPITAL INVESTMENT BLOCK

Consideration was given to a report, presented by the Asset Manager, outlining issues around the Smoke-free legislation which came into effect as from 1st July, 2007.

It was reported that in order to comply with the legislation the Council had to erect a compliant signs to all Council buildings where the legislation applies. The report outlined the background to the legislation and the works required in order for the Council to comply with the legislation.

An outline of the works required was set out in the report, together with details of the cost.

Members commented on:-

- the total amount of funding which has been allocated, over and above that which had been budgeted for, which Government required Councils to find in order to comply with their initiatives.
- procurement/tendering process and value for money
- no smoking requirement in Council vehicles

Resolved:- That a sum of £25,000 be allocated from the 2007/2008 minor strategic capital investment block to enable the authority to comply with the Smoke-free legislation which comes into effect from 1st July, 2007.

6. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended March 2006) (information relating to the financial or business affairs of any particular person (including the Council)).

7. AUCTION RESULTS AND COMMERCIAL PROPERTY UPDATE

Consideration was given to a report, presented by the Principal Valuer, detailing the sale, by auction, of two surplus assets, together with an update on the disposal of other commercial property.

The report detailed the current position with the remaining properties in the portfolio and it was reported that the remaining properties were currently under review, and that the Neighbourhoods Directorate was on target to identify which it wished to keep and those it wished to dispose of. A further report would be presented to the November meeting of this Board.

Particular reference was made to:-

- Town centre properties
- Reresby House
- Buildings occupied by community groups
- Maintenance responsibilities

It was pointed out that all remaining property disposal receipts would contribute to the Capital Programme.

Resolved:- (1) That the current position be noted.

(2) That a further report on the remaining properties be submitted to the November meeting of the Regeneration and Asset Board.

Resolved:- That the report be noted.

8. LAND AND PROPERTY: CAPITAL RECEIPTS UPDATE

Consideration was given to a report, presented by the Asset Manager, highlighting the changes to the forecast of capital receipts resulting in a revision of the Council's capital programme.

It was pointed out that the capital receipts for 2007 would exceed the target set. However in future years the ability to raise capital through disposals would diminish.

Particular reference was made to Beecham Court, Swinton, noting that the anticipated receipt was an estimate for the site, as the property had now been demolished.

Resolved:- That the position on the current status of the capital receipts which support the capital programme be noted.

9. APPLICATION TO REGISTER LAND AT THORPE HESLEY AS A TOWN OR VILLAGE GREEN

Further to Minute No. 28 of the meeting of the Regeneration and Asset Board held on 12th July, 2006 and Minute No. 78 of the meeting of the Cabinet Member for Economic and Development Services held on 17th August, 2006, consideration was given to a report, presented by the Asset Manager, updating the Board on the current position regarding the objection made by the Council, as landowner, against the application received from the Scholes and Thorpe Action Group (STAG) under section 13 of the Commons Registration Act 1965, in respect of Council owned land in Thorpe Hesley.

The following issues were raised:-

- the Council acting as the Objector, Landowner and the Registration Authority
- instruction to the Council's approved partner solicitors to act on its behalf
- the Council's defence
- referral to a non-statutory public inquiry
- the outcome of the inquiry and any recommendations in respect of the defence of any future applications
- legal costs, and funding thereof
- the Oxford case
- national problem
- maintenance responsibilities
- timescale
- staffing resources

It was noted that the outcome of this application would set the principles

for any future applications which the Council would have to abide by.

Those present discussed the need for a strategy and/or policy for dealing with any future applications in the event that that the Council lost this case.

It was agreed that there was a need to identify what fallow land the Council owned, and what it would cost to fence and erect signs, and also a need to survey, review and map all the small pockets of land in housing estates

Reference was also made to the implications of the Council being both landowner and Registering Authority and the need to consider if there were options to delegate these responsibilities elsewhere.

It was agreed that this issue should be included on the Council's Risk Register

Resolved:- (1) That the issues raised in pursuing this case be noted.

(2) That a further report be submitted to the next meeting of this Board on the progress of the case, together with clarification of the legal and financial issues, and including an outline of the anticipated timescale.

(3) That, as part of the Council's submission, it be made clear to the Action Group, that if the Group was successful, then the Council would not maintain this area.

(4) That the issue be included on the Council's Risk Register

(5) That the outcome of further investigation of the issues raised (including a survey across the Borough of other sites and the implications should the decision be made against the Council) be incorporated in to the review of Community Buildings; the investigations to include a systematic trawl of all estates with the assistance of the Neighbourhoods Directorate.

(5) That consideration be given to the formulation of a strategy and/or policy for dealing with future similar applications.

(The Chairman authorised consideration of the following item in order to review the membership of the sub-group and ensure continuity of its work/progress.)

10. TOWN CENTRE DEVELOPMENT PROJECT BOARD - REVIEW OF MEMBERSHIP 2007/2008

It was reported that a review of the membership of the above group was now necessary in view of the new Cabinet Member portfolios and composition of the Regeneration and Asset Board.

Resolved:- That the Director of Asset Management revised and review the composition and remit of this project board, and report to the next meeting of the Regeneration and Asset Board.

11. DATE, TIME AND VENUE OF NEXT MEETING

Resolved:- That the next meeting of the Regeneration and Asset Board be held on WEDNESDAY, 11TH JULY, 2007 at 10 a.m. at the Town Hall, Moorgate Street, Rotherham.

ROTHERHAM BOROUGH COUNCIL

1.	Meeting:	Regeneration and Asset Board
2.	Date:	11 July 2007
3.	Title:	York Consulting Case Study Report on Rotherham's Corporate Capital Strategies and Asset Management Plans All Wards
4.	Programme Area:	Environment and Development Services

5. Summary

This report provides a briefing note for Regeneration and Asset Board Members on the York Consulting Case Study Report on Rotherham's Corporate Capital Strategies and Asset Management Plans.

York Consulting's Report is a good testament to Asset Management at Rotherham and a post Beacon endorsement of our strategies, practices and procedures.

6. Recommendations

Members are requested to note the report conclusions.

7. Proposals and Detail

Local authorities were required to submit their corporate capital strategies and asset management plans to the Government Offices in 2001 to inform the first Single Capital Pot allocations for 2002/2003.

In 2001 the Department of Transport, Local Government and the Regions (DTLR) commissioned York Consulting to carry out a three-year evaluation of the process by which asset management plans and corporate capital strategies were developed and implemented and their impact on the efficiency and effectiveness with which local authorities manage their property and other capital resources. The three years, 2002 to 2004, were subsequently extended to five years, 2002 to 2006.

There were three elements to the study methodology: case studies of selected local authorities, an annual postal questionnaire survey of all local authorities and discussions with staff in the nine Government Offices.

York Consulting have produced and published a report each year giving their evaluation results.

Rotherham was one of a tranche of twelve authorities selected as part of the final round of fieldwork for the evaluation; this case study report will form part of the concluding report for the five year project.

The report was written on the basis of meetings held during March 2007 by York Consulting with elected Members and a wide range of officers from across the authority. York Consulting also reviewed the following documents:

- Corporate plan, 2005-2010
- Capital and Asset management Strategies, Plans and Programmes 2005-2010
- Corporate Procurement strategy
- Case Study; Delivering successful construction projects through partnerships
- Audit Commission Corporate Assessment Report November 2006

York Consulting's evaluation framework for the development and implementation of corporate capital strategies and asset management plans identified 12 good practice processes that should be found in all local authorities.

York Consulting concluded that the Council performs well in relation to all 12 of the good practice processes, reflecting the commitment that has been made both by elected members and officers in this area of operations.

The evaluation framework also identified six process outputs and three potential process outcomes. Outputs were defined as the actions and activities stemming from the 12 good practice processes, whilst outcomes were the impacts of these actions and activities and long term and sustainable changes in organisational and cultural structures.

The report summarised the current position of Rotherham in relation to the generation of these process outputs and outcomes.

The report's conclusions are:

- The Council has made a significant commitment to this area of work, as demonstrated by the processes and systems that have been established. This commitment was recognised with the Council achieving Beacon status for asset management.
- It is clear that the corporate approach to asset management has been driven by the recognition of the significance of appropriate property assets in delivering services to a high standard.
- The success of the approach to capital planning and asset management is linked to a significant degree to the emphasis that has been placed on more corporate working as a whole in the council, which has been an important enabling factor. This was part of a proactive approach to drive overall improvement in the performance of the Council.
- The approach to asset planning and management adopted by the Council means that it has both a well-resourced and experienced team of corporate officers and access to a broad base of expertise from a number of external partner organisations. This therefore enables a strong 'mixed economy' approach to asset management.
- The authority is making good use of the data it now holds on its property portfolio in supporting decision making. Of particular significance is the use of property data alongside other strategic and socio-demographic data to support decisions on the location of new facilities, for example. This is a more sophisticated approach to the use of property data than is often observed, and reflects the relative maturity of the approach that has been established. Further enhancements to the data held on properties, to include additional information on community assets, not just those owned by the Council, will help to support even more 'rounded' decision making.
- As a result of the well-embedded approach to capital and asset planning and management, the Council is seeing a range of outputs delivered. Significant improvements to the property portfolio have already been achieved, with considerable additional improvements in progress or about to commence. These improvements are being seen to lead to enhanced access to services and improvements to the services themselves.
- The Council has a clear vision of what it is seeking to achieve with its properties, combined with an understanding of what needs to be done to achieve this vision. This is leading to major transformational schemes being taken forward, reflecting the fundamental changes required in order to achieve a property portfolio that is fit-for-purpose to achieve current and emerging strategic priorities.

The full report is attached at appendix 1.

8. Finance

The report endorses the investment made and being made in the development and implementation of capital and asset management strategies and plans.

9. Risks and Uncertainties

The report does not identify any risks or uncertainties, however, it should be noted that the good practice and progress achieved to date will be jeopardised if:

- Investment in the process is reduced
- The current agreed corporate governance system is not maintained and developed
- Development is not maintained in line with the current agreed capital and asset management strategies

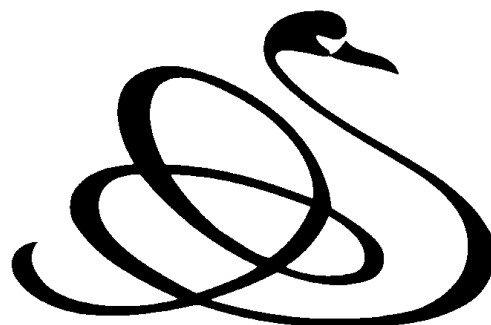
10. Policy and Performance Agenda Implications

The development and implementation of the capital strategy and asset management plans impacts on all the Council's policies, priorities and inspections and the Council's total performance.

11. Background Papers and Consultation

York Consulting Case Study No 33 Report

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York Consulting

**DEPARTMENT FOR COMMUNITIES
AND LOCAL GOVERNMENT**

**CORPORATE CAPITAL STRATEGIES
AND ASSET MANAGEMENT PLANS**

**CASE STUDY No 33
ROUND 5 REPORT**

April 2007

**DEPARTMENT FOR COMMUNITIES
AND LOCAL GOVERNMENT**

**CORPORATE CAPITAL STRATEGIES AND
ASSET MANAGEMENT PLANS**

**CASE STUDY No 33
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- 1 INTRODUCTION**
- 2 LOCAL AUTHORITY PROCESSES**
- 3 PROCESS OUTPUTS AND OUTCOMES**
- 4 CONCLUSIONS AND RECOMMENDATIONS**

INTRODUCTION

Background

- 1.1 This case study authority is a metropolitan district council and it is one of a tranche of 12 authorities selected as part of the final round of fieldwork for the evaluation of the development and implementation of corporate capital strategies and asset management plans for the Department for Communities and Local Government (DCLG). The Council achieved Beacon status for asset management.
- 1.2 The Council has a property portfolio that includes around 750 non-housing properties with a total value of £270 million¹. The portfolio included 440 operational and 310 non-operational properties. The operational properties included 119 schools, 121 buildings within the boundaries of parks, 43 residential homes and day centres, 26 offices, 25 youth centres and 23 community centres. The non-operational properties included 240 retail/office units and 40 industrial properties and there were 29 buildings or units of land that had been declared surplus.
- 1.3 This report has been written on the basis of meetings held during March 2007 involving the following elected Members and officers of the authority:
- The Leader of the Council;
 - Strategic Director, Environment and Development Services;
 - Director of Asset Management;
 - Asset Manager;
 - Strategic Property Manager;
 - Valuation Manager;
 - Facilities Services Manager;
 - Facilities Manager;
 - Strategic Finance Manager;
 - School Organisation Planning and Development Team Manager;
 - Manager for Libraries, Museums and Arts.
- 1.4 In addition, we have also reviewed the following documents:
- Corporate Plan, 2005-2010;
 - Capital and Asset Management Strategies, Plans and Programmes 2005-2010;
 - Corporate Procurement Strategy;

¹ Source: Capital and Asset Management Strategies Plans and Programmes 2005-2010

- Case Study: Delivering successful construction projects through partnerships;
- Audit Commission Corporate Assessment Report November 2006.

1.5 We are grateful for the contributions to the case study process made by all those consulted.

Structure of the Report

1.6 In the following sections of this report we:

- discuss good practice in capital and asset planning in terms of **Local Authority Processes (Section 2)**;
- highlight the **Process Outputs and Outcomes** generated to date by the authority (**Section 3**);
- outline the Conclusions and Recommendations of the report (Section 4).

2 Local Authority Processes

Introduction

- 2.1 The evaluation framework for the development and implementation of corporate capital strategies and asset management plans identifies 12 good practice processes that should be found in all local authorities. In this Section, we review the position of this case study authority in relation to the 12 processes.

Corporate Management

Process No. 1: ‘Local authorities develop new management arrangements in order to respond to the corporate capital strategy and asset management planning initiative.’

- 2.2 A major focus of the local authorities in the initial stages of the development of their corporate capital strategies and asset management plans was the development and implementation of management arrangements in order to respond to the new policy initiative.
- 2.3 The Council has established a Capital Strategy and Asset Review Team comprising corporate officers. This team is responsible for considering and monitoring the authority’s capital and asset management strategies, plans and programmes and for recommending the actions that are taken forward. The Capital Strategy and Asset Review Team reports to the Corporate Management Team which is responsible for recommending capital and asset management strategies, plans and programmes to elected members. Operational officers in the Corporate Finance and Asset Management teams are responsible for the development and day-to-day management of the capital and asset management strategies. The establishment of the Capital Strategy and Asset Review Team was described as having created a corporate arena for decisions regarding the capital programme and property that was not there previously. The operation of this team was described during case study consultations as mirroring the way in which the Council operates as a whole and is built on the need to ensure that action is achieved.
- 2.4 The evaluation framework identifies six good practice criteria in relation to the management arrangements established by authorities to drive forward a more corporate and strategic approach to the capital programme and the use of property assets. We assess below the performance of this case study authority against these six criteria.

‘There are clear and explicit links between corporate objectives and priorities and those of both the capital programme and asset management.’

2.5 The Capital and Asset Management Strategies, Plans and Programmes form part of a suite of cross-cutting plans, which also include the Regeneration Plan, Local Development Framework, Medium Term Financial Strategy and the Neighbourhood Renewal Strategy and are linked into the Council's Corporate Plan and Service Plans.

2.6 The Corporate Plan is central to the authority's planning framework and incorporates the vision for the Borough outlined in the Community Strategy. The Capital and Asset Management strategy then incorporates this vision and the five priority themes and two cross cutting themes (sustainable development and fairness). Within the Capital and Asset Management Strategy, it states

“the Council is operating and continually developing a high profile corporate governance system linking the vision, themes, service priorities and management of finance and all assets as corporate resources to ensure that all assets are maximised to transform the vision into reality.”

2.7 The effectiveness with which the authority links its corporate objectives with the other elements in the planning framework was identified in the Audit Commission's Corporate Assessment report, which stated that *“the strategic and cross-cutting themes in the community strategy form a solid framework not only for the Council's Corporate Plan, but also for all the supporting plans and policy documents”*.

2.8 During the consultations for this case study, reference was made on a number of occasions to the importance of actions relating to capital investment or developments of the property portfolio being explicitly linked to the delivery of the themes set out in the Corporate Plan, which were described as a 'Golden Thread' running through all activities.

2.9 We would therefore conclude that the Council meets this criterion.

‘There is a committed involvement in the process of all key service areas in the authority represented by officers at an appropriately senior level.’

2.10 The Capital Strategy and Asset Review Team provides a forum to involve key service departments in the process. This is the formal group that is responsible for considering the capital and asset management strategies that the authority takes forward. The involvement of all key service areas and the seniority of the officers in this group mean that it is able to take decisions that are then approved by elected members.

2.11 The Council therefore meets this criterion.

‘There is a clear distinction between strategic thinking and decision-making and operational issues’

2.12 Without this distinction, capital planning and asset management will generally lack direction and there can often be a focus on detailed issues to the exclusion of the ‘bigger picture’.

2.13 This distinction has been achieved through the structures that have been established. The Capital Strategy and Asset Review Team of Corporate Officers provides the strategic lead and forum for decision-making, which is then supported by the Corporate Finance and Asset Management team which includes operational officers with responsibility for developing and managing the specific plans and strategies, together with the Asset Management Service, which supports the corporate Asset Management Team and the Service Asset Teams.

2.14 Therefore, the Council therefore meets this criterion.

‘There are key officer drivers, including a Director to champion a corporate and strategic approach to capital and asset planning and a Corporate Property Officer to manage the implementation of the agreed capital strategy and asset plan.’

2.15 These officers need to champion a more corporate and strategic approach to capital expenditure and the use of assets throughout the authority, take a strategic view of the capital programme and asset management, and manage the implementation of the agreed corporate capital strategy and asset plan.

2.16 The consultations undertaken during the case study visit demonstrated that the authority has an effective champion in the Strategic Director Environment and Development Services who was instrumental in establishing the current approach to asset management, in particular through an initial review of the authority’s assets in around 2002, with an accommodation review leading to the development of the authority’s accommodation strategy. A critical part of this championing role has been in getting elected members to sign up the introduction of a hub and spoke model of offices, to replace the 11 offices that are currently spread across the main town centre of the borough.

- 2.17 The Corporate Property Officer role is undertaken by the Director of Asset Management, who heads the Asset Management Service and is therefore responsible for operating units responsible for asset management, corporate property management, design consultancy, facilities management and services, strategic property, corporate transport and corporate emergency and safety. This therefore provides a clear responsibility for managing and coordinating activity to deliver the authority's capital and asset strategies.
- 2.18 We therefore conclude that the Council meets this criterion.

'There are clear reporting lines to a strong corporate centre, which provides a clear lead for the process and ensures that decisions taken are then implemented.'

- 2.19 No specific management arrangements in relation to corporate capital planning and asset management, however appropriate, are likely to be successful in the absence of a strong corporate centre providing a clear lead for the process and ensuring that the decisions taken are then implemented. Indeed, the key factors that explain the differential progress of local authorities up the capital and asset planning learning curve are more to do with corporate working/culture, the commitment of senior officers and elected members, and the quality of leadership across the authority, rather than specific financial and property issues.
- 2.20 The position of the Director of Asset Management within the structure of the authority provides a direct reporting line to the Strategic Director Environment and Development Services, also therefore providing a short line of communication to the Corporate Management Team. What is also clear is that the authority has made significant progress in recent years in strengthening its corporate centre.
- 2.21 The Council has improved from being designated 'weak' in the Comprehensive Performance Assessment in 2003 to achieving three star status in a two-year period, driven by service improvements. The Corporate Assessment which was carried out in late 2006 reported similar improvements in corporate processes "driven by strong managerial and political leadership" and "high quality staff in key positions".
- 2.22 The significant strengthening of corporate working has therefore provided an appropriate context within which the corporate approach to capital and asset planning and management can take place, whilst the structures that have been established place the Asset Management Service in an appropriate position within the authority to capitalise on the corporate working in taking activities forward.

2.23 We therefore conclude that the Council meets this good practice criterion.

‘There is an integration of the development and implementation of the capital strategy and asset plan.’

2.24 The capital strategy and asset management strategy now form an integrated document that is one of the cross-cutting plans that support the implementation of the Corporate Plan. The Capital and Asset Management Strategies are set out for the five-year period covering the Council’s current Corporate Plan.

2.25 The integration of the Capital Strategy and Asset Management plan in this way was introduced following the removal of the requirement to submit the documents to Government Office for assessment and therefore the requirement for the documents to be presented in a particular format.

2.26 The Capital Strategy:

- relates capital investment to the Corporate Plan and Medium Term Financial Strategy;
- covers all aspects of capital expenditure within the council;
- extends to all areas where the council is able to apply significant influence on other players through the deployment of resources;
- provides the policy framework for the Capital Investment Plan and Asset Management Plan;
- informs revenue budgets;
- ensures assets are fully considered in the council’s plans.

2.27 The aim of the Capital Strategy is “to maximise the all resources to transform the Vision into Reality by:

- formulating, managing, monitoring and evaluating capital investment in accordance with the Capital and Asset Management Procedures 2006;
- managing all projects in accordance with the Projects Procedural Guidance 2006;
- actively embracing all forms of partnership and procurement;
- actively promoting cross-cutting activity and projects”.

2.28 The aims of the Asset Management Strategy are to ensure that:

- all assets are maximised to transform the Vision into Reality;
- all assets are managed as corporate resources;
- assets are used efficiently and effectively and in a sustainable manner;
- the opportunity cost of assets is minimised and the value of council assets is protected;
- expenditure on assets maximises value for money;
- the use of assets contributes to service improvement;
- innovative solutions are developed to meet service needs;
- an explicit, coordinated approach to asset management is implemented across the authority, reflecting service needs as determined by consultation with stakeholders;
- the return on investment and surplus assets is maximised in an appropriate manner to meet financial requirements.

2.29 These aims are to be achieved by:

- managing, monitoring and evaluating assets in accordance with the Capital and Asset Management Procedures 2006;
- managing all projects in accordance with the Projects Procedural Guidance 2006;
- implementing corporate landlord tenant service level partnerships for all land and property assets except council dwellings;
- consolidating all land and property asset budgets.

2.30 Overall, the intention is that the authority has a smaller, more efficient and sustainable asset portfolio by disposing of surplus and obsolete assets, whilst new assets will only be acquired where necessary to support specific service delivery plans.

2.31 The capital and asset management strategy therefore provides a set of key principles that underpin the approach to be adopted by the authority in utilising capital resources and properties in the achievement of the council's Vision and in enabling service delivery and, perhaps most significantly, service improvements.

- 2.32 We would therefore conclude that the authority meets this criterion.
- 2.33 In summary, the management arrangements that have been put in place by the Council meet all the good practice criteria set out in the evaluation framework. This is a reflection of the council's commitment to developing a robust approach to capital and asset management and the recognition of the important benefits that can be generated through this approach.

Process No. 2: 'Local authorities restructure their governance arrangements so that they are better able to focus on strategic property issues and hence improve their decision-making capability.'

- 2.34 Most authorities have now introduced a Cabinet system, including elected members with formal responsibility for the capital programme and property and asset management. This should enhance the profile of these issues and ensure that there is a fully transparent reporting structure from officers to elected members. The Cabinet system should also establish a stronger basis for the development of corporate working and decision-making in authorities, supporting the achievement of the objectives of the capital strategy and asset management initiative. On a wider scale, the introduction of the overview and scrutiny functions of authorities should mean that property issues receive more detailed attention than previously.
- 2.35 The governance arrangements that have been put in place are regarded by the authority as a 'crucial component' of the success of its approach. The council originally established a Property Board, which was responsible for considering significant property-related issues in the borough. However, this group did not have clear terms of reference or powers.
- 2.36 Approximately four years ago, the Property Board was re-constituted as the Regeneration and Assets Board (R&AB). This is chaired by the Cabinet Member for Economic Development and Regeneration Services, and includes the Cabinet Members responsible for services with large property portfolios and Scrutiny, therefore comprising approximately half of the Cabinet. The R&AB was specifically established to give asset management sufficient and in-depth attention from elected members.
- 2.37 The R&AB provides a forum within which to discuss issues that cut across service and policy areas, but is also a decision-making forum in its own right, reflecting the delegated powers of portfolio holders, and makes recommendations to Cabinet on the acquisition, use and disposal of property assets. The R&AB is responsible for steering major capital projects, acting as the client on behalf of Cabinet. The R&AB therefore provides a mechanism that involves key elected members in all aspects of the development and delivery of the capital programme, and in particular in resolving contentious issues and enabling quicker decision-making than was the case previously.

- 2.38 The involvement of elected members is not limited to the members of the R&AB. Where property disposals or new schemes are being considered, ward members are invited to the R&AB, to involve them as ‘champions’ of the communities they represent. However, it is recognised that since its establishment, the R&AB has represented a shift of power away from ward members and there is now a recognised need to strengthen ward member involvement further in the context of the Local Government White Paper and increasing focus on the transfer of assets to communities.
- 2.39 There is also evidence of increasing ward member and Scrutiny interest in capital and asset management issues, which is said to be a reflection of the increasing recognition of the impact of major capital schemes, especially those delivered through PFI and prudential borrowing, on revenue resources.
- 2.40 We would regard the operation of the Regeneration and Assets Board as an example of good practice in the involvement of elected members in providing governance arrangements that enable an appropriate focus on strategic property issues.

Capacity Building

Process No. 3: ‘Local authorities develop an effective organisation of their property management services as the basis for implementing a more corporate and strategic approach to asset management.’

- 2.41 The evidence from local authorities suggests that an approach to operational property management that includes a strong corporate component allied to the day-to-day management of properties used to deliver services by individual departments provides the most robust basis for implementing a corporate and strategic approach to the use of assets.
- 2.42 We assess the property management arrangements of local authorities in terms of the following two criteria:
- the effectiveness of the organisation of property management, either through a centralised corporate team or through effective corporate working between teams;
 - the appropriateness of the level of resourcing for property management (including the recruitment and training of staff and the availability of funding for the purchase of IT and other equipment).

- 2.43 The Asset Management Service, which is one of five departments in the Environment and Development Directorate, provides a strong corporate team with responsibility for property management. It has responsibility for delivering the corporate asset management planning and delivery functions, and in supporting service asset management teams who are responsible for linking corporate asset management to service deliverers and users.
- 2.44 The Asset Management Service has around 120 staff, covering the following functions:
- capital and asset planning and delivery;
 - strategic property management, focusing on ensuring appropriate use of fit-for-purpose properties;
 - facilities management and services;
 - projects and partnership management;
 - quantity surveying;
 - design consultancy, including architectural services, building surveying and building services.
- 2.45 In addition there are teams within the department responsible for the management of the authority's corporate transport and for Emergency Planning and safety.
- 2.46 The authority therefore has a strong base of staff within the central Asset Management service, providing capacity to carry out the full range of asset planning and management functions. As part of a mixed economy approach, partnering arrangements are also in place with a number of private sector organisations, including five construction consultancies and ten construction contractors.
- 2.47 A partnering charter has been developed, which has the following mission:
- "To gain an excellent reputation for providing an innovative building construction service, delivering quality projects safely, on time and to budget".
- 2.48 The partnering approach provides the authority with considerable additional capacity to deliver asset management services, building on the internal expertise and capacity of the Asset Management Service.
- 2.49 Within the facilities management team, there are designated Building Managers, who chair the service asset management teams, ensuring that there is effective coordination between the corporate and service-level activities.

2.50 We would therefore conclude that the approach to operational property management provides an effective combination of central functions and service department activity, and the level of resources both within the Asset Management Service and available through the partnerships established are appropriate to deliver the support necessary.

Process No. 4: 'Local authorities introduce a formal corporate approach to project management, such as PRINCE 2 (Projects in Controlled Environments), supported by appropriate processes and staffing and other resources, in order to support larger and more complex capital programmes. This should include a systematic approach to undertaking post-implementation reviews.'

2.51 Many authorities have experienced a significant rise in the size and complexity of their capital programmes over the past few years, with the result that project management capacity and capability has become an important issue in a number of councils. Where this has been identified as an issue, authorities have responded in one or all of four broad ways:

- **Corporate Project Management Systems** – the introduction of a formal corporate approach to project management, generally based on the PRINCE 2 gateway process;
- **Developing Internal Capacity** – including the establishment of specialist teams, other increases in capacity and project management training;
- **Other Internal Changes** - including the clarification of roles and responsibilities in relation to project management, the piloting of new project management methodologies, and the development of new project management protocols and guidelines;
- **Partnership Development** – including the establishment of long term partnership agreements with firms of architects, engineers, project managers and facilities managers.

2.52 We assess the position of local authorities in relation to project planning and management in terms of the following three criteria:

- The introduction of a formal corporate approach to project management;
- The establishment of an appropriate corporate process to support the implementation of the project management system;
- The development of appropriate staffing and other resources, either internally or externally through partnership working, in order to implement the project management system.

- 2.53 The authority, working with its external project management partner, has developed a new Project Procedural Guide, based on good practice from across the construction industry, to provide a framework for the management of all projects. The aim of the approach to project management is to avoid the establishment of a bureaucratic system whilst providing a model that will meet the requirements of any external funding provider.
- 2.54 Within the Asset Management Service, the Projects and Partnerships team provide project management services to internal clients. As noted above, the authority has established partnering arrangements with a number of private sector organisations, which are managed by the Projects and Partnerships team. This therefore provides additional capacity to manage capital projects.
- 2.55 For large capital projects, such as the development of six Customer Service Centres across the Borough, the Regeneration and Asset Board acts as client on behalf of the Cabinet. All projects have a named project manager, who is accountable and responsible for delivery in line with the Project Procedural Guide and officer sub-groups are established as appropriate to specific stages of project delivery.
- 2.56 The authority therefore meets each of the three project management criteria. We would regard the authority's focus on working with its partners to develop a non-bureaucratic project management system that is flexible and proportionate to projects of differing scale and degrees of complexity is an example of good practice.

Information and Evidence

Process No. 5: 'Local authorities gather, store, maintain and update information on the size, value, condition, suitability and sufficiency, and other relevant details, of their property holdings.'

- 2.57 The collection of property data, the development of corporate property databases and investment in associated information technology has been a major focus of all local authorities over the past five years. The key challenge for authorities is to make use of this information to drive the more effective management of their property assets and hence to improve the efficiency and quality of service delivery.

- 2.58 We assess the position of local authorities in relation to property data in terms of the following three criteria:
- effective holding of property information;
 - evidence of an ongoing process of data collection;
 - accessibility of property data, including staff training.
- 2.59 The authority has a core asset management database based on the Tribal asset management system, which contains:
- the asset register;
 - condition data;
 - maintenance information;
 - suitability data;
 - lifecycle costs;
 - DDA compliance;
 - performance indicators for each property.
- 2.60 The data held in the property database is subject to on-going updates, with building managers working closely with service teams and carrying out surveys of properties to ensure that the database is able to support effective asset management.
- 2.61 It is now planned that this database is incorporated with the Council's corporate Geographic Information System and combined with socio-demographic data regarding the area in which the property is located, to support more effective decisions on actions in response to corporate priorities and needs. This combination of property data, socio-demographic data and strategic data on plans and programmes was used to support decisions regarding the location of six Customer Service Centres in order to maximise population coverage, target areas of greatest demand, maximise convenience to service users and to ensure reasonable coverage of the borough.
- 2.62 Ultimately, it is intended to extend the database to include information on the assets owned and operated by external partners, including parish councils, voluntary and community groups and other public sector bodies. This broader base of evidence, combining property and other data, is seen as an important development in securing a much more 'rounded' picture to support service delivery and enable more effective inter-organisation planning and action. To achieve this will require additional resources to be available. It is also recognised that drawing together and maintaining data on community facilities is likely to be difficult.
- 2.63 The authority's approach to gathering, storing, updating and enabling access to its property data meets the three criteria set out above. We would regard the plans to extend the range of data held to include information on community facilities, combined with the use of socio-demographic data, as an example of good practice.

Process No. 6: ‘Local authorities have considered, identified and calculated a suite of property performance indicators that is appropriate to the local context, and draw on the experience of asset management from other organisations in order to improve their own performance.’

- 2.64 The monitoring of a suite of property performance indicators (pPIs) is an important mechanism by which local authorities can potentially drive a process of continuous improvement in the management of their property assets.
- 2.65 We suggest the following four criteria should be considered in identifying an appropriate suite of local pPIs:
- the indicators should help in assessing whether the authority is meeting its strategic aims for asset management;
 - the data should be relatively easy to collect and assess;
 - the indicators should be meaningful;
 - the indicators should be capable of being used to benchmark the authority’s performance against other local authorities and public bodies and the private sector.
- 2.66 In the recent Corporate Assessment report from the Audit Commission, the Council was reported as performing strongly in its approach to performance management. The Audit Commission stated that “improved performance management has had a real impact and is a major reason for the Council’s recent improvement”.
- 2.67 The authority initially adopted the pPIs that were originally set out by ODPM and is now collecting data against the COPROP indicators. The use of the COPROP indicators has led to a different approach to the calculation of the revenue running costs of properties per square metre. The change in the method of calculation is said to be providing a more accurate indication of revenue running costs.
- 2.68 The indicators currently in use in Environment and Development Services that relate to the performance of the authority’s properties are as follows:
- CO₂ emissions, tonnes per m²;
 - revenue running costs of floorspace per m²;
 - energy consumption in kWh/m² for operational property, markets and public toilets;
 - water consumption in litres/m² for operational property, markets and public toilets;

- percentage of gross floorspace classified as in condition categories A and B;
 - number of property assets reviewed against a checklist of 31 criteria.
- 2.69 Condition data is important in informing the level of expenditure on the property portfolio each year and was used to support decisions about the schools which were included in the authority's schools PFI programme. All properties have been audited for suitability, using the basic model developed by DfES for use in schools. This therefore provides a means of comparison of the suitability of properties across service departments. This information is held within the corporate property database.
- 2.70 The 15 Constructing Excellence indicators are also gathered and monitored in operating the construction partnership.
- 2.71 Whilst the authority is making use of the COPROP indicators, it was stated during the case study consultations that they would like to reach a position where the indicators are used more proactively in managing the property portfolio. It was also stated that they regard a key challenge going forward as developing and using local pPIs that provide evidence of the way in which property is supporting service delivery. However, there remains some question about whether this should simply be based on the use of service use indicators or feedback from service users, rather than the development of additional specific indicators.
- 2.72 During the case study consultations, some concerns were raised about the usefulness of benchmarking property performance indicators against other organisations, due to the difficulties in ensuring that the organisations involved are using consistent approaches to data collection to provide a valid means of comparison. However, the authority does find value in monitoring trends in its own performance indicators over time.
- 2.73 The authority's approach to gathering and using property performance indicators therefore meets most of the four good practice criteria set out above. Once the use of the COPROP indicators is embedded, it may be beneficial to consider greater use of comparisons with other similar authorities in order to demonstrate internally and externally that the critical issues in relation to the property portfolio are being addressed and that performance is in line with the best.
- 2.74 The authority is in the process of considering indicators that will provide the ability to assess the way in which properties support service delivery. This therefore goes beyond simply looking at property performance data in the abstract and reflects the aim in the Asset Management Plan that 'the use of assets contributes to the process of service improvement' and that this should therefore be reflected in the indicators of performance.

Process No. 7: 'Local authorities develop processes through which to consult with partners/stakeholders, service users, the general public and staff regarding the capital programme and property-related issues.'

- 2.75 Consultation lies at the heart of the community leadership role of local authorities and most councils are developing a range of mechanisms to consult with partners, stakeholders, the general public, service users, staff and other groups. The available evidence suggests that many authorities are still at an early stage in deciding how to integrate consultation on capital planning and asset management with their wider processes.
- 2.76 As with many local authorities, consultation in relation to property-related issues tends to be undertaken in the context of specific schemes or proposals, rather than to inform the capital programme more generally. For example, the authority is currently planning a reorganisation of its town centre accommodation from 11 separate buildings to create a new civic centre, alongside the wider remodelling of the town centre as part of the delivery of a new Town Centre Masterplan. This has been the subject of significant consultation and is now at the point of agreement for the delivery of the new civic accommodation scheme.
- 2.77 There is evidence of the authority using consultation with service users to assess the results of changes that have been to operational properties. For example, following recent improvements to the authority's libraries, feedback from users indicates that all libraries are now accessible and compliant with the Disability Discrimination Act, whilst the satisfaction ratings of visitors to the refurbished museum have increased from the lower quartile to upper quartile.
- 2.78 Consultation was identified as an area of strength in the authority's overall operations in the recent Corporate Assessment by the Audit Commission. The authority's Vision for the next 10-20 years, which underpins the Corporate Plan and therefore flows through into the way in which it is seeking to make use of its property assets, was informed by a programme of consultations with local residents that explored their perceptions of the borough, their priorities for improvement and future desires.
- 2.79 In addition to consultations with local residents, there are specific arrangements in place where properties are declared surplus to consult with ward members, the Area Assembly and the Primary Care Trust about potential alternative uses of the property. This process is regarded as important in ensuring that all possible options are considered before reaching a final decision. There are also reciprocal arrangements with the Primary Care Trust in relation to their properties when they become surplus.

Strategic Planning

Process No. 8: 'Local authorities develop a medium/long term Property Strategy and integrate its implementation with their wider medium term planning at both corporate and service levels.'

- 2.80 Property, finance, staff and information technology are all elements of the overall resources that local authorities need to employ in an effective and efficient way in order to achieve their aims and objectives. Consequently, planning for the use of these resources over the medium term needs to take place in an integrated way, so a Property Strategy has to be part of an overall resources plan or be closely linked to, and consistent with, the medium term financial strategy, the workforce development plan and the information technology strategy.
- 2.81 The evidence suggests that, to the extent that there is one indicator that separates 'the best from the rest' in relation to asset management in Local Government, it is whether the authority has a medium/long term Property Strategy in place.
- 2.82 The authority's Asset Management Strategy and Corporate Asset Management Plan form elements within the Capital and Asset Management Strategies, Plans and Programmes for the period covered by the current Corporate Plan. These documents sit alongside the Medium-term Financial Strategy and other cross-cutting plans.

The Asset Management Strategy defines the approach to asset management planning as 'optimising the utilisation of assets in terms of service benefits and financial return' and then describes the nine aims that the authority seeks to achieve through its Asset Management Strategy, as follows:

- all assets are maximised to turn the vision into reality;
- all assets are managed as corporate resources;
- assets are used efficiently and effectively and in a sustainable manner;
- the opportunity cost of assets is minimised and the value of Council assets protected;
- expenditure on assets maximises value for money;
- the use of assets contributes to service improvement;
- innovative solutions are developed to meet service needs;

- an explicit, coordinated approach to asset management is implemented across the authority, reflecting service needs as determined by consultation with stakeholders;
 - the return on investment and surplus assets is maximised in an appropriate manner to meet financial requirements.
- 2.84 The overall aim set out in the Asset Management Strategy is to have a 'smaller, more efficient and sustainable asset portfolio by disposing of surplus and obsolete assets; assets are only being acquired as necessary to support specific service delivery plans'.
- 2.85 The Corporate Asset Management plan section is set out in relation to the seven main themes of the authority's activities (learning, achieving, alive, safe, proud, sustainable development and fairness). The assets relating to each theme are identified and then brief information is provided about:
- the major issues relating to the assets within each theme;
 - outline proposals to respond to the identified issues;
 - funding sources to take forward these proposals;
 - the anticipated outputs and outcomes from the delivery of the proposals.
- 2.86 In some areas of the Corporate Asset Management Plan, reference is made to other more detailed strategies and plans. For example, in relation to corporate accommodation, the Office Accommodation Strategy and action plan provide the detail regarding the actions being taken forward to address the problem of a large number of offices in the town centre all in need of considerable investment. All schools have five-year and 15-year asset management plans.
- 2.87 The Strategies, Plans and Programmes document provides a clear indication of what the authority is seeking to achieve with its property portfolio and the actions that are to be undertaken in relation to the properties in each service area and in use to support the delivery of the Council's key themes. There is a clear statement of the importance of property in supporting service delivery. The one area in which the Asset Management Strategy could perhaps be developed further is in considering the property implications of new forms of service provision.
- 2.88 Therefore, the authority has integrated asset management with its wider medium-term planning.

Process No. 9: 'Local authorities develop a clear strategic approach to the disposal of surplus land and property, the utilisation of space by staff (including flexible working), co-location with partners and stakeholders, and procurement in line with Egan principles.'

2.89 We have identified four key indicators of whether local authorities have a clear strategic approach to the implementation of the capital programme and asset management:

- a written procurement strategy in line with 'Egan' principles;
- a clear strategic approach to the disposal of surplus land and property;
- a clear strategic approach to the utilisation of space and flexible working;
- a clear strategic approach to co-location with partners and stakeholders.

2.90 The authority is a Beacon in relation to the Delivery of Quality Services through Procurement. As such, it has a comprehensive Corporate Procurement Strategy which was introduced in 2006, with the performance of the Procurement Strategy overseen by the Council's Procurement Panel. The Procurement Strategy includes the Council's Procurement Vision, as follows:

"The Council will procure goods, services and works by the most economic, efficient, effective and sustainable means to ensure that the needs and aspirations of the community are furthered, within a clear framework of accountability and responsibility. In doing so, the Council will strive to become best in class by adopting world-class procurement practices and techniques".

2.91 The Corporate Procurement Strategy follows the four main themes of the National Procurement Strategy for Local Government.

2.92 The approach to procurement of construction-related services developed following a Best Value Review of Architects which identified the need to strengthen a number of areas of the construction process. In particular, there was a recognition of the need to capitalise more on partnerships with private sector organisations in all the technical elements of building consultancy. This led to the appointment of long-term partners for project management, quantity surveying, architecture, building surveying and M&E Engineering Services, initially for a period of three years. Following this, the first Procurement Strategy for Construction Works was introduced in October 2002, with the decision that strategic contractor partners should be appointed to deal with virtually all construction work commissioned by the Building Consultancy.

- 2.93 Where a property is declared surplus, it is transferred into a central property bank and the corporate Asset Management Service takes on responsibility for revenue costs associated with the property. This should, therefore, provide an incentive to service departments to release surplus properties, rather than seek to retain them. It is not possible for surplus properties to be transferred direct within a service directorate. Once a property has been transferred to the property bank, consultation takes place within the council regarding the potential options. As noted above in relation to consultation, contact would also be made at this stage with ward councillors, Area Assemblies and the Primary Care Trust regarding alternative uses. This process therefore provides an opportunity to consider all options including disposal, alternative use by the council and co-location with external organisations in supporting the final decision. The Regeneration and Assets Board has overall responsibility for decisions relating to disposals.
- 2.94 The Council's approach to space occupation and flexible working is a development of the 'Workstyle' approach developed by BT, which covers all the elements of flexible working, including human resources, information technology, finance and property. The Council is involved in a 12-year joint venture with BT which was established in 2003 and provides a contact centre and Customer Service Centres, human resources and payroll services, ICT, Revenues and Benefits and procurement. Flexible working has been piloted in Revenues and Benefits services and is integral to the new office accommodation which assumes full adoption of flexible working and will therefore be 60% smaller than the current accommodation across 11 separate offices.
- 2.95 The approach to co-location with partners and stakeholders in the past was described as 'irregular'. This included transferring properties to community groups and other organisations at no cost and with no clear agreements. In this context, the Council took the decision three years ago that all future co-location agreements would be on the basis of market rents for the costs of the accommodation occupied by external partners. Service departments have the opportunity to provide subsidies to the partner organisations, but there must be a clear business case for this. The Regeneration and Assets Board are responsible for decisions on co-location and joint use of properties.
- 2.96 We would therefore conclude that the Council meets all four of the indicators relating to the clear strategic approach to the implementation of the capital programme and asset management.

Process No. 10: 'Local authorities undertake accommodation reviews and area/service property reviews in order to improve service delivery and the performance of their property assets.'

- 2.97 Property review is a generic term that covers an investigation of a specific property issue or a related group of property issues and can include, for example, area, service, accommodation, and non-operational property reviews.
- 2.98 Eight good practice criteria have been identified in relation to undertaking property reviews:
- implement a formal programme of reviews over an appropriate timescale, rather than carrying them out on an ad hoc basis – **a series of reviews has been undertaken, addressing key issues across the property portfolio. A review of office accommodation led to the strategy which is currently in the process of implementation and will lead to a significant rationalisation of accommodation. Similarly, strategic reviews of sports centres and libraries have been undertaken and actions are now being implemented. The Regeneration and Assets Board has now commissioned a review of community buildings, as part of the process of developing area Asset Management Plans. This is a reflection of the recognition that activities and the use of properties at the local area level need to be better coordinated, as there is insufficient capital and revenue resource to sustain the current range of properties;**
 - employ a systematic approach to reviewing the property portfolio integrated across the whole authority – **the review process is carried out in accordance with the Capital and Asset Management procedures which covers the management, monitoring and evaluation of assets. The results of all property reviews are considered by the Regeneration and Assets Board;**
 - link the reviews directly to achieving the objectives and priorities of the authority and challenging the use of property resources – **the authority's approach to asset management is driven by the principle of optimising the utilisation of assets in terms of service benefits and financial return. The approach to asset management provides the scope to challenge the existing use of properties and to ensure that all proposed future actions are tested appropriately;**
 - focus on improving the quality of service delivery, as well as financial targets such as the generation of capital receipts – **the aim of the authority's asset management approach is framed in terms of both optimising the utilisation of assets in delivering service benefits and in generating financial returns. The recent review of libraries focused on improving the accessibility of services, whilst the review of leisure services was driven by the need to improve the overall standards of service provided;**

- involve elected members whenever possible and relevant in order to provide valuable local knowledge for reviews – **the reviews are commissioned by the Regeneration and Assets Board and are therefore driven by and received by elected members. In addition, ward members were reported as becoming increasingly interested and involved in asset management;**
- target the review process based on property performance information provided by the Corporate Property Database – **the availability of comprehensive data on the authority's properties, alongside other relevant local information informs the reviews that are being undertaken;**
- implement priority actions at an early stage without necessarily waiting for reviews to be fully completed – **the implementation of individual reviews depends on the scale and scope of activities. In some instances, relatively quick action is possible, whereas in others there are much more significant tasks that need to be taken forward in order to action the review. For example, the review of office accommodation led to the development of the office accommodation strategy which is now in the process of implementation and will have a significant impact on the way in which the authority operates going forward;**
- use the reviews to facilitate cross-service/organisation working on the use and development of property assets – **the authority is seeking to break down barriers between service departments and this is being led through the way in which the Corporate Plan has been developed and is being delivered. The Corporate Finance and Asset Management Team provides a cross-service forum within which to consider the activities from property reviews. There is also evidence of reviews leading to both cross-service and cross-organisation working, with the development of a library, customer service centre and extra care housing on the site of a former social services home which has now been bought by the Primary Care Trust.**

2.99 Therefore, the Council is undertaking property reviews aimed at improving service delivery and the performance of assets in line with the good practice criteria.

Process No. 11: 'Local authorities develop formal approaches to the appraisal of the options available for meeting the objectives of proposed capital projects, integrated with a formal approach to the prioritisation of capital projects.'

- 2.100 Option appraisal is an integral part of asset management, linked to the corporate strategies and plans of local authorities. It should form part of a top-down process that deals with these strategies and plans on a holistic basis and ensures that capital projects align with them. Anything less would lead to significant risks of underused or misused resources.
- 2.101 The use of option appraisal, including whole life costing, is at a very early stage of development in most local authorities and there is a long way to go before the requirements of the Prudential Code and the principles of sound capital programme management are generally met.
- 2.102 The authority's Capital Investment Plan sets out a range of criteria that must be met for any proposed project to be taken forward. These include a requirement that all proposed projects must support the Theme priorities in the Corporate Plan and an option appraisal must have been carried out. As part of this process of considering potential capital projects a funding appraisal must be carried out, considering all potential funding sources, including unsupported borrowing.
- 2.103 The requirements of PFI and the Prudential Code led the authority to seek to develop competencies in the delivery of programmes of this nature. The authority is taking forward a schools PFI project to design, build, finance and operate 15 schools and linked community facilities, whilst a further scheme is being taken forward to design, build, finance and operate new sports and leisure facilities. Comprehensive option appraisals have been included during the development of these schemes.
- 2.104 The approach to prioritisation adopted by the authority includes an explicit requirement to consider the impact on revenue budgets as well as the capital costs of any proposed schemes, thereby linking to the option appraisal approach. Alignment of capital and revenue planning approaches are important in this respect.
- 2.105 Therefore, the authority has embedded option appraisal in its approach to considering potential new capital schemes.

Process No. 12: 'Local authorities develop a formal corporate approach to the prioritisation of capital projects in line with corporate objectives and priorities, integrated with a formal approach to option appraisal.'

2.106 Whilst the resources for capital investment available to many authorities have increased substantially over the past few years, they are still limited. Therefore, it is vital for authorities to be able to prioritise effectively in order to ensure that the planned capital projects make maximum use of the resources available so as to achieve best value.

2.107 The authority has established four investment blocks:

- **dedicated** – resources that can only be used for a specific purpose;
- **maintenance** – investment required to maintain the effective, efficient and economic use of existing assets;
- **strategic** – investment required to implement the strategies developed to deliver the Theme priorities in the Corporate Plan;
- **external** – ensuring that the schemes that are being taken forward with external funding get the internal challenge that is appropriate and that they support the delivery of the Theme priorities in the Corporate Plan.

2.108 The criteria used in capital project prioritisation vary slightly between the four investment blocks. Within the Strategic capital investment block, projects are also categorised by the amount of council capital investment required:

- 1 – under £50,000;
- 2 - £50,000 to £299,999;
- - £300,000 to £999,999;
- - £1 million and over.

2.109 The Capital and Asset Team evaluate all projects within categories 1 and 2, in accordance with their priority rating, prepare a Strategic Capital investment programme and submit it to the Regeneration and Assets Board for approval. Recommendations regarding proposed projects in categories 3 and 4 are submitted to Cabinet for approval of the programme allocations.

2.110 For maintenance capital investment, the Capital and Asset Team consider all potential projects and submit recommendations to the Regeneration and Assets Board.

2.11 The criteria used to prioritise potential capital projects include:

- contribution to Corporate Plan themes;
- impact, in relation to CPA and inspections, Corporate Performance Plan indicators, Corporate Plan objectives and targets;
- economic – council capital investment required, impact on revenue budgets, external funds;
- political importance.

2.112 We have identified the following six good practice criteria that capital prioritisation systems should meet:

- Coverage: the system should cover most, if not all, capital projects – **the use of the priority rating methodology to cover all elements of the capital programme, including externally funded projects that require either some capital investment by the Council or have revenue implications mean that the prioritisation system achieves comprehensive coverage;**
- Fit for Purpose: the structure and sophistication of the system should be appropriate to the scale and nature of both the capital programme of the authority and the scale of individual projects – **the priority rating methodology provides a clear and straightforward mechanism through which to assess potential capital projects. It was reported by officers within service departments that it provides a very transparent system that is fair in supporting decisions on potential capital schemes. Previously, it was found that there was little transparency in the decisions regarding potential projects;**
- Challenge: a process of challenge should take place so that project proposals can be developed in order to generate maximum impact in terms of meeting corporate and service objectives – **the challenge element in the prioritisation approach is achieved through the involvement of the Capital and Asset team in carrying out the prioritisation and then developing recommendations either for the Regeneration and Assets Board or the Cabinet. This therefore means that there is a cross-service perspective in developing the scoring;**
- Moderation and Review: there will need to be a process of moderation and review in order to ensure that the benefits and impact of schemes have been adequately reflected in the scoring – **this role is played by the elected members in the Regeneration and Asset Board;**

- Link to Option Appraisal: the objective of securing best value for money from the limited capital resources available by allocating funding to those projects that best meet corporate objectives and priorities will only be achieved if each of the projects has also been subject to an option appraisal to ensure that the proposal put forward is the best for meeting the project objectives – **as indicated above, all proposed capital projects are required to be subject to both option appraisal and funding appraisal;**
- Input from Elected Members: the output from a prioritisation model will always need to be interpreted by both officers and elected members and it should provide a clear guide to decision-making rather than being a straitjacket from which there can be no variation – **final responsibility for decision making rests with either the Regeneration and Assets Board or the Cabinet depending on the scale of the proposed scheme.**

2.13 Therefore, the Council has adopted an approach to prioritisation that is in line with all six of the identified good practice criteria.

Conclusions

2.114 The Council performs well in relation to all 12 of the good practice processes, reflecting the commitment that has been made both by elected members and officers in this area of operations.

PROCESS OUTPUTS AND OUTCOMES

Introduction

- 3.1 The evaluation framework for the development and implementation of corporate capital strategies and asset management plans identifies six process outputs and three potential process outcomes. Outputs are defined as the actions and activities stemming from the processes discussed in Section 2, whilst outcomes are the impacts of these actions and activities and long term and sustainable changes in organisational and cultural structures.
- 3.2 In this Section, we summarise the current position of this case study authority in relation to the generation of these process outputs and outcomes, drawing on the material from Section 2.

Process Outputs

Output No. 1: 'Elected members are more effectively engaged with strategic decision-making on property issues.'

- 3.3 There is clear evidence of elected members being effectively engaged in capital and asset planning. In particular, this relates to the role played by the Regeneration and Assets Board, which involves approximately half of the members of the cabinet in regular consideration of issues in relation to the Council's property portfolio and, in particular, commissions reviews undertaken of the property portfolio, and is actively engaged in decision-making regarding the capital programme. The development of clear terms of reference for the Regeneration and Assets Board, in its transition from the Property Board that was originally established, with the granting of decision-making powers, shows evidence of more effective engagement of elected members in decision-making. Decision-making was reported during case study consultations as being quicker now than it had been previously.
- 3.4 However, it is important to recognise that the improved effectiveness in involving elected members in decision-making is not limited to the operation of the Regeneration and Assets Board. There are clear approaches in place to ensure that ward members are involved in decisions relating to key properties in their areas. In addition, seminars are held to keep non-Executive members informed of what the authority is carrying out, to ensure that they are able to contribute more effectively to decision-making. There is also reported to be greater interest from the Scrutiny panels which has been driven by increasing recognition of the revenue implications of major capital programmes, in particular the significant PFI programmes.

3.4 Therefore, we conclude that Output No. 1 has been generated.

Output No. 2: 'Decisions regarding the use, retention and maintenance of property are based on evidence from databases, property performance indicators and the experience of external organisations.'

3.6 The Council's approach to gathering and holding property information means that they have a base of evidence relating to the property portfolio that can be used to support decision-making.

3.7 It is clear that the evidence held by the authority has been used to good effect in targeting its activities appropriately. For example, evidence on condition and suitability were key factors that were used in identifying the specific schools to be updated through the PFI scheme that is now in progress. Similarly, the data on the council's sports facilities showed that they are inadequate, poorly sited and poorly performing, leading to a PFI scheme to provide significantly improved facilities across key locations in the borough. Evidence from the review of corporate accommodation was used to develop the accommodation strategy that is now in the process of being implemented, which will significantly reduce the number of sites that the authority is occupying in the main town centre.

3.8 One of the Council's strengths in terms of the use of data is that it is not considering property data in isolation, but is placing this information alongside other relevant data to support decision making. For example, socio-demographic data has been used to inform the locations that have been selected for the Council's Customer Service Centres, thereby ensuring that they are located most appropriately for current and potential service users.

3.9 The Council is monitoring the COPROP pPIs, providing an ability to track trends in relation to property performance over time, although there was limited evidence during the case study consultations that significant use is being made of comparisons with other local authorities or other organisations.

3.10 Therefore, we conclude that Output No. 2 has been generated.

Output No. 3: 'More effective management of the capital programme is introduced.'

- 3.11 The Council has internal project management capacity and has established external partnering arrangements covering all aspects of the delivery of construction projects, including project management. Working with its external project management partner, the Council has developed a Project Procedural Guide which provides a clear and consistent framework for the management of all projects based on applying good practice from the construction industry to all projects.
- 3.12 All projects have a named project manager, providing accountability for effective delivery, which may be a Council officer or from the external partner. For larger projects, the Regeneration and Assets Board will act as the client on behalf of the Council and as the agent of the Cabinet. A Project Officer will be formally identified and Officer Board and sub-groups established as appropriate for these large schemes. For example, the Asset Management Department currently includes a Project Coordinator for the Town Centre Development. These arrangements therefore provide a mechanism to ensure that the delivery of the capital programme at the project level is effective.
- 3.13 The Council has now aligned the planning of its capital and revenue programmes, to ensure that decision-making takes account of both the capital and revenue implications of the schemes it takes forward. The five-year capital programme is now based on a clear understanding of what the authority is seeking to achieve as a whole, rather than being based on the amalgamation of a number of disparate projects.
- 3.14 The Council is in the process of strengthening its approach to capital programme monitoring. This includes the development of statements to the Corporate Management Team and Cabinet on capital spend against forecast and the identification of any reasons for variations. The £1.5 million per annum maintenance fund is to be monitored on the basis of outcomes on individual maintenance projects, rather than across the fund as a whole, therefore helping to ensure transparency in relation to programme delivery and performance.
- 3.15 We therefore conclude that Output No. 3 has been generated.

Output No. 4: 'Investment decisions are based on a clear business case resulting from the use of a formal corporate approach to option appraisal including whole-life costing.'

- 3.16 Option appraisal is an explicit requirement within the Council's Capital Investment Plan and programmes and projects will only be considered if an option appraisal and a funding appraisal has been carried out.
- 3.17 The evidence of option appraisal having been carried out includes the redevelopment of a country park in the borough which is about to go forward to delivery. The country park was originally identified by the Council for disposal in order to reduce the revenue costs associated with its operation and upkeep. A range of options was considered in relation to the park, including disposal, bringing in an external partner to manage the programme more cost effectively and seeking suggestions from potential external partners to deliver a much more ambitious scheme. As a result of this, a panel was established and an OJEU process was established, which led to six proposals. The successful proposal is now at the detailed planning stage and will be a £350 million scheme which is due for completion in 2010.
- 3.18 We therefore conclude that Output No. 4 has been generated.

Output No. 5: 'The capital programme is developed on the basis of a prioritised list of potential capital projects.'

- 3.19 As part of its Capital and Asset Management Strategies, Plans and Programmes, the Council has implemented the use of a priority rating methodology, adapted to the requirements of the four capital investment blocks that have now been established. All potential capital projects are therefore subject to prioritisation **before inclusion in the capital programme.**
- 3.20 Therefore, we conclude that Output No. 5 has been generated.

Output No. 6: 'Greater cross-cutting working and capital projects across service areas are implemented.'

- 3.21 The way in which capital and asset planning and delivery is organised is built around cross-cutting working, which has been driven from the way in which the Corporate Plan is set out and in ensuring that the groups of elected members and senior officers have a cross-cutting remit. The capital investment priority rating system specifically emphasises cross-cutting working. A potential scheme supporting only one service area has a potential rating of zero in this element of the prioritisation, whilst a proposed scheme supporting three or more service areas would receive a rating of 10.

- 3.22 The Council is now in the process of establishing six Customer Service Centres/Joint Service Centres across the borough. These provide residents with access to services across all main service departments, and in some cases to the services of partner organisations also. This involves the integration of the customer-facing cross-service processes and systems with the back-office and service-specific activities.
- 3.23 The delivery of the new office accommodation for the council will be a major scheme which will improve accommodation across all the authority's service departments. This scheme is a recognition that a fundamental change to the way in which accommodation is provided is necessary to address the underlying issues of a large number of poor quality buildings requiring significant investment dispersed across the town.
- 3.24 We would therefore conclude that Output No. 6 has been achieved.

Process Outcomes

- 3.25 The following three potential process outcomes have been identified:
- more effective use of capital resources;
 - more effective and efficient use of property assets;
 - improved service delivery.
- 3.26 The implementation of a more corporate and strategic approach to the capital programme and the use of property assets is generally at too early a stage in most authorities for process outcomes to be observed with any confidence. In our experience, only the most advanced authorities are currently generating, to a significant extent, any of the outcomes.

More Effective Use of Capital Resources

- 3.27 A range of evidence was suggested to indicate that the Council is making more effective use of its capital resources. In particular, the move towards the prioritisation system in developing the capital programme, including the use of option appraisal, has provided a structure to ensure that the capital expenditure that is taken forward is focused effectively on delivering the Council's priorities and takes account of a wide range of issues in shaping final decisions on the capital programme. The establishment of the four blocks of capital funding have also been identified as leading to more effective use of the resources available to the authority, in particular ensuring that resources are used to contribute to the achievement of the Council's aspirations, rather than being focused purely on backlog issues.

- 3.28 The Strategic Capital Investment block is developed on the basis of potential projects that would deliver Corporate and Community Plan priorities, which are prioritised, following which consideration is given to how best to finance the delivery of the highest priority schemes. This has led to the identification of a total of 11 highest category projects to be delivered over the next five years, with a total value of £115 million and to be funded through prudential borrowing and capital receipts from the disposal of current buildings.
- 3.29 The changes in the way in which the capital programme is developed and organised provide an indication of more robust systems for decisions regarding capital expenditure. It is entirely logical that these should lead to capital resources being used more effectively than previously, although it is not clear that there is hard evidence that would demonstrate this to be the case.

More Effective and Efficient Use of Property Assets

- 3.30 There are three specific examples of the increasing focus on asset management leading to more effective and efficient use of property assets:
- the Council is implementing an Adult Services Modernisation Strategy, in response to a number of issues identified in delivering the service. In particular, residential homes did not conform to the minimum standards required and were in need of considerable investment in order to continue to function. As a result of this, the Council is closing a number of homes for the elderly. Eight homes are being closed, with two new purpose-built homes being provided, with funding through a combination of capital receipts and prudential borrowing. As part of this process, the Primary Care Trust (PCT) is buying one of the surplus properties, which is to be renovated and will provide accommodation for the PCT itself and a doctors' surgery, together with a Customer Service Centre, a library and a small Social Services Resource Centre. Extra care housing is also to be developed on the site;
 - the new office accommodation for the council will lead to a reduction in the number of town centre offices from 11 to a single site. With the move to central accommodation, the Council is moving to full adoption of flexible working, which has previously been piloted in the Revenues and Benefits service. The new accommodation will be 60% smaller than the current accommodation;
 - the Council is currently in the process of re-providing swimming pools and indoor leisure facilities across the borough. In excess of £31 million is being spent on replacing 13 ageing swimming pools with four new indoor sports centres sited across the borough to ensure maximum access for current and potential service users.

Improved Service Delivery

3.31 The Council's approach to asset management is built on the ethos of 'optimising the utilisation of assets in terms of service benefits and financial return'. It is important to consider, therefore, the extent to which all the activities that the authority is undertaking in relation to asset management are, in fact, leading to service improvements. The following four examples provide clear evidence of service improvements being delivered through the asset management service:

- a strategic review of **Libraries** provision was carried out to determine whether libraries met the Public Libraries Standards, community needs and the Council's corporate priorities. As a result of this review, £1 million of funding was secured for investment in libraries across the borough, with priorities based on achieving accessibility and compliance with the Disability Discrimination Act (DDA). All libraries across the borough are now DDA compliant. The Council has made a commitment to have a library within two miles of every resident. To achieve this, the Council is working in partnership with two Parish Councils to open three temporary 'micro' libraries in a leisure centre, village hall and parish hall, with other libraries to be renewed within the Council's Joint Service Centres in future;
- the four new **swimming pools** and indoor sports facilities that are currently being delivered to replace the previous poor quality facilities will each include a main pool and teaching pool, together with other facilities in each location. These other facilities will include a leisure pool and flume, diving pool, fitness suites, sports halls and an indoor climbing tower. The four new sports centres have been sited to provide locations across the borough with easy access for existing and potential service users. The new facilities are being delivered through the use of re-focused revenue resources and the Private Finance Initiative and are to be managed and maintained through a leisure trust over a 32-year period. The new facilities were described during the case study consultations as 'changing the face of leisure provision in the borough';
- the establishment of **Customer Service Centres** across the borough, and their extension to form **Joint Service Centres**. The Joint Service Centres include a one-stop-shop for council services, a library, district office, drop-in desks for council staff and also house staff from the Primary Care Trust and the police and in some cases doctors' surgeries, meaning that access to council and wider public services is greatly improved. These approaches were developed following a recognition that accessibility of the Council's services was falling behind that of other local authorities;

- the main **museum** in the town was subject to a £3 million upgrade, funded through the Heritage Lottery Fund. Prior to the refurbishment, the museum was in the lower quartile for user satisfaction and is now in the upper quartile. Prior to its re-opening, it was forecast that there would be 60,000 visitors to the museum annually. During the first year of operation following the refurbishment, the museum received a total of 103,000 visitors.

4 CONCLUSIONS

- 4.1 The Council has made a significant commitment to this area of work, as demonstrated by the processes and systems that have been established. This commitment was recognised with the Council achieving Beacon status for asset management.
- 4.2 It is clear that the corporate approach to asset management has been driven by the recognition of the significance of appropriate property assets in delivering services to a high standard.
- 4.3 The success of the approach to capital planning and asset management is linked to a significant degree to the emphasis that has been placed on more corporate working as a whole in the council, which has been an important enabling factor. This was part of a proactive approach to drive overall improvement in the performance of the Council.
- 4.4 The approach to asset planning and management adopted by the Council means that it has both a well-resourced and experienced team of corporate officers and access to a broad base of expertise from a number of external partner organisations. This therefore enables a strong 'mixed economy' approach to asset management.
- 4.5 The authority is making good use of the data it now holds on its property portfolio in supporting decision making. Of particular significance is the use of property data alongside other strategic and socio-demographic data to support decisions on the location of new facilities, for example. This is a more sophisticated approach to the use of property data than is often observed, and reflects the relative maturity of the approach that has been established. Further enhancements to the data held on properties, to include additional information on community assets, not just those owned by the Council, will help to support even more 'rounded' decision making.
- 4.6 As a result of the well-embedded approach to capital and asset planning and management, the Council is seeing a range of outputs delivered. Significant improvements to the property portfolio have already been achieved, with considerable additional improvements in progress or about to commence. These improvements are being seen to lead to enhanced access to services and improvements to the services themselves.
- 4.7 The Council has a clear vision of what it is seeking to achieve with its properties, combined with an understanding of what needs to be done to achieve this vision. This is leading to major transformational schemes being taken forward, reflecting the fundamental changes required in order to achieve a property portfolio that is fit-for-purpose to achieve current and emerging strategic priorities.

RMBC – REPORT TO CORPORATE MANAGEMENT TEAM

1.	Meeting:	REGENERATION & ASSET BOARD
2.	Date:	11th July 2007
3.	Title:	INDUSTRIAL LAND & FLOORSPACE 2006
4.	Programme Area:	ENVIRONMENT & DEVELOPMENT SERVICES

5. Summary

The net total floor-space on Rotherham's employment sites rose to almost 2.6 million square metres in 2006, with 60,000 sq m. constructed in the last year - 21% of the total floorspace in Rotherham has been constructed within the last 10 years. 2006 was another good year for the uptake of land for economic development, a fall on the very high amount seen in 2005 but 20.05 hectares was the second highest rate since 2000. By the end of 2006 there were 291.2 hectares of available undeveloped land in Rotherham identified for industrial or mixed use.

6. Recommendations

That the Board note the progress on the development of business space within the Borough.

That the following measures be adopted to manage the existing vacancy rate on the Borough's industrial estates:

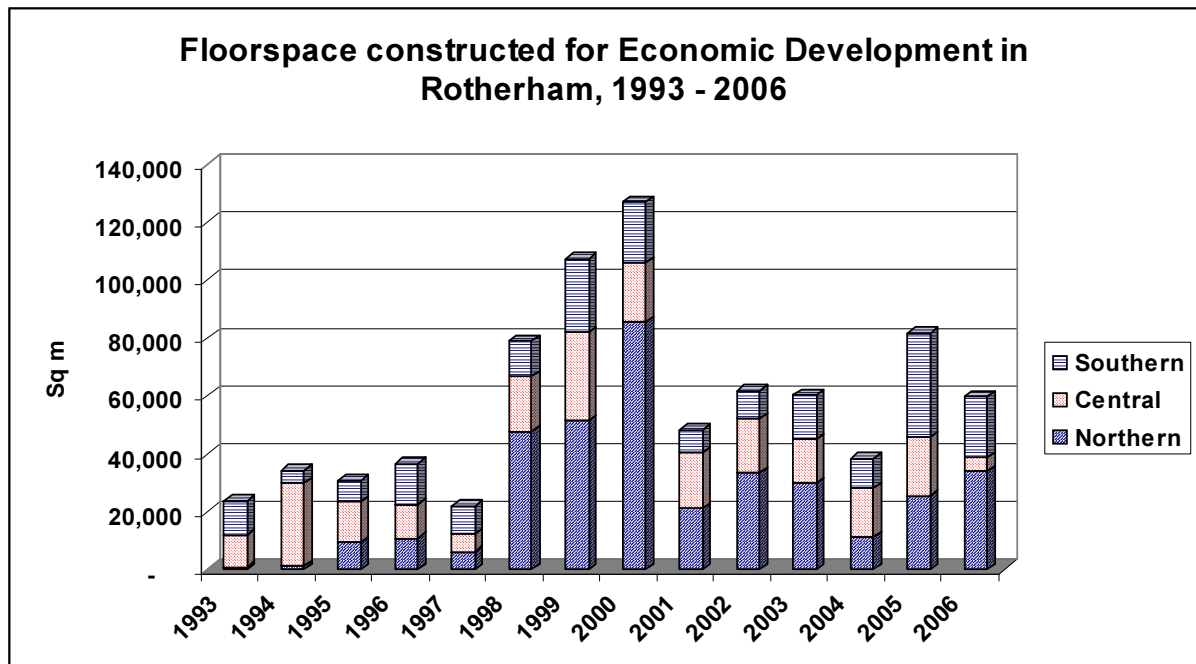
- **That the Council optimises its position on future development for speculative use, except in the case of Rotherham town centre which could greatly benefit from speculative office developments, and that the Council disposes of industrial sites only for known end users where these can be identified.**
- **That the Council contacts the owners of industrial premises which are redundant, derelict or in need of significant capital investment to return them to operational use, in order to establish a programme of Council intervention. There is scope for some older premises to be refurbished to suit particular requirements and fit respective budgets.**
- **That RiDO work with owners, agents and developers to market these properties and suggest alternative uses. Where a change of use has potential planning implications, RiDO will liaise with the Planning Department on the suitability of any suggested schemes.**

- **That the following sectors are targeted to locate in the borough; Advanced Manufacturing and Metals (high value engineering/manufacturing) that has a modern industrial requirement, Creative and Digital Industries which are mainly office based but could have a requirement for hybrid units, Business and Professional Services that are mainly office based, and Energy and Environmental Technology Businesses that again could require hybrid units and sometimes laboratories and industrial accommodation.**
 - **That RiDO continues to use its Key Account Management programme to improve business retention within the borough as demand for property is driven by a wide range of factors such as skills shortages, market changes etc.**
-

7. Proposals and Details

The net total floor-space on Rotherham's employment sites rose to almost 2.6 million square metres in 2006. Between 2005 and 2006 it increased by 35,500 sq m. This accounts for almost 60,000 sq. m of newly constructed and 25,500 sq. m of demolitions. The new constructions are less than the very high rates experienced in 2005 but above the 2004 figure and similar to the average seen over the last 10 years. Between 1996 and 2006 there has been an increase of 544,000 sq. m. – i.e. 21% of the total floorspace has been constructed within the last 10 years.

The new floorspace construction of 60,000 sq m was mainly due to activity in the Northern area of the borough which had 57% of the total new floorspace - this was primarily due to the large development at Brookfields Park for the Garnett Dickinson print works. The Southern area accounted for 35% of the total increase with significant development at Waverley (Castings Technology, TWI) and Dinnington. The Central area accounted for 8% of the increase, chiefly due to the Moorgate Crofts development.



Source: RMBC

There were three demolitions in 2006 totalling almost 26,000 sq. m. of floorspace – the former Templeborough Rolling Mills (for new business park), plot on Wharf Road Kilnhurst Industrial Area (for residential development), and a small unit on Hellaby Industrial estate (new industrial building to be erected).

Following is the list of major floorspace developments in the borough in 2006 (sized over 1,000 sq m):

Industrial Area Name	Address	Details of Development	Sq.m.
Manvers Century Business Park	Off Manvers Way	6 Industrial Blocks for Network Space (30 units)	2,375
Manvers Brookfields Park	Brookfields Way	Distribution centre - warehouse, offices and new print works with associated service areas - Garnett Dickinson	11,795
Manvers Brookfields Park	Brookfields Way	Erection of units by St Pauls Developemnt	16,350
Manvers Brookfields Park	Brookfields Way	As above - one already let to Garnett Dickinson	2,518
Moorgate Crofts Business Park	Alma Road	Erection of 3 x 3 storey office blocks	2,720
Dinnington	West Carr Road	Erection of 4 factory units - New Park Projects	4,035
Dinnington	Caxton Way	Industrial building and offices for James West Ltd	2,995
Dinnington	Nobel Way	Erection of production facility for UK Radiopharma Ltd	1,100
Waverley	AMP Brunel Way	Erection of 2 storey building for TWI Ltd	1,510
Waverley	AMP Brunel Way	Erection of R&D workshop/office for Castings Tech. Int.	6,380
Waverley	AMP Brunel Way	Erection of 3 storey office/workshop for Yorkshire Forward	4,342

The majority of new floorspace constructed in 2006 was for business/office use (41%) and general industrial use (39%). Storage and distribution accounted for 18% of new floorspace with a further 2% accounted for by retail/leisure uses.

In addition over 129,000 square metres of floorspace was under construction at the end of 2006 – this very large amount of floorspace currently being constructed is mainly due to the two warehouse / distribution units being built for Next on Brookfields Park (102,000 sq m). This accounts for the fact that 81% of floorspace

under construction is for distribution use with 14% being business/office use and 5% for general industrial.

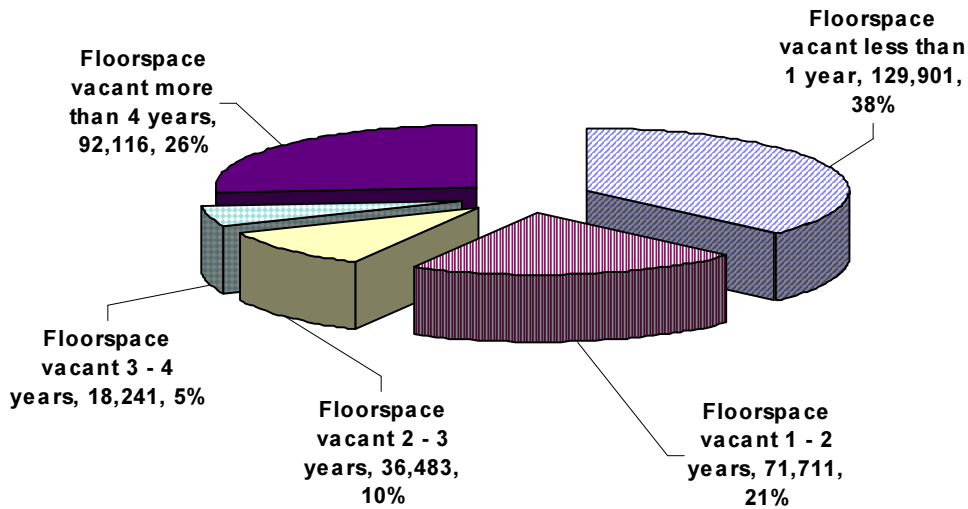
The vacancy rate has increased from 2005 to stand at 13.4% - this can partly be attributed to the increase in floorspace constructed during the last couple of years (vacancy rates have historically tended to rise in / following years with high construction), some of which has been speculative.

It should be noted that this is the first year that the total amount of occupied floorspace in the Borough has fallen, by approximately 6,000m². This can predominantly be accounted for by the vacating of a number of significant units during the last year due to company closures; Excel Logistics at Templeborough and Manvers, KP foods at Eastwood and Breck Heating Services at Masbrough, which total 47,000 m² of floorspace.

Year	Total Floorspace (Sq m)	Floorspace Vacant (Sq m)	Floorspace Occupied (Sq m)	Vacancy Rate (%)
1996	2,054,583	158,054	1,896,529	7.7
1997	2,065,171	165,707	1,899,464	8.0
1998	2,126,526	166,967	1,959,559	7.9
1999	2,196,321	185,438	2,010,883	8.4
2000	2,320,851	300,897	2,019,954	13.0
2001	2,359,256	267,519	2,091,737	11.3
2002	2,399,785	235,121	2,163,707	9.8
2003	2,449,774	254,017	2,195,757	10.4
2004	2,483,462	247,307	2,236,155	10.0
2005	2,563,176	307,075	2,256,101	12.0
2006	2,598,762	348,452	2,250,310	13.4
Change 96-06	544,179	190,398	353,781	5.7

Despite the continuing large amounts of floorspace being constructed and the on-going strong interest from developers in many of the employment sites in Rotherham, it appears that some areas / properties are less attractive to the market – possibly due to older premises and/or less desirable location. At the end of 2006; 146,840m² (41% of vacant floorspace) had been vacant for more than 2 years, of which 92,116m² had been vacant for over 4 years (although this represents just 3.5% of the total floorspace).

Floorspace (sq.m.) by time vacant

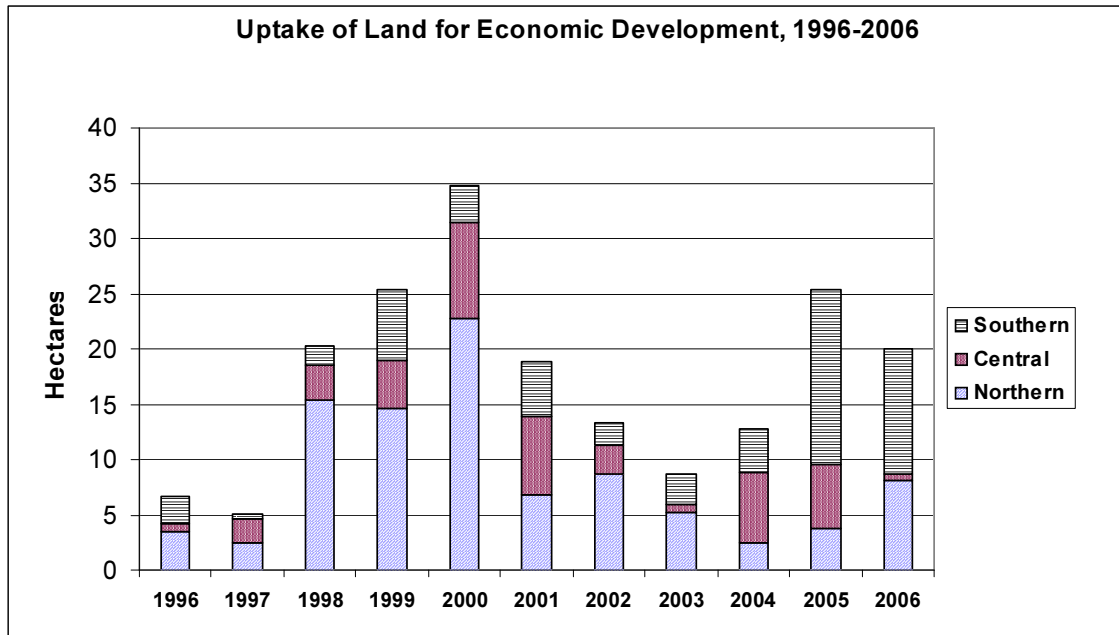


With the exception of some speculative development in the Dearne and the Guest and Chrimes and Gloystame sites; most of the long-term vacancies are older, smaller units (500m^2), often in poor condition and located in the more deprived areas of the Borough. These are difficult to let in their current conditions, but not economically viable for the owners to refurbish to a higher standard.

The total floorspace vacant for over 4 years has risen from $75,400\text{m}^2$ to $92,116\text{m}^2$ during the last year. Although Templeborough Rolling Mill ($12,700\text{m}^2$) has been removed following its demolition, this is more than offset by the Guest & Chrimes site ($23,000\text{m}^2$) moving into this category, along with Golden Smithies ($4,600\text{m}^2$) at Manvers and a number of other smaller units. For a full breakdown and details of units which have been vacant for more than 4 years please see appendix 1.

Economic Land Uptake:

In 2006 there was 20.05 hectares of land taken up for economic development (57% in the Southern area), a fall from the very high rate experienced in 2005 but the second highest rate since 2000. The average annual rate of land developed for economic purposes over the past five years is 16.0 hectares.



A further 33.2 hectares was under development at the end of 2006 (20.5 hectares of this due to the Next development at Brookfields Park).

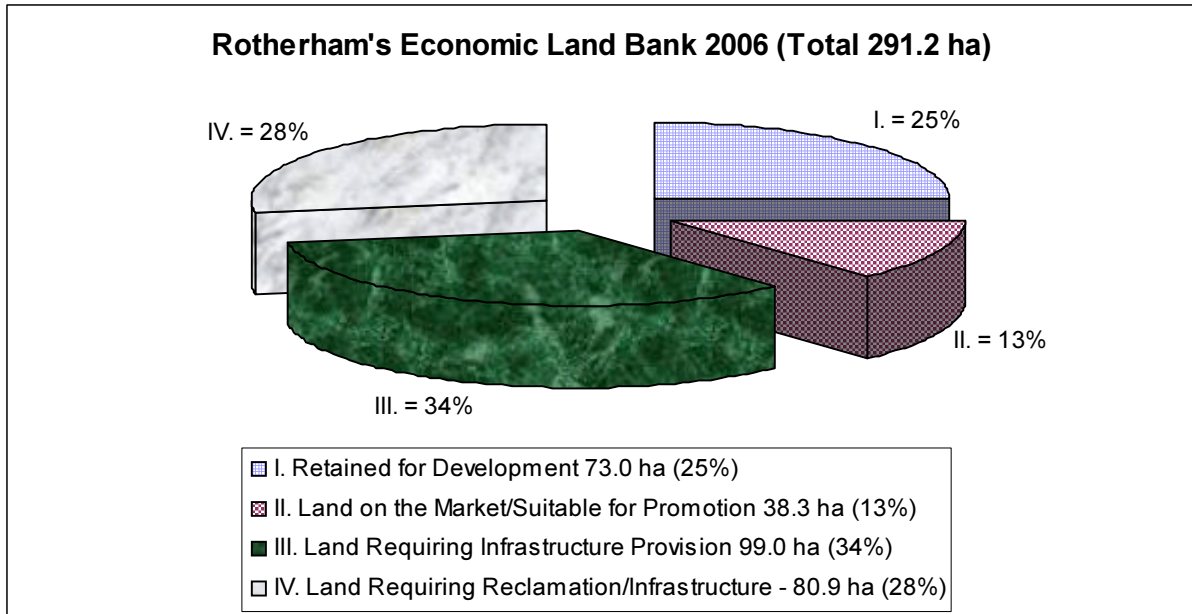
Economic Land Availability:

In 2006 there were 291.2 hectares of available undeveloped land in Rotherham identified for industrial or mixed use. Of this total, only 137.3 hectares (47%) could be promoted in the short term:

- 38.3 hectares (13%) of this economic land bank was immediately available for economic purposes
- 99.0 hectares (34%) required infrastructure development,

80.9 hectares (28%) required reclamation and infrastructure development before it could be utilised for economic purposes – most of this being in private ownership.

73.0 hectares (25%) were committed to or retained by industry for future development.



The progress made in 2006 compared to 2005 is shown in the following table. The amount of land requiring reclamation fell by over 19 ha, which is due to the reclamation completions at Waverley (17.8ha) and Templeborough (Phase 1 Phoenix Park, 1.5ha).

Category	2005		2006	
	ha	%	ha	%
Category I (Retained for Development)	30.2	10	73.0	25
Category II (Land on the Market/Suitable for Promotion)	61.0	16	38.3	13
Category III (Land Requiring Infrastructure Provision)	117.4	26	99.0	34
Category IV (Land Requiring Reclamation/Infrastructure)	100.2	49	80.9	28
Total (ha / %)	308.8	100	291.2	100

As a comparison, in 2003 there were 176.5 hectares of land that required reclamation in the borough.

8. Finance

None

9. Risks and Uncertainties

Since 1998 Rotherham has experienced high construction rates of new economic floorspace and high rates of uptake of land for economic development. This has resulted in an increase in the local employment rate (now close to the national average) and 24,000 new workplace jobs in the borough since 1998 (Source: ONS Annual Business Inquiry 2005). However there is no guarantee that construction / development rates will continue at this high rate (some development will undoubtedly have taken place due to funding/incentives under Objective 1 / Regeneration schemes which are coming to an end).

Rotherham must continue to be attractive as a place to invest, with the right mix of available land and property, and a well-skilled local workforce. There is evidence that some areas / properties are less attractive to the market – particularly older premises. Despite a large amount of undeveloped land in Rotherham a significant proportion still requires reclamation (which can be expensive) and is in private ownership – at the current rate of take-up this land would require development to ensure investors / developers have the necessary choice of sites and premises.

Consultants GVA Grimley LLP have just finished the *South Yorkshire Land and Property Study* February 2007, on behalf of Renaissance South Yorkshire. The study highlights the shortage of readily available land and the potential this has for constraining the sub-region's economic growth:

“...only 156 hectares of land identified within this study as being known to be unconstrained.”

The report states the main cause of land not being readily available is constrained site access, with 19.9% (73.82 hectares) of Rotherham's identified and undeveloped employment land suffering from this. Therefore, available land is highly in demand by developers for speculative development, leaving companies requiring land for purpose built accommodation at a severe disadvantage. Public sector land could fill such specific needs and help ensure key employers are not lost from the Borough or the sub-region, but currently there is only a total of 82 hectares of undeveloped public sector owned land across South Yorkshire, with 31.95 hectares of this within Rotherham. However, of this figure, only 1.95 hectares (at Manvers, Parkside) is classed as unconstrained publicly owned and undeveloped employment land within the Borough.

Therefore, there is a shortage of public sector controlled land available for inward investors or relocating companies based on projective needs and current stock levels to fulfil expected demand. The report states:

“The basic lesson to be learned here is for future public sector investment in particular to recognise the need for a better match between the demand drivers and their property requirements and to tailor the supply strategy accordingly.”

There is a role for the public sector, working in partnership where appropriate, to address the need for land to be developed for a specific investor/company accommodation purpose (rather than speculative development), and create potential for Rotherham Borough to fulfil this need.

This report links closely with the findings of the recent Joint Economy Study undertaken by CURS, which reports that the Borough has great potential for growth over the next 10 years through innovation and better connectivity. However, for this growth to occur there needs to be suitable amounts of land for development, and the Planning and Transportation Directorate estimate that on current projections the Borough could have as much as a 144 hectare employment land shortage. Therefore, bringing forward derelict and vacant sites for suitable development (preferably not speculative, unless in Rotherham town centre) is an important issue.

It is not known what the potential impact of the abolition of rate relief will be, as from April 2008 vacant premises will no longer be eligible for rate relief after an initial 3-6 month period of grace. The Business Premises Renovation Allowance (BPRO) also came into force on April 11th 2007, permitting anyone who owns or leases a business property in a designated deprived area that has been vacant for more than a year to claim full tax relief on their capital spending on the conversion or renovation of the property, in order to bring it back into business use. It would be hoped that these measures will help bring some derelict premises in the Borough's more deprived areas onto the market for development, as well as damping down the currently high levels of speculative build.

10. Policy and Performance Agenda Implications

This has links to the Community Strategy themes of:

Achieving – Rotherham must provide the right amount and mix of employment sites to continue to attract new investors into the borough and encourage existing businesses to stay in the area and expand. This will attract people to work in the borough, ensure a high rate of employment and provide a mix of jobs which local people can access.

Sustainable Development – Ensuring sufficient local employment opportunities will encourage people to remain in the borough and help reduce the need for out commuting.

11. Background Papers and Consultation

The report was endorsed by CMT at its meeting on 11th June 2007

Data taken from ARIES employment land database - updated by annual survey of employment sites in the borough (undertaken December 2006). Consultation has taken place with the RiDO Business Development Team, RiDO Development Team, and the Planning and Transportation Directorate.

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Appendix 1

The following table lists all those properties which have been vacant for at least four years – i.e. they have been unoccupied at the time of each annual survey since 2002.

INDUSTRIAL ESTATE PROPERTIES: VACANT 4 YEARS +
(Floorspace figures are in square metres)

NORTHERN AREA		
Units vacant over 4 years = 26		33,859
Estate: Brampton Ellis Enterprises		
Brampton Road, Wath - Plot 1, Unit 21	14	
Brampton Road, Wath - Plot 1, Unit 30	27	
Comments: <i>Both these units have damp problems so cannot be let (due to their small size uneconomic to repair);</i>		
Estate: Kilnhurst		
Thomas Street, Plot 17	25	
Thomas Street, Plot 17	185	
Thomas Street, Plot 15, Unit 2	190	
Comments: <i>Thomas street – older miscellaneous buildings, poor environment, poor access</i>		
Estate: Manvers Bolton Road		
Plot 1, Unit A	2,160	
Plot 1, Unit C2	1,725	
Plot 1, Unit D1	3,060	
Plot 2, Unit 32	293	
Comments: <i>Houndhill Park (Plot1) – backing onto main Manvers Road. 3 of 7 units still vacant.</i> <i>Plot 2 – REAL workshops</i> <i>These are only suitable for industrial uses and difficult to let due to age and small size (this size being more suitable for office purposes).</i>		
Estate: Manvers Brookfields Park		
Plot 1	5,800	
Plot 1	3,690	
Comments: <i>Speculative build call centres – have recently been off the market whilst being sold to new investor.</i>		
Estate: Manvers Farfield Park		
Plot 3 (part of unit)	1,240	
Plot 4, Unit 4B	220	

Comments: <i>Plot 3 part of unit with 'Buy as you view'. Plot 4 modern office units (1999)</i>		
Estate: Manvers Golden Smithies		
Plot 1, Unit 5	6,655	
Plot 1, Unit 7	4,645	
Plot 7	1,700	
Comments: <i>Unit 5 is Callflex Park – some interest for varying uses. Unit 7 speculative build offices / call centres – some interest for varying uses. Plot 7 – Innovate Offices, now available to buy which may raise interest.</i>		
Estate: Wath West Industrial Estate		
Derwent Way, Plot 5, Unit 6	120	
Comments: <i>Industrial buildings dating from 1979 – need a facelift.</i>		
Estate: Swinton Bridge		
Rowms Lane, Plot 5	350	
Rowms Lane, Plot 5, Unit 2	120	
Rowms Lane, Plot 18, Unit 3	75	
Rowms Lane, Plot 18, Unit 5	55	
Rowms Lane, Plot 18, Unit 9	100	
White Lee Road, Plot 19	60	
White Lee Road, Plot 33, Unit C5	95	
White Lee Road, Plot 33, Unit K1	1,115	
Comments: <i>Unit 3 in very poor condition White Lee Road Plot 33 part of former UGC (ex Canning Town Glass) complex of older buildings and ad hoc development, now managed as an industrial estate. Rather poor access. Swinton Bridge is an older fragmented industrial area which was improved in the 1970's and 80's but now some parts have reverted to poor maintenance and dilapidation (e.g. Plot 18 Workshops)</i>		
Estate: Swinton Meadows		
Meadow Way, Plot 11, Unit 4C	140	
Comments:		
CENTRAL AREA		
Units vacant over 4 years = 30		53,210
Estate: Barbot Hall		
Hillside Court, Plot 6, Unit 4	75	
Hillside Court, Plot 6, Unit 18	95	
Brookside Court, Scrooby Lane, Plot 12, Unit 9	90	

Mangham Way, Plot 23	320	
Mangham Road, Plot 24	13,210	
Comments: <i>Poor environment and unattractive units in former Enterprise Zone (Hillside Court / Brookside Court) alongside more prosperous developments (ASD Plot 3, Nikken Kosakushko Plot 13). Plot 24 – ex Gloystarne (logistics)</i>		
Estate: Brinsworth		
Field View, Plot 3	1,895	
Field View, Plot 5	1,450	
Comments: <i>Both plots are subject to planning applications for housing Very dilapidated and vandalised. Poor access through residential area. Poor street scene.</i>		
Estate: Eastwood		
Chesterton Road, Plot 13	3,685	
Chesterton Road, Plot 29, Unit 1	55	
Chesterton Road, Plot 29, Unit 10	335	
Chesterton Road, Plot 29, Unit 14	735	
Comments: <i>Chesterton Road units in poor quality environment – older buildings.</i>		
Estate: Former EZ Commercial Area		
Claire Court, Rawmarsh Road, Plot 13, Unit 7	170	
Claire Court, Rawmarsh Road, Plot 13, Unit 16	200	
Comments: <i>Claire Court is being demolished in 2007</i>		
Estate: Masbrough Industrial Area		
Don Street, Plot 22	23,200	
Masbrough Street, Plot 42	105	
Wortley Road, Plot 81 (off new block)	1,400	
Comments: <i>Plot 22 Ex Guest & Chrimes site – subject to planning applications for alternative use(s) Plot 81 Ex Robert Jenkins works – old/run down & not available as a whole.</i>		
Estate: Meadowbank		
Meadowbank Road, Plot 9	420	
Meadowbank Road, Plot 9	870	
Meadowbank Road, Plot 9	1,020	

Meadowbank Road, Plot 9	1,350	
Steel Street, Plot 20	200	
Comments: <i>Derelict old works, multiple buildings (Plot 9) Street scene on Steel St especially unkempt and access is poor via level crossing.</i>		
Estate: Parkgate		
Fitzwilliam Street, Plot 9	195	
Coleman Street, Plot 19	175	
Craven Street, Plot 37	260	
Craven Street, Plot 37	205	
Barbers Avenue, Plot 38	100	
Barbers Avenue, Plot 38	320	
Comments: <i>Plot 37 in very poor condition, back street site – planning permission for residential.</i>		
Estate: Templeborough		
Sheffield Road, Plot 14	120	
Comments: <i>Bizspace Units from 2006 – under new management</i>		
Estate: Thornhill		
Hope Street, Plot 14, Unit 4C	185	
Primrose Park, Greasbrough Road, Plot 26	770	
Comments:		
SOUTHERN AREA		
Units vacant over 4 years = 6		5,047
Estate: Aston Common Industrial Area		
Mansfield Road, Plot 9	180	
Comments: <i>Small industrial estate on the edge of residential and green belt area. Rear plots unkempt and dilapidated (Plot 9 – surplus capacity within Dodds Transport site)</i>		
Estate: Aven Industrial Park		
Tickhill Road, Maltby, Plot 1, Unit B	4,350	
Tickhill Road, Maltby, Plot 1, Unit F1A	130	
Comments: <i>Older units, not in desirable location. Unit B now subject to Planning Application to demolish and rebuild with 23 workshop units (2007)</i>		

Estate: Lincoln Street Workshops		
Lincoln Street, Maltby, Plot 1, Unit 10	19	
Comments: Poorly maintained workshops which date from 1989.		
Estate: North Anston Industrial Estate		
Houghton Road, Plot 9 (rear)	335	
Comments: <i>Surplus capacity in older buildings – some plots at southern end of estate are in poor condition or have unsightly uses / outside storage, etc</i>		
Estate: Dinnington Industrial Area		
Outgang Lane, Plot 25, Unit 22	33	
Comments: <i>Dinnington Business Centre Bizspace units in need of facelift.</i>		

TOTAL VACANT FLOORSPACE (4 years +) = 92,116 square metres
Equivalent to 3.5% of ALL floorspace in Rotherham

**Where interest from investors is known this has been highlighted, however there is no certainty that this interest will result in the premises being let. There is also difficulty in obtaining information on some properties - all are in private ownership and the owner and/or their intention for the property is often unclear. There may also in the future be pressure for some of these sites to be considered for alternative uses, especially for housing development.*

ROTHERHAM BOROUGH COUNCIL

1.	Meeting:	Regeneration and Asset Board
2.	Date:	11th July 2007
3.	Title:	Strong and Prosperous Communities The Local Government White Paper October 2006 Community Buildings Review and Area Asset Management Plans Making Assets Work, The Quirk Review Findings All Wards
4.	Programme Area:	Environment and Development Services

5. Summary

The report proposes an integrated comprehensive strategy and implementation programme to address the Local Government White Paper October 2006, Community Buildings Review, Development of Area Asset Management Plans, the Quirk Review Findings, the Government's Response to the Quirk Review, the Community Assets Fund and the proposed CPA and CAA requirements.

6. Recommendations

Members are requested to approve the proposed items listed below which are detailed in appendix 3.

- 1. Strategy, principles and governance**
- 2. Next steps**
- 3. Standard reply to asset transfer requests**

7. Proposals and Detail

Local Government White Paper October, 2006

On 15th November 2006 the Regeneration and Asset Board considered a report, presented by the Asset Manager, which provided the Board with a property briefing note on the Local Government White Paper October, 2006.

Appendix 1 to the report set out a summary of the key issues of the paper as they related to property.

The Board noted that the White Paper recognised Rotherham as an exemplar of good practice.

It was pointed out that to maintain this status and implement the proposals in the paper, the Council would need to:-

- Develop, in consultation with Rotherham's communities, area asset management plans which support the approved community plans. These plans would include all Rotherham's assets not just Council assets.
- Develop and undertake, in consultation with Rotherham's communities, area based asset reviews to inform the area asset management plans.
- Develop and use our property performance data.

A programme for the development of area asset management plans, together with a proposed methodology, timescales and resources implications would be presented to a future meeting.

It was resolved:-

(1) That the report on the key issues as they relate to property be noted.

(2) That the programme for the development of area asset management plans, together with a proposed methodology, timescales and resources implications be presented to a future meeting of this Board.

(3) That the report be included on the agenda of the Council's next meeting with the three local Members of Parliament.

Community buildings review and development of area asset management plans

On 6th December 2006 the Regeneration and Asset Board considered a report, presented by the Head of Asset Management, updating the Board on the proposed community buildings review and development of area asset management plans.

Reference was made to:-

- The requirement to consider a process to implement the Saving Investment Paper
- The devolution of the running of the community buildings to communities within the framework of the community and corporate plan themes, or disposal, as outlined in the Local Government White Paper

It was reported that the IDeA had invited the Council to take part in forming national guidelines for the development of Asset Management Plans

In view of the connectivity of these issues it was proposed to develop, in consultation with Neighbourhoods and Rotherham's Communities, one integrated comprehensive strategy and action programme, together with proposed governance, methodology, timescales and resources implications.

It was noted that the proposals were likely to have significant financial and resourcing implications, together with an impact in communities. It was reported that it was likely that the money to be made available to make community buildings fit for handing over to communities, was likely to be funded on a quasi commercial borrowing basis from the banks.

It was stressed that the Area Asset Reviews needed to include education and neighbourhood establishments, and it was expected that Ward Members would be consulted.

A further report would be submitted to a future meeting of the Board in early 2007.

It was resolved:-

- (1) That the proposal be approved and the content of the report be noted.
- (2) That a further progress report be submitted to the Board in early 2007.
- (3) That the Cabinet Member for Community Cohesion receive regular updates on the Community Buildings Review and the development of Area Asset Management Plans.

The Quirk Review

The briefing note, attached at appendix 1, covers:

Making Assets Work

The findings of the Quirk Review of community management and ownership of assets, launched 15th May 2007

Opening the Transfer Window

The government's response to the Quirk Review, launched 22nd May 2007

Consultation on Community Assets Fund

Sent out in March 2007 with a closing date of 23rd June for responses

The neighbourhoods strategy manager has submitted a report to the Cabinet Member for Neighbourhoods; this report is attached at appendix 2.

It is anticipated that the property related proposals in the Local Government White Paper October, 2006 and the Quirk Review recommendations will begin to be implemented by central government during spring and summer 2008.

The Way Forward

The proposed way forward for Rotherham Council to address the Local Government White Paper October 2006, Community Buildings Review, Development of Area Asset Management Plans, the Quirk Review Findings, the Government 's Response to the Quirk Review and the Community Assets Fund is outlined in appendix 3.

8. Finance

Implementation of the strategy and principles outlined in appendix 3 will have significant financial and resource implications across the Council; these will be identified in more detail in a future report to the Board if the strategy and principles are agreed.

9. Risks and Uncertainties

The major risk is that the Council does not develop, approve and adequately resource an integrated comprehensive strategy and implementation programme and issues such as Community Calls for Actions and 'PROD' powers are not addressed in a robust consistent manner and decisions are made on an ad hoc basis.

10. Policy and Performance Agenda Implications

The development of an integrated comprehensive strategy and implementation programme will impact on all the Council's policies, strategies, priorities and inspections and the Council's total performance.

11. Background Papers and Consultation

- The Local Government White Paper – Strong and Prosperous Communities (October 2006)
- Making Assets Work – The Quirk Review of community management and ownership of public assets (May 2007)
- Opening the transfer window – The government’s response to the Quirk Review of community management and ownership of public assets (May 2007) (DCLG)
- Circular 06/2003: Local Government Act 1972 general disposal consent (England) 2003 disposal of land for less than the best consideration that can be reasonably be obtained
- Towards Better management of Public Sector Assets: A Report to the Chancellor of the Exchequer – Lyons, M. 2004
- Report to Regeneration and Asset Board 18 October 2006 on the review of the future of community buildings managed by the facilities management team in Economic and Development Services
- Report to Regeneration and Asset Board 15 November 2006 on strong and prosperous communities; the local government white paper, October 2006
- Report to Regeneration and Asset Board 6 December 2006 on Community Buildings Review and Area Asset Management Plans
- Report to Cabinet Member for Neighbourhoods 2 July 2007 on Making Assets Work-The Quirk Review
- Capital and Asset Review Team Members

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Appendix 1

The Quirk Review

Briefing Note

This briefing note covers:

Making Assets Work

The findings of the Quirk Review of community management and ownership of assets launched 15th May 2007

Opening the Transfer Window

The government's response to the Quirk Review launched 22nd May 2007

Consultation on Community Assets Fund

Sent out in March 2007 with a closing date of 23rd June for responses

Making Assets Work

Communities Secretary Ruth Kelly announced in September 2006 that there was to be a review of the community management and ownership of public assets which was to be chaired by Barry Quirk. The 'Quirk Review' terms of reference were to find ways to overcome barriers to community management and ownership of assets, taking into account the need to manage risk.

The Quirk launch was held in Sheffield at the Burton Street Project, a community based regeneration organisation in North Sheffield which has brought back into use, a dilapidated Victorian school which is now used by up to 2,000 people every week. Burton Street is one of the examples within the Quirk report of what can be achieved.

The three principal conclusions from the report are that;

- Asset Transfer should take place where it can realise social or community benefits, without risking wider public interest concerns
- The benefits of community ownership of assets can outweigh the risks involved, in appropriate circumstances and
- Risks can be minimised and managed by drawing on the experience of others.

Despite this positive message, many in local authorities will be nervous of the risks, and wary of promoting asset transfer. Such a reaction is not appropriate as the bigger picture should be looked at when responding to this initiative.

There are clear implications for local authorities when considering transfer of the management or ownership to the community of one of its buildings. It is important to properly and thoroughly assess these implications. The practical issues must be examined, potential risks identified and the potential benefits that asset transfer may bring to a particular community assessed. Therefore it is essential that a multi disciplinary approach is adopted utilising all appropriate resources both within and outside the Council so that the wider view of the potential risks and benefits is taken.

During the course of the review for 'Making Assets Work' a number of issues were raised directly to the review group. These are real issues of concern, that it is hoped will be dealt with in more detail within further guidance to be published. Here is a selection of some of the key issues that were raised.

1. Once a building has been transferred it could be 'lost' to the community. How can we know that the needs of today's community represent those of tomorrow?

Quirk says: *The expectations of the parties should be clearly documented, and the governing instrument of the community group should reflect the benefits that the parties desire to achieve for the 'whole community'. Restrictions can be imposed as an 'asset lock' preventing inappropriate use of the asset.*

Discussion point: *This is an opportunity to introduce a corporate approach to reviewing our asset portfolio and balancing the pressures of maximisation of capital receipts with the need to achieve community benefits through asset transfer. It is essential that asset management and community development teams work together to ensure the development of a genuine holistic approach at the local level.*

2. Buildings that could be transferred to the community often require significant capital investment to bring them back into use or to sustain continued use. How will this be funded?

Quirk says: *There are some funding sources available in addition to local authorities and charitable foundations including the new £30m Community Asset Transfer Fund. Transferring assets to the community provides collateral which opens up new funding opportunities e.g. from commercial banks.*

Discussion point: *No single source of funding can meet all circumstances, and it is essential that the financial implications of transfer are thoroughly considered to enable all opportunities to be identified. Potentially community groups have the opportunity to apply for a number of funding sources unavailable to local authorities. Each circumstance could be very different requiring a positive and robust approach where authorities work with community groups to develop realistic business cases. Authorities need to identify short and longer term savings (and potential costs) as well as contribution to strategic outcomes associated with transfer and introduce all these into the consideration. Restrictions need to be imposed as an 'asset lock' preventing inappropriate subsequent transfer of the asset resulting in the loss of the asset to the community.*

3. Managing, developing and sustaining building use is a technical business; do the local community have the required skills and capacity and are they aware of their responsibilities in managing the asset.

Quirk says: *A skills and capacity building programme is to be launched to include organisational development on community management and ownership of assets. This will include a capacity building programme for local authorities on asset management. There will also be access for the community organisations to a*

national pool of expert advisors relating to the transfer and management of land and buildings and the involvement of specialist financial expertise where appropriate.

Guidance will be published covering all aspects of local authority asset management along with a tool kit for local authorities and other public bodies on risk assessment and risk management in asset transfer to communities.

Discussion point: *It is essential that a full skills audit is undertaken as part of any asset transfer, so that the authority and the local community can have confidence that the building will be well managed. It is also important that the respective responsibilities of the parties are clearly established, agreed and documented. Whilst help is available to community organisations it could be that we develop our own local guidance and support for community transfer in our area. At the launch of the government's response to Quirk, Phil Woolas warned that this was not an excuse for local authorities to simply transfer liability for their worst performing assets to the community sector.*

4. Local authorities finances are finite, budgets are being continually stretched and there is continual pressure to maximise capital receipts. Is this in direct conflict with the transfer of assets to the community?

Quirk says: *Local authorities have a duty to promote well being in their communities. The case studies show that asset transfer can bring real benefits to neighbourhoods, giving them a sense of civic pride and an engagement with others in the community. Asset transfer has to be seen as a mechanism to achieve corporate goals.*

Discussion point: *A balance has to be reached. In some cases, the transfer of an asset may deliver our strategic asset objectives. In other cases the two may be in conflict. Poorly prepared authorities will not be able to identify the difference between the two. It is essential that we develop robust option appraisal approaches so that community benefits can be assessed objectively against corporate objectives and potential efficiencies.*

5. What are the implications for those authorities who don't take seriously requests for community management and ownership of assets?

Quirk says: *Where a community organisation's request to take over a building is not taken seriously they can involve the elected councillor, who will be able to address this through a 'Community Call for Action'. If the request from the organisation is for the transfer of vacant, derelict or underused land or buildings, then recourse is available through a Public Request to Order Disposal (PROD). Discussions are also taking place with the LGA about how they can ensure that Local Authorities take requests for community management and ownership of particular assets seriously.*

Discussion point: *It is hard to gauge the likely response from the community sector, in terms of the numbers of assets that will be involved. Nevertheless we need to prepare ourselves for approaches. If authorities are not taking strategic views of their property assets, and are not certain why certain assets are being retained and*

have inadequate performance data across the portfolio, they will be less able to respond in informed ways to such approaches.

6. How can authorities protect the use of public money, where a public body has made a grant or disposed of the asset at less than market value

Quirk says: *Historically clawbacks have been imposed by authorities, meaning that authorities could clawback the proceeds if assets were sold or any profit generated from the asset use. This has acted as an impediment to community organisations from using assets as collateral for borrowing. DCLG will take a lead to encourage central government departments, local authorities and other public bodies to review their approach to clawbacks.*

Discussion point: *Again it is a question of striking the right balance. If the purpose of an asset transfer is to facilitate securing external funding, and that funding will require collateral, then clearly the nature of any 'protection' for the authority needs to be carefully structured. Risk has to be balanced with potential benefits.*

7. What about the efficiency agenda is there a workable balance between generating capital receipts and disposing of public assets at less than market value?

This is one of the areas where the questions are still left unanswered. Quirk doesn't really provide any solution, probably because there aren't any. This is where two government policies seem to be at odds and local authorities may feel pressure to resist approaches from the community sector in order to achieve projected capital receipts and softer community benefits and outcomes will often be more difficult to identify than financial hard facts. This is where authorities will need to be quite imaginative in their approach and look at each and every instance. It will be far too easy to say 'no' each time, based on simple financial criteria. It is fair to say this is where the much overused term 'thinking outside the box' really needs come into consideration.

Opening the Transfer Window

The government's response to Quirk was launched by Phil Woolas MP at a Development Trusts Association (DTA) symposium in London. In short, the government are accepting the recommendations of the Quirk Review in full and 'Opening the Transfer Window' sets out their outline proposals for how these will be implemented. Phil Woolas stated that the proposals were 'common sense' and that Gordon Brown was 'personally committed to the agenda'.

There was an interesting question and answer session at the end of the event and the audience was very much dominated by 'third sector' organisations. Indeed it is fair to say that local authority property professionals came in for a bit of criticism from one or two of the delegates. One in particular referred to how he had contacted asset managers in two authorities since the launch of the Quirk report and neither had knowledge of the review and suggested that it was unlikely that they would dispose of any property to the community sector at less than market value. This was

clearly not an isolated case and we need to be prepared to examine every approach in an open, objective and fair manner.

The government's proposals for implementation of the Quirk findings fall into seven main areas as follows:

- **Raising awareness of the review findings and sharing ideas on how to apply them**

Clearly if the DTA delegates experience is anything to go by, there are still property professionals within the Local Government who haven't heard of the Quirk review. The government propose to use a number of existing channels to get the message to the various stakeholders.

- **Demonstrating how Asset Transfer can be done**

A demonstration programme is to be set up between June 2007 – March 2008 working in 20 selected areas developing models of effective partnership between Local Authorities and community sector organisations. The successful models will be promoted more widely from April 2008 onwards.

Neighbourhoods and Adult Services have submitted a bid to the demonstration programme for a community land trust in collaboration with the Maltby Community Development Trust.

- **Strengthening Bottom up pressure**

This refers to the use of Community Calls for Actions and 'PROD' powers already covered earlier within this briefing. The government proposes to monitor the effectiveness of these mechanisms and explore whether further ways will need to be introduced to ensure that communities have the levers and opportunities they need.

- **Developing Specialist Advice**

Two key areas of interest in this section. The first that updated Asset Management guidance will be drafted by April 2008 in partnership between LGA, RICS and the IPF. Secondly a new resource will be available from April 2008 providing checklists for risk management.

- **Resources**

Government will bring together potential funders to explore the opportunities for more collaboration within this area and consider what extra support may be provided in the future.

- **Promoting the Benefits**

This refers to the on-going promotion of this initiative over the next three years using a variety of methods and channels. One suggestion is through 'a reality TV format' to promote the concept to the wider public.

- **Reviewing Achievements and Measuring Success**

The government will continue to monitor and measure achievements in the future. In particular the original Quirk review team will be re-convened in twelve months to consider the impact of the recommendations so far.

The document goes on to include a chapter listing partner organisations and contacts and then provides a timeline for implementation for the proposals.

Consultation on Community Assets Fund

Much has been said about the Government's proposed £30 million to support partnerships between local authorities and community-led, third sector organisations. The fund is intended to offer capital to refurbish assets and will be managed by The Big Lottery Fund on behalf of the Office of the Third Sector.

The consultation document sets out some of the underlying principles that will govern the fund and requests views on some of the aspects of how the fund will work in practice.

Responses were due by 23rd June 2007; a summary of these, and final criteria for the fund will be announced, together with guidance, application information and timescales in the summer.

The fund will be confined to covering capital expenditure on refurbishment and the consultation document includes seven key principles that govern the way the fund will work. In short these are:

- A flexible approach is required
- Grants will be made to strong partnerships between local government and the third sector reflecting the range of needs of the local community.
- Partnerships must demonstrate strong community endorsement.
- Any proposal needs to be part of a strategic/corporate approach to asset management
- Approaches need to have robust business cases that aim at long term financial stability.
- Risk will be managed using safeguards such as business planning, independent expert advice, feasibility studies, ongoing financial agreements and robust governance arrangements.
- Refurbishment must include consideration of environmental issues and the reduction of running costs

In addition, financial intermediaries will be required to draw in further investment and expertise, and bids will need to link with capacity building programmes to provide organisational development support.

There are ten consultation questions which range from the average amount per project to how the fund can influence future policy. A few are highlighted below.

Question one envisages the average size of grant to range between £250,000 and £500,000.

Question three relates to eligible assets and the document states that this will have a broad definition providing an asset transfer would fulfil the principles stated earlier in the document. There are no details of when and, to whom the money will be available, one comment was made at the DTA Symposium which inferred that money would not be given to local authorities prior to transfer.

Questions five to seven look at how funding should be allocated, whether wide distribution across the authorities, targeted at specific areas, or to promote a range of different types of approaches and proposals for innovation.

The Office of the Third Sector were keen for as many views and responses as possible.

Neighbourhoods and Adult Services have submitted a response on behalf of Rotherham Metropolitan Borough Council; the response is attached at appendix 2.

Quirk Summary

The message is clear there are barriers and risks to transfer of assets but these can be overcome, minimised or managed, there is plenty of experience to draw on and sufficient existing legislation to allow it to happen. However, in order to achieve success all parties have to work together, there needs to be political will, managerial imagination and a business focussed approach from the public and community sectors.

The Quirk review tells us that communities and councils have the potential recipes, ingredients and guidelines to make this work, but they need to discover for themselves the particular mix which makes the most sense in their unique circumstances.

There is no single answer. What works in one community may not work in another. The checks and balances in place in one area, may not be appropriate in another. Certainly the additional guidance that is planned will assist local authorities and community groups in identifying and understanding the potential risks and bene

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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5.	Meeting:	Cabinet Member for Neighbourhoods
6.	Date:	2 July 2007
7.	Title:	Making Assets Work - The Quirk Review
8.	Directorate:	Neighbourhoods and Adult Services

5. Summary

This report provides a short briefing on the main findings arising from the Barry Quirk Review on community management and ownership of public assets following Sir Michael Lyons (2004) findings that there is a relationship between active community involvement and economic development. Translated through into the Local Government White Paper – Strong and Prosperous Communities, the White Paper promised increased opportunities for communities to manage and own local public buildings and land.

Supported by Communities Secretary Ruth Kelly, the Quirk Review has reported that transferring public assets to communities not only leads to more responsive services that meet local people's priorities but can also create more confident empowered communities with greater civic spirit

6. Recommendations

Cabinet Member is asked to:

- 1) CONSIDER THE EARLY IMPLICATIONS FOR THE COUNCIL ARISING FROM THE MAIN FINDINGS OF THE QUIRK REVIEW OF COMMUNITY MANAGEMENT AND OWNERSHIP OF PUBLIC ASSETS**
- 2) AGREE THE ESTABLISHMENT OF CROSS DIRECTORATE WORKING GROUP TO CONSIDER IDENTIFICATION OF PUBLIC ASSETS THAT ARE LIKELY TO BE AFFECTED BY THE RECOMMENDATIONS OF THE QUIRK REVIEW**

7. Proposals and Details

The Local Government White Paper – Strong and Prosperous Communities (October 2006) signalled the next stage in public sector reform. The White Paper promised increased opportunities for communities to manage and own local public buildings and land. In particular it highlighted the role of asset management or ownership can play in giving communities the stability and confidence to develop and grow, as well as the means of securing external investment.

To support this work Barry Quirk, the Chief Executive of Lewisham Council, was commissioned to review the barriers and incentives affecting the transfer of public assets to community management and ownership.

The review builds on earlier reports, including the 2004 Lyons Report – Towards Better Management of Public Assets and the Joint Home Office and Office of Deputy Prime Minister report – Communities Taking Control. The remit of the review was to focus on the greater stake that community-led organisations could have in public assets, that is land and buildings currently owned by central or local government or their agencies. The review was **restricted to non-housing assets** and did not cover liabilities.

The review suggests ten fundamental factors that need to be considered in overcoming barriers to greater transfer and management of assets:

- 1) community groups and social enterprises are extremely diverse
- 2) often groups are under-capitalised
- 3) many of the assets considered by resident and community groups are not owned by Local Authorities
- 4) community empowerment and asset management has not featured strongly within local government strategic community plans
- 5) where asset transfer and management has taken place within the context of community empowerment this has been piecemeal and not part of an overall strategic approach
- 6) overall community ownership is not featured within asset management plans
- 7) often relationships between the council and community sector are short-term, which causes difficulty for accessing financial means
- 8) convening role is beginning to emerge through local strategic partnerships and local area agreements
- 9) considerable change within the public sector asset base provides opportunity, albeit there are likely to be continued problems particularly in relation to culture
- 10) communities need “recipes” and not “blueprints” to assist in making community management and ownership work locally

The report concludes that there are no substantive barriers to prevent councils transferring assets into community management or full ownership. The main obstacles centre on:

- lack of awareness of existing powers to act

- the need for a change in culture that would enable every community having the opportunity to have a greater role in running services and owning assets

The review reminds Local Authorities that under the Local Government Act 1972 and Circular 06/2003 (the General Disposal Consent”) of the powers to transfer an asset to community management and ownership in any manner they wish, including less than market value. However, the review acknowledges that ‘the decision needs to be made by comparing the benefits to be gained from a market value proposal and the more less tangible community benefits that would accrue from a transfer to community use’. The review further recommends that the communities can be supported in their bidding for the management or ownership of a particular public asset through recourse to the ‘Community Call for Action’ which means that the matter would need to be referred to Overview and Scrutiny Committee for review. In the case of vacant, derelict or underused land or buildings, members of the public or community organisations can request the Secretary of State for Communities and Local Government to use powers under legislation introduced in 1980 (scheme known as PROD) to deter public sector landowners from holding on to vacant land or dwellings unnecessarily.

In considering funding sources to support community organisations, the review sees opportunities for more ‘widespread adoption of innovative approaches to the use of existing and new funds, to lever in additional finance that is currently not being accessed.

The review concludes with a series of recommendations both for central and local government.

Central Government Recommendations:

- 1) development of a toolkit on risk assessment and risk management relating to the transfer of asset to communities
- 2) publication of more comprehensive and up to date guidance on local government asset management
- 3) strengthened capacity building and organisational development programme supporting local authorities
- 4) government funding that could be used for supporting community management and ownership to maximise leverage through specialist financial intermediaries
- 5) initiate a three year promotional campaign

Local Government Recommendations:

- 1) realise community empowerment benefits
- 2) consider across all partners, an area wide strategy for the use of assets reinforced through Sustainable Communities Strategy and Local Area Agreements
- 3) undertake property reviews that focus either on a locality or a type of asset
- 4) use of Community Call for Action to enable communities to identify community assets appropriate for community ownership or management

In response to the Quirk Review, Government has agreed to implement the review proposals in full through its announcement of its six point action plan – ‘The Opening the Transfer Window’ implementation plan which challenges local authorities to maximise the transfer of public assets to communities in order to make services more responsive and create more confident empowered communities with greater civic spirit.

8. Finance

The Quirk review acknowledges that the need for investment in all areas of community management and ownership spectrum is immense with no single agency or source able to meet this need. Given this it is proposed that there is a need for a range of funding sources. The Quirk review suggests that there are a range of sources already in existence:

- Big Lottery Fund - £50m Community Assets Fund
- Futurebuilders - £125m fund, which in part funds third sector asset based development
- Adventure Capital Fund which support investment in community enterprises
- Cabinet Office £30m Community Assets Fund
- New £400,000 challenge for councils to become one of twenty pilot areas who will transfer up to forty key assets from local authorities to community organisations

Consideration is further being given by Government to what other additional support may be available for community ownership and management of assets, this will be determined by and subject to the outcome of the 2007 Comprehensive Spending Review.

Powers under the ODPM Circular 06/2003, Local Government Act 1972 general disposal consent (England) 2003 disposal of land for less than the best consideration that can be reasonably be obtained, which includes a general consent for small disposal provides the mechanisms by which the Local Authority can transfer assets to community management and ownership as a legitimate and beneficial option for consideration based on comparing the benefits to be gained from a market value disposal and the more and less tangible benefits that would accrue from a transfer to community use.

Understanding the level of assets, condition of assets and the capacity of community organisations to manage community buildings and access potential funding will require dedicated officer support. This officer resource is a challenge that has been set by the Communities Secretary Ruth Kelly who requires each council to appoint a senior figure directly responsible for increasing community transfer and empowering local communities.

9. Risks and Uncertainties

The Quirk review through discussions with many agencies has found that local authorities, community organisations and their networks have been quick to point out the danger of transferred property becoming a liability and no asset at all, thus there is a clear consensus that risk exists to both the local authority and the community organisation. The review is of the firm view that no barrier to action exists, as long as proper steps are taken to assess and manage the risks involved. However, the review did highlight that potential risk can be associated with the following unless robust mechanisms are put in place:

- organisation does not have the capacity to take over and manage the asset
- community organisation cannot raise the cash needed to purchase or refurbish the asset offered
- the ability of public bodies to support a particular project is limited by State aid rules or other restrictions
- Inability of community organisations to manage asset effectively
- Asset not used in public interest, taken over by an unrepresentative or unaccountable minority, access to asset not inclusive
- Community organisation is not able to invest in the asset to meet its longer term liabilities for upgrading and cyclical maintenance
- Reliance of smaller receiving organisations on volunteers through lack of resources for professional/support staff
- Fragmented ownership of assets across an area could impair strategic objectives and/or its LSP partners
- Confusion and lack of awareness over roles, responsibilities and liabilities between landlord and community organisation
- Conflict between competing community organisations for use of, ownership or management of asset
- community empowerment and asset management not featured strongly within local government strategic community plans

10. Policy and Performance Agenda Implications

The Local Government White Paper – Strong and Prosperous Communities sets out the new relationship between local government and communities. It will give more power to citizens and communities to have a bigger say in the services they receive and the places they live. It is envisaged that community ownership will bring people together, foster sense of belonging and play an important role in enhancing the local environment, alleviate poverty and raise people's aspirations. The overriding goal is that of community empowerment and this will need to be reflected through Sustainable Communities Plan and Local Area Agreements. In support of the councils key strategic themes transferring public assets to community management and ownership will provide opportunity to enable residents to develop and exercise skills associated with learning, involvement and entrepreneurial ship, enhance the borough's public spaces and buildings enabling both cultural and inclusive activity to take place, whilst also enabling citizenship and democracy to take place at a local level that will support strong, sustainable and cohesive communities

11. Background Papers and Consultation

- The Local Government White Paper – Strong and Prosperous Communities (October 2006)
- Making Assets Work – The Quirk Review of community management and ownership of public assets (May 2007)
- Opening the transfer window – The government's response to the Quirk Review of community management and ownership of public assets (May 2007) (DCLG)
- Circular 06/2003: Local Government Act 1972 general disposal consent (England) 2003 disposal of land for less than the best consideration that can be reasonably be obtained
- Towards Better management of Public Sector Assets: A Report to the Chancellor of the Exchequer – Lyons, M. 2004

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The Proposed Way Forward

Aim

To develop one integrated comprehensive strategy and implementation programme to address the Local Government White Paper October 2006, Community Buildings Review, Development of Area Asset Management Plans, the Quirk Review Findings, the Government's Response to the Quirk Review and the Community Assets Fund.

Objectives

Address

- The key issues outlined below in the Local Government White Paper October 2006 as they relate to property
 - Promotion of greater choice in services by a variety of means
 - Including
 - Neighbourhood based participatory budgeting
 - Area based property reviews
 - Ensuring participation of local citizens in Council activities
 - Empowering local people to manage their own neighbourhoods and community facilities
 - Community Calls for Action
 - A new performance framework intended to make the public's views on service quality the core test of local performance
 - A more radical and ambitious value for money programme with effective and direct challenges for more efficiencies and transformation of local services
 - Asset Management is vital to achieving cost savings for local authorities and helping them to deliver better outcomes for citizens.
The Beacon councils for Asset Management are highlighted as exemplars of good practice
- The implementation of the Saving Investment Paper regarding the disposal of community buildings
- Develop Community and Area Asset Management Plans to
 - Are to an agreed minimum consistent 'Rotherham' standard
 - Provide maximum outcomes for the total community
 - Use all Rotherham's assets and resources efficiently, effectively and in a sustainable manner
 - Maximise value for money expenditure on assets
- The principal conclusions of the Quirk Review
 - Asset Transfer should take place where it can realise social or community benefits, without risking wider public interest concerns
 - The benefits of community ownership of assets can outweigh the risks involved, in appropriate circumstances and
 - Risks can be minimised and managed by drawing on the experience of others.
- The Government's outline proposals for implementing the Findings of the Quirk Review
 - Raising awareness of the review findings and sharing ideas on how to apply them

- Demonstrating how Asset Transfer can be done
- Strengthening Bottom up pressure
- Developing Specialist Advice
- Resources
- Promoting the Benefits
- Reviewing Achievements and Measuring Success
- The key principles that will govern the Community Assets Fund
 - A flexible approach is required
 - Grants will be made to strong partnerships between local government and the third sector reflecting the range of needs of the local community
 - Partnerships must demonstrate strong community endorsement
 - Any proposal needs to be part of a strategic/corporate approach to asset management
 - Approaches need to have robust business cases that aim at long term financial stability
 - Risk will be managed using safeguards such as business planning, independent expert advice, feasibility studies, ongoing financial agreements and robust governance arrangements
 - Refurbishment must include consideration of environmental issues and the reduction of running costs
- The 2008 KLOE which were published in April 2007 for consultation; consultation closed in June 2007
- The move from comprehensive performance assessment comprehensive area assessment

Maintain Rotherham's status as an exemplar of good asset management practice.

Establish and operate a proactive delivery framework to ensure that issues are addressed and decisions made in a robust consistent manner and not ad hoc.

Strategy

The Community Involvement Team in the Neighbourhoods and Adult Services Directorate will ensure that Community Plans covering the whole of Rotherham Borough are produced

The Corporate Property Management Team in the Environment and Development Directorate will produce Area Asset Management Plans supporting the above Community Plans

The Corporate Property Management Team in the Environment and Development Directorate will drive implementation of the above Area Asset Management Plans

Principles

The Community Involvement Team in the Neighbourhoods and Adult Services Directorate will ensure that the Community Plans are

- Produced to an agreed minimum consistent 'Rotherham' standard in partnership with the total community
- Representative of the views of the total community as evidenced by robust consultation processes
- Approved by the total community

The Corporate Property Management Team in the Environment and Development Directorate will

- Ensure that the Area Asset Management Plans
 - Include all Rotherham's assets not just Council assets
 - Support the Community Strategy, the Council's Corporate Plan, the approved Community Plan and all the Partners' and Stakeholders' strategies and service delivery plans
 - Are developed in consultation with all service deliverers both within and outside the Council as evidenced by robust consultation processes
 - Are developed in consultation with the total community as evidenced by robust consultation processes
 - Be informed by area asset reviews undertaken to a consistent standard
 - Be informed by all the available geographic and property data
 - Are developed in accordance with the project procedures currently being developed in the Asset Management Service, this will ensure that the plans
 - Are to an agreed minimum consistent 'Rotherham' standard
 - Provide maximum outcomes for the total community
 - Use all Rotherham's assets and resources efficiently, effectively and in a sustainable manner
 - Maximise value for money expenditure on assets
- Develop, in consultation with all service deliverers both within and outside the Council, a programme for the production of area asset management plans which will take into account
 - Potential short, medium and long term changes in the communities
 - Identified strengths and weaknesses of the communities
 - Identified opportunities and threats to the communities
 - Timescales in the Community Strategy, the Council's Corporate Plan, the approved Community Plans and all the Partners' and Stakeholders' strategies and service delivery plans
- Drive implementation of the Area Asset Management Plans in consultation with all service deliverers both within and outside the Council and the total community

Implementation of the above strategy and principles will have significant financial and resource implications across the Council, these will be identified in more detail in a future report to the Board if the above strategy and principles are agreed.

Governance

The Community Involvement Team drive production, consultation and approval of the community plans.

Community plans approved by the total community and Cabinet members for Community Cohesion and Neighbourhoods.

The Corporate Property Management Team drive production, consultation and approval of area asset reviews and area asset management plans

Area asset management plans approved by all service deliverers, total community, capital and asset review team, ward members and Regeneration and Asset Board

Current Position

- Community Plans have been produced for some areas of the Borough
- The standards of the plans are variable
- The involvement of, consultation with and approval by the total communities has been variable
- No area asset management plans have currently been developed

Next Steps

If the above strategy, principles and governance are agreed by the Board the Corporate Property Management Team in the Environment and Development Directorate in consultation with the Community Involvement Team in the Neighbourhoods and Adult Services Directorate will produce a further report for the Board which will include

- A Community Plans production programme
- An Area Asset Management Plans production programme
- Criteria for the Rotherham standard for the
 - Community Plans
 - Area Asset reviews
 - Area Asset Management Plans
- Methodologies for the Area Asset Reviews and production of the Community and Area Asset Management Plans
- Financial and resources implications of implementing the strategy for the Council, its partners and the community

It should be noted that the appropriate implementation of the above strategy will take time.

It is likely that the Council will start receiving requests for transfer of assets before the production programmes and plans are developed therefore it is recommended that the two short term actions below are implemented immediately

- A short briefing note is produced and issued to all the communities in Rotherham outlining the Council's strategy and implementation programme
- When specific requests for transfers of assets are received by the Council they will be referred to the Corporate Property Management Team who will
 - Log the request for use when the area asset management plan is developed
 - Inform the Community Involvement Team
 - Send the standard reply below to the requester

The Council is currently developing an integrated comprehensive strategy and implementation programme for the production of Community and Area Asset Management Plans for the whole of the Borough. Your request has been noted and will be considered as the Plans are developed for your area.

The short briefing note will need to be updated and reissued to all the communities at regular intervals.

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