



South Somerset District Council



Draft Asset Management Strategy 2014 - 2017

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Foreword



Councillor Tim Carroll

Portfolio Holder for Finance and Spatial Planning

Our asset portfolio is inextricably linked with the delivery of the priorities of the council. We have had considerable success in implementing our previous Asset Management Plans with the overarching aims of supporting council objectives while managing our assets in the most effective and efficient way. Examples include the acquisition, with partners, of the Yeovil Innovation Centre and the Boden Mill complex in Chard to stimulate the local economy. We have also rationalised office accommodation to cut costs while completing a wide range of energy saving measures such as PV panels. In recent years, we have also been effective in using small land holdings to enable affordable housing developments.

Many of our residents will use our assets in some shape or form, whether that be accessing a public office, using our leisure or cultural facilities, car parks or commercial premises. In addition, most of our services are delivered directly or indirectly from our buildings or land. The way in which we maintain and manage our assets also has an impact on the built environment of our locality. As such, they make a huge contribution to the wellbeing of our community. We aim to transfer buildings that are important locally to parish and town councils and community groups.

This updated Asset Management Strategy and Plan, restates our commitment to use our assets to support the achievement of the objectives within the Council Plan 2012-15 and other key strategies. It sets out the council's organisational approach to the strategic management of its land and building assets and seeks to ensure that assets are used in the most effective and efficient way to support our priorities.

A handwritten signature in blue ink, consisting of a stylized, cursive name.

Introduction and Purpose

The Asset Management Strategy aligns SSDC's physical assets with the goals of its Council Plan underpinning, where resources allow, the delivery of the Plan and key strategies. It ensures that the asset base of the council is optimised to meet the future needs and requirements of the organisation, its residents and businesses.

Aims

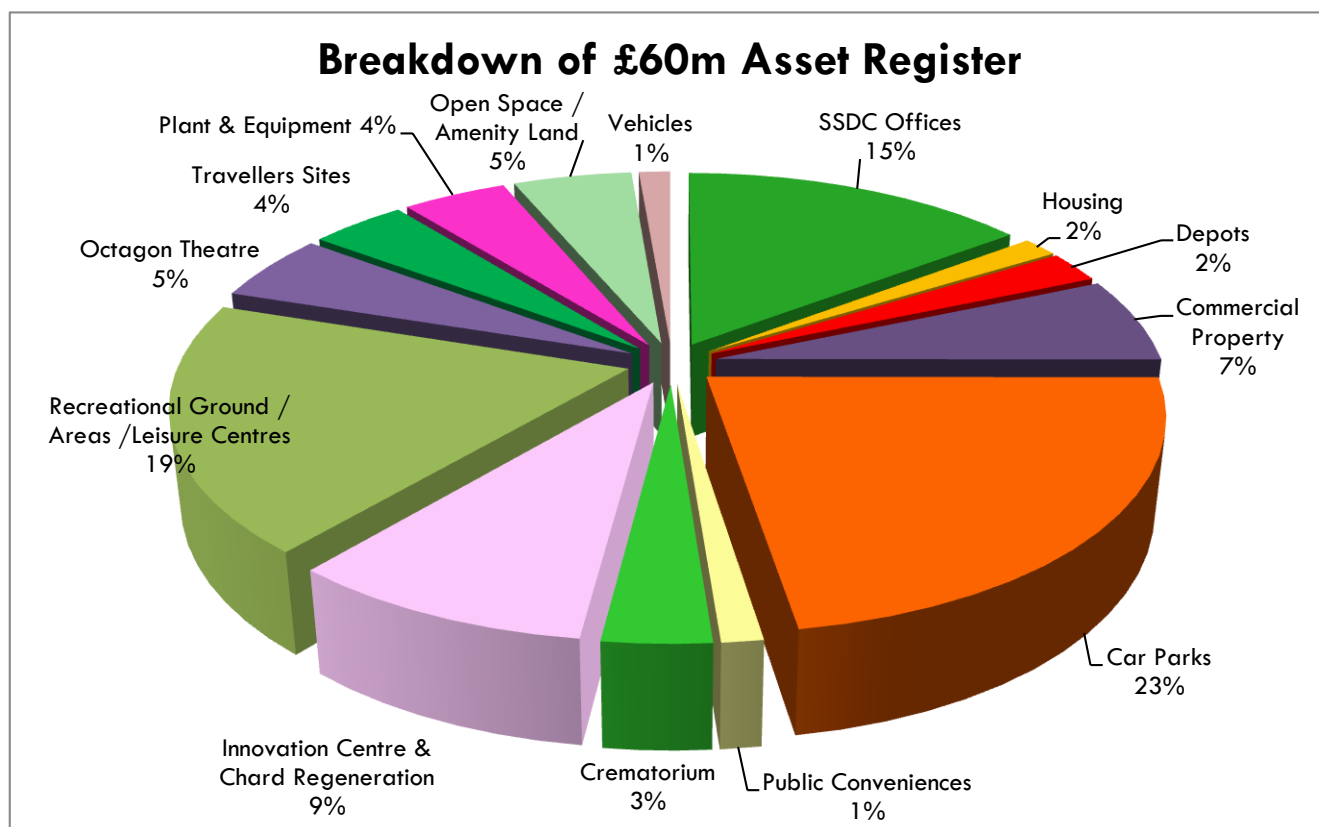
The Asset Management Strategy aims to:
Align the use of property resources to the Council's corporate aims;
Ensure the most economic and efficient use of all property assets;
Achieve value for money from land and property management activities;
Support sustainable and environmentally responsible property management;
Explore further collaborative working arrangements with other public bodies, and
Assist the council to respond to customer needs and changing service agenda.
These strategic aims will be addressed by:
Challenging property utilisation;
Annual action plans aligned to corporate goals;
Collecting sufficient property data on which to base investment and disposal decisions;
Disposing of unsuitable and/or inefficient properties;
Focusing on energy management;
Reviewing maintenance programmes;
Promoting more innovative use of property such as shared use arrangements;
Securing improved performance from consultants and contractors and
Seeking to improve the quality of the built environment.

Our Asset Portfolio

South Somerset holds a varied portfolio of property and building assets that support service delivery or another council objective:

Direct Service Delivery	Car Parks Crematorium Octagon Theatre Parks and Open Spaces Playing Fields	Public Hall Public Toilets Sports Facilities Tourist Information Yeovil Innovation Centre
Supporting Service Delivery	Depot	Office Buildings
Other Council Objective	Commercial units Garages Listed Buildings	Lufton 2000 Traveller sites

In addition, there are assets that have been acquired such as ransom strips and land banking to enable SSDC influence over future development; those that enable access to leisure; those that tackle a specific regeneration project or small parcels of land left over following the housing stock transfer. This diagram shows a breakdown of our assets showing the number and type of assets.



Asset Values and Costs

Assets have a capital value. In order to keep our buildings fit for purpose during their lifetime, the council places considerable importance on planned, preventative maintenance throughout a property asset's life. The Property Repair and Maintenance Policy sets out the approach to this and has been updated in 2013 in the light of reduced resources.

In addition, planned preventative maintenance and major replacement costs are split between revenue and capital. Only expenditure that enhances, ie increases the value and life of an asset, can be charged to capital. The authority's assets provide a substantial drain on capital and revenue for their upkeep. As at 1st April 2013, the costs include the following:

Asset	Revenue Repairs and Maintenance 2013/14 £'000	Capital Enhancements 2013/14 £'000	Capital Enhancements 2014/15 £'000
SSDC Offices	102	100	-
Housing	3	12	-
Depots	16	34	-
Commercial Property	90	15	-
Car Parks	42	40	-
Public Conveniences	33	-	-
Yeovil Crematorium	16	61	6
Recreational Grounds/ Areas/ Leisure Centres	59	85	-60
Octagon Theatre	57	30	-
Traveller Sites	22	-	-
Plant & Equipment	111	198	-
Open Space/ Amenity Land	3	331	370
Vehicles	99	130	-
Totals	653	1,036	316

Action 1: Update the asset revenue and capital expenditure on an annual basis as the Annual Asset Management Plan is reviewed.

Performance Measurement

To assist in reviewing whether each property is meeting the council's strategic aims for asset management, the following principles are applied to the performance measures:

- The data should be relatively easy to collect and assess;
- The indicators should be meaningful and allow assessment of strategic aims;
- The indicators should be capable of being used for benchmarking.
-

Current performance information collected for each asset where appropriate

Expected cost	Carbon emissions (tonnes)
Direct income	Energy cost per m ² (water, sewerage)
Net (Income) cost	Energy cost per m ² (gas, electricity, oil)
Management cost per m ²	Internal rate of return (commercial properties)
Building condition (A = Good, D = Poor)	

This information appears in the Property and Car Park Register. Each property has a brief description and relevant management information.

<i>Action 2:</i>	<i>Collect the performance data annually to assist the rolling asset review programme.</i>
<i>Action 3</i>	<i>Update the SSDC Property and Car Park Register on an annual basis with the relevant performance data and present to SASG.</i>

Asset Review Programme

Changes to the property portfolio are more challenging and time consuming processes than changes to other strategic council resources. A lack of focus on asset management can lead to buildings that are neglected with a backload of maintenance; under-utilised offices; insufficient control of running costs and a failure to deliver services where they are needed.

Therefore in order to achieve its aims the council will review its requirements for all land and property. A series of reviews, supported by performance and capital and revenue cost information, will be carried out through the Strategic Asset Steering Group (SASG) with consultation with the relevant portfolio holders. The reviews will develop proposals that will report to District Executive for decisions. Each review will consider the following:

- The strategic requirement for each property and likely future service requirements.
- Future accommodation needs, including potential for sharing with partners, hot desking and home working.
- The profitability of each asset including the condition statement, future maintenance needs and approximate annual maintenance and management costs.
- The possibility of transferring the property to the third sector.
- The appropriate standard of maintenance for that individual property.

These reviews will be continual and cyclical throughout the life of this strategy to ensure that there is a holistic knowledge of any significant asset work such as acquisitions, disposals or transfers so that these can be planned in the most effective way possible.

- Action 4: Review office accommodation in Brympton Way by 2014/15.*
- Action 5: Review miscellaneous properties (such as garages) and public conveniences by 2015/16.*
- Action 6: Review community and area office provision in the light of the area review by 2016/17.*
- Action 7: Review commercial properties by 2016/17.*
- Action 8: Prepare for a review of miscellaneous land holdings by 2016/17.*

Strategic Corporate Direction

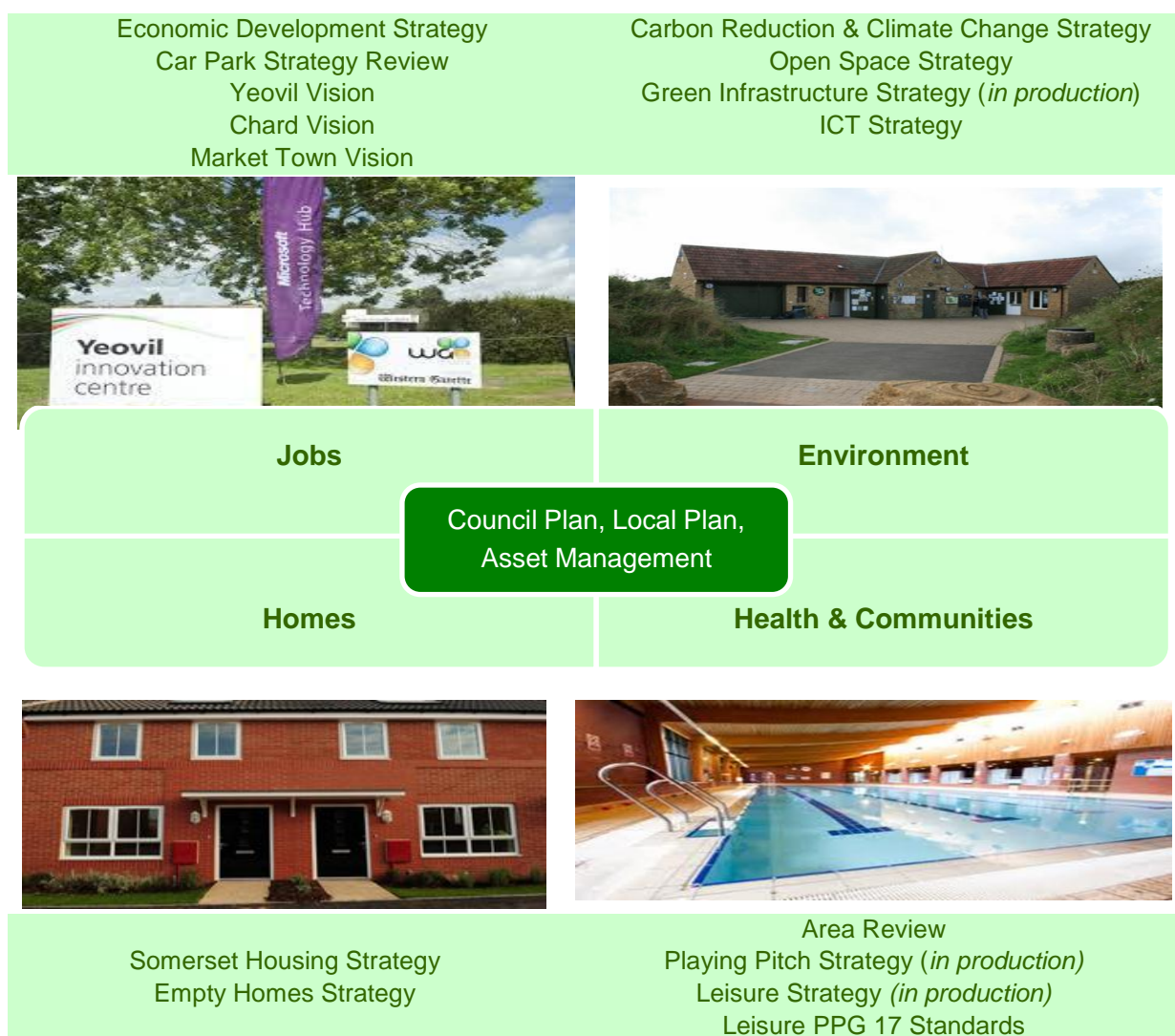
In addition to the aims and purpose of this strategy expressed on page 3, there are a number of strategic assumptions to guide decision making. These are:

- Rationalise and seek sharing opportunities with partners in all retained office accommodation to reduce costs and improve the service to residents. The following three buildings are to be retained:
 - Brympton Way as the SSDC head office.
 - Retain Petters Way as the Yeovil Town Centre office.
 - A depot.
- Provide an SSDC presence in Chard, Crewkerne, Ilminster, Langport, Wincanton and Yeovil.
- Make retained buildings more energy efficient.
- Dispose of (or transfer) buildings that do not contribute to the council's strategic outcomes or have an economic importance.
- Ensure that business continuity and safety of staff and visitors is maintained.
- Ensure that public buildings are fully accessible by staff and visitors.

- Action 9: Work with partners to share accommodation space in Brympton Way by 2014/15.*
- Action 10: Work with partners to share accommodation space in Petters Way, if feasible, by 2015/16.*
- Action 11: Establish feasibility of sharing a depot by 2016/17.*
- Action 12: Respond to actions raised in building/ fire / business continuity risk assessments.*
- Action 13: Ensure that suitable adaptations are made to enable reasonable access to our public buildings.*

Supporting the delivery of our Council Plan & Key Strategies

This strategy does not seek to reiterate actions already agreed in the Council Plan and key strategies, however strategic use of assets underpins the delivery of council objectives and key strategies. With respect to 'Jobs', our asset portfolio includes the Yeovil Innovation Centre, town centre car parks and commercial units. Supporting the 'Environment', we have assets that enable public access to open space and also manage the public safety of an ex-landfill site. SSSC does not have housing stock but has used areas of land holdings to facilitate new housing development and achieving our aims under the 'Homes' area of focus. We also manage two residential sites for gypsies. We use assets to support 'Health' by the provision of sports, leisure, parks and play areas to improve wellbeing. The following diagram indicates the key strategies with asset actions already agreed.



Action 14: Prepare an annual review of asset related actions in key strategies to assist in preparation of the Annual Asset Management Plan.

Working with Partners in the Community

SSDC has transferred a range of assets to community groups or parish/town councils, guided by our Asset Transfer Policy. The council has also worked with Trusts to enable the delivery of services occupying our buildings, including the Community Resource Service, Goldenstones and Wincanton Leisure Centres.

In 2012 the Localism Act introduced the Community Right to Bid process. The community now has the right to identify assets that they believe are of local value and nominate them to be listed on the council's Register of Assets of Community Value. If the asset comes up for sale on the open market, the community will be given time to prepare a bid. Another important aspect to asset management is the contributions from Section 106 and CIL contributions towards the long term maintenance and development of our assets, ranging from SSDC owned play and open space to our network of leisure and buildings.

Action 15: Respond to community requests and opportunities as they arise.

Links with other corporate requirements

Data Management

A statement of assets held by category including numbers and value has been prepared. There is a rolling programme that reviews all asset values once every five years. These records are compiled on the corporate asset database on our GIS map based system. This information is constantly updated as further information is extracted from legal documents.

Accessibility and Equalities

Views about accessibility to our services and buildings are gathered through the Disability Action Group which meets with members and officers. Their input feeds into building improvements to offices and other public buildings. Work required to meet accessibility requirements in public areas of our buildings has largely been completed to comply with the Disability Discrimination Act 1995. There are several public buildings where practical and physical difficulties have yet to be overcome or where further improvements are required. Car parks have also been surveyed and work carried out to improve the location of disabled spaces and in current non pay and display car parks, access to ticket machines should charges be introduced. All letting policies are reviewed by the Equalities Panel.

Sustainability

Actions are outlined within SSDC's Carbon Reduction and Climate Change Adaptation Strategy and work is underway to both reduce energy use and adapt to changing climate.

Action 16: Ensure actions within the Annual Action Plan do not conflict with data, equalities or sustainability requirements.

Review of the Strategy

The strategy will be fully reviewed in 2017. However as the purpose of the strategy is to underpin the delivery of key strategies, annual reviews will establish whether additional links need to be made to new strategies adopted during the year. Also, new strategies will need to be mindful of the Asset Management Strategy in terms of resource and capacity.

Production of the Annual Asset Management Plan

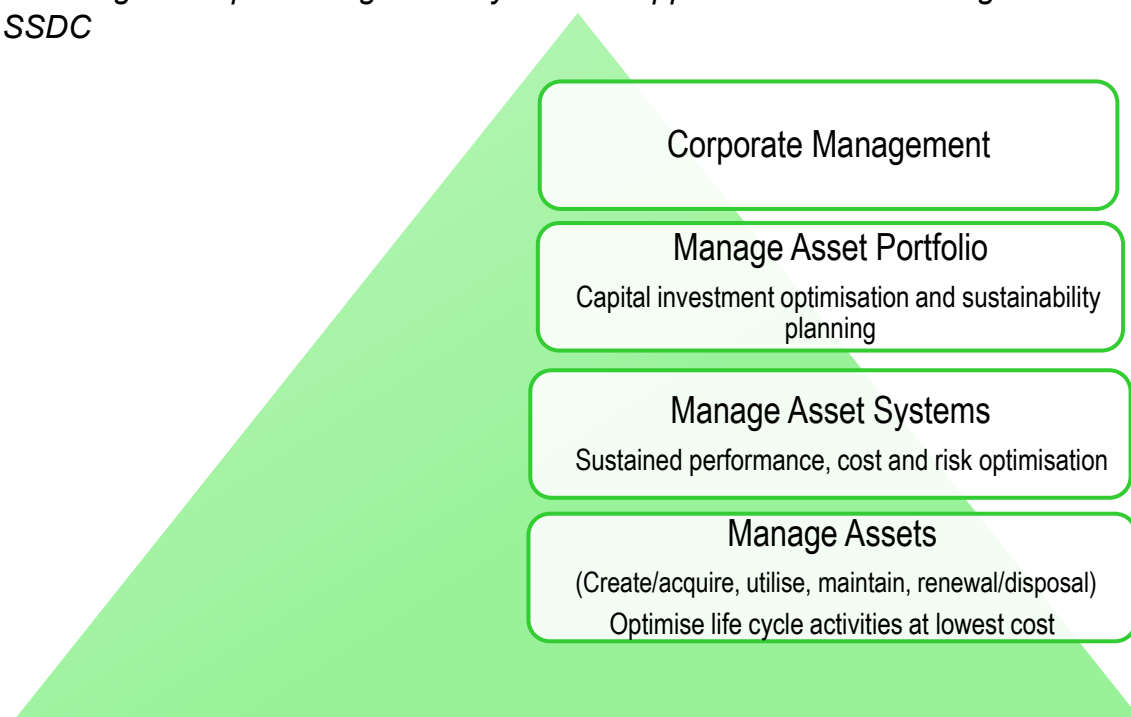
At the time of the development of the annual service plans, each service will complete an annual request for support for property or asset-related projects. These requests will then be put alongside the corporate and community requirements and prioritised according to relative need and resource available. Following this process, the annual Asset Management Plan will be updated and presented to the Strategic Asset Steering Group and then linked to the Property and Engineering Service Plan and other service work programmes. We will aim to maintain a flexible approach to prioritisation of these actions in terms of timescale so that we can capitalise on opportunities, requirements of wider public policies and the changing needs of the organisation.

Action 17: Collate all requests for asset related actions and prioritise.

Action 18: Produce the Asset Management Plan, retaining flexibility to de-prioritise some actions should a new priority be identified throughout the year.

Asset Management System

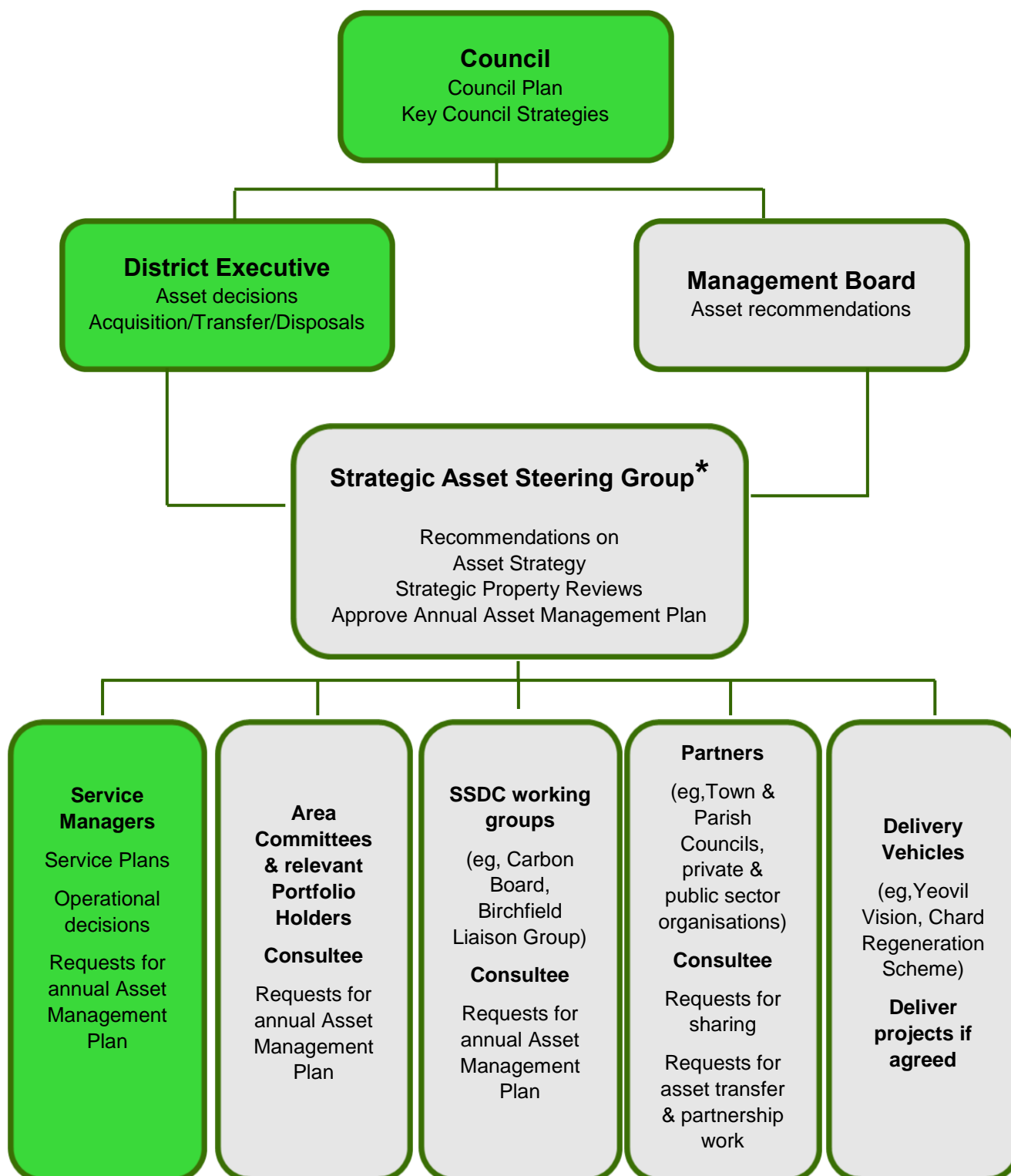
This diagram depicts the general systematic approach to asset management in SSDC



Decision-making arrangements for asset management

This is summarised in the following diagram with non-decision making bodies (with respect to strategic asset management) in grey shaded boxes:

** Strategic Asset Steering Group comprises the Leader, Portfolio Holders for Finance, Property and relevant Directors and Assistant Directors*



Appendix 1 : Summary Action Plan

	Action	14/15	15/16	16/17	Priority	Who	Resource
Asset Values and Costs							
1	Update the Asset Revenue and capital expenditure as the Annual AMP is reviewed.	✓	✓	✓	H	Finance team	Existing staff resources
Performance Measurement							
2	Collect performance data to assist the rolling asset review.	✓	✓	✓	H	Finance team P&E team	Existing staff resources
3	Update the SSDC Property and Car Park Register with relevant performance data.	✓	✓	✓	M	Finance team	Existing staff resources
Asset Review Programme							
4	Review office accommodation in Brympton Way.	✓			H	AD Env	Existing staff resources. A report will be presented to members with recommendations and costs/savings once review is completed.
5	Review miscellaneous properties and public conveniences.		✓		M	SASG	Existing staff resources. Report will be presented to members with recommendations and costs/savings once review is completed.
6	Review area and community office provision.	✓	✓	✓	H	SASG	Existing staff resources. Reports will be presented to member with recommendations and costs/savings once review is completed. It may be that a development brief

	Action	14/15	15/16	16/17	Priority	Who	Resource
							is commissioned as part of the initial review that will require further funding in some cases.
7	Review commercial properties.			✓	M	SASG	Existing staff resources. Report will be presented to members with recommendations and costs/savings once review is completed.
8	Prepare for a review of miscellaneous land holdings.			✓	M	SASG	Existing staff resources. Report will be presented to members with recommendations and costs/savings once review is completed.
Strategic Direction							
9	Work towards shared accommodation space in Brympton Way.	✓			H	AD Env	Existing staff resources. A report will be presented to members with recommendations and costs/savings once review is completed.
10	Work with partners towards shared accommodation at Petters House.		✓		H	AD Env	Existing staff resources. A report will be presented to members with recommendations and costs/savings once review is completed.
11	Establish feasibility of a shared depot.			✓	L	Dir (O&C)	Existing staff resources. A report will be presented to members with recommendations

	Action	14/15	15/16	16/17	Priority	Who	Resource
							and costs/savings once review is completed.
12	Respond to actions raised in building / fire / business continuity risk assessments.	✓	✓	✓	H	CC Manager P&E Manager	Existing staff resources. There may be a requirement for further funding as part of the response that will be presented to members to request funding in due course.
13	Ensure that suitable adaptations are made to enable reasonable access to public buildings.	✓	✓	✓	M	Equalities Officer P&E Manager	Existing staff resources. There may be a requirement for further funding as part of the budget setting process.
Supporting the Council Plan and Key Strategies							
14	Review asset related actions in key strategies to assist in the production of the Asset Management Plan.	✓	✓	✓	M	AD's	Existing staff resources
Working with Partners in the Community							
15	Respond to community requests and opportunities as they arise.	✓	✓	✓	M	AD Communities	Existing staff resources. There may be a requirement for further funding as part of the budget setting process.
Other Corporate Requirements							
16	Ensure actions within the Asset Management Plan do not conflict with data, equalities or sustainability requirements.	✓	✓	✓	H	AD Finance	Existing staff resources

	Action	14/15	15/16	16/17	Priority	Who	Resource
Annual Asset Management Action Plan							
17	Collate all requests for asset related actions and prioritise.	✓	✓	✓	H	AD Env with other AD's	Existing staff resources
18	Produce the Asset Management Plan, retaining flexibility to de-prioritise some actions should a new priority be identified throughout the year.	✓	✓	✓	H	SASG	Existing staff resources

Glossary:

AD = Assistant Director

AMP = Asset Management Plan

Dir (O&C) = Strategic Director, Operations and Customer Focus

P&E = Property and Engineering Team

SASG = Strategic Asset Steering Group

Appendix 2 : Asset Management Strategy on a Page 2014-17

Purpose: The Asset Strategy aligns SSDC's physical assets with its Council Plan goals, underpinning, where resources allow, the delivery of the Plan and key strategies. It ensures that the asset base of the council is optimised to meet wider public policies and future needs of the organisation, its residents and businesses.

Aims: The Asset Strategy will:

- Ensure the most economic and efficient use of property.
- Align assets to council areas of focus and key strategies.
- Achieve value for money from assets.
- Develop sustainable property management.
- Explore further collaborative working arrangements.
- Be responsive to customer need and service agendas

As resources allow, we will:

- Create an annual action plan aligned with corporate goals, and
- Use sound property data to challenge property utilisation and review maintenance backlog.
- Dispose of unsuitable or inefficient properties and seek further shared use arrangements
- Focus on energy management and seek better performance from contractors.
- Be mindful of accessibility, equalities, consultation requirements and data management and links to other council plans and strategies.

Strategic Direction: Retain Brympton Way as head office, Petters Way as Yeovil Town Centre office and Lufton Depot; provide an SSDC presence in Chard, Crewkerne, Ilminster, Langport, Wincanton and Yeovil; seek sharing opportunities with partners in office/depot accommodation, make retained buildings more energy efficient; dispose of, or transfer, buildings that do not contribute to the council's objectives, ensure business continuity, safety and accessibility for staff and visitors.

We will deliver asset related actions within the Council Plan the following strategies and policies where resources allow.

Jobs	Environment	Homes	Health & Communities	Corporate
<p>Economic Development Strategy Car park Strategy Review Yeovil Vision Chard Vision South Somerset Market Town Vision</p>	<p>Carbon Reduction and Climate Change Strategy Open Space Strategy Green Infrastructure Strategy (in production) ICT Strategy Countryside Management Plans Contaminated Land Strategy Car park Strategy Review</p>	<p>Somerset Housing Strategy Empty Homes Strategy Homelessness and Temporary Accommodation Strategy</p>	<p>Playing Pitch Strategy Sport / Active leisure Strategy Area Review Asset Transfer Policy Response to the Localism Bill Community Right to Buy Play Strategy Young people Strategy Planning Policy Guidance 17 Car park Strategy Review</p>	<p>Acquisition / Disposal Policy Medium Term Financial Strategy Capital Strategy Area Review ICT Strategy Various lettings policies Repairs & Maintenance Policy Procurement Strategy Car park Strategy Review</p>
<p>With Market Towns Investment Group, Chard Regeneration Scheme, Yeovil Vision, Service teams.</p>	<p>With Carbon Board, Birchfield Liaison Group, Friends of Country Parks, Cemetery and Crematorium Joint Committee</p>	<p>With Somerset Strategic Housing Officers Group</p>	<p>With Health & Wellbeing Boards, LED and the HUB, Area Committees, Parish and Town Councils, Community Groups</p>	<p>With District Executive, Strategic Asset Steering Group, Asset Management Team, agency partners.</p>

Outcomes

Improved value for money, quality of services delivered, well maintained buildings, good asset data, more shared use, compliance with legislation, good accessibility, strong alignment with corporate goals, good cross-service input, clarity about decision-making, release of capital, reduced running costs, improved productivity, improved community strength and delivery of the Council Plan.

Appendix 3 : Asset Management Plan on a Page 2013-14

Purpose: The Asset Management Plan outlines agreed actions for each year. It will be updated annually, with progress monitored at SASG along with a more detailed list of actions arising from service plans and area development plans.

Our plans for 2014-15

Jobs

- Investigate potential development from car parks.
- Progress Chard Regeneration Scheme.

Environment

- Investigate voltage optimisation at further sites.
- Investigate biomass heating opportunity at Lufton.
- Install gas boiler at the Octagon.
- Insulation project to Petters Way roof.
- Continue to monitor and address actions at Birchfield.
- Consider electric charging points in car parks.

Homes

- Identify a Temporary Stopping Point for gypsies and travellers.
- Review use of SSDC properties for potential conversion to housing.
-

Health and Communities

- Work with partners to prepare ideas for a multi-agency hub at Petters House.
- Work with parishes and towns on potential for transfer of public buildings in their locality.
- Respond to any community asset requests as they arise.

Corporate

- Prepare plans for reducing office accommodation space.
- Prepare performance data for all our properties.
- Review **the x portion** of our property portfolio at SAMG.
- Investigate options for air handling system.
- Scheduled works on buildings with 10 year plans.
- Prepare delivery plan for area office accommodation as identified in the area review.