

MELTON BOROUGH COUNCIL

Working with Partners to deliver services

ASSET MANAGEMENT PLAN & CAPITAL STRATEGY (AMP & CS) (Draft for member comment/approval July 2012)

2012/13 – 2014/15



Parkside
Station Approach
Melton Mowbray
LE13 1GH

April 2012

For further information on the Asset Management Plan and Capital Strategy

Please contact: **David Blanchard**
Corporate Property Officer
Melton Borough Council
Parkside
Station Approach
Burton Street
Melton Mowbray
Leicestershire
LE13 1GH
Tel: 01664 502416
E-Mail: dblanchard@melton.gov.uk

29th March 2012

The following documents have been referred to in writing this asset management plan and Capital Strategy:

The Code for Leasing Business Premises in England and Wales 2007

RICS Public Sector Asset Management Guidelines “A guide to best practice”
January 2008

Leaner and Greener II – “Putting Buildings to Work” February 2011

Disposal of Public Assets at less than Best Consideration 2010

2011 -2015 Affordable Homes Programme – Framework –Homes and Communities
Agency

Contents

	Page
Foreword by Council Leader	1
1.0 Introduction	2
2.0 Progress from the Asset management plan 2009-2011	3
3.0 Policy and resources context	4-6
4.0 Property Assets	7-12
5.0 Capital Strategy	13- 15
6.0 Consultation and Partnership working	16
6.0 Performance Monitoring	17
7.0 Next Steps, future opportunities and risks	18

Appendices

- 1 Corporate Policy Framework
- 2 Property Action Plan 2012/13 (PAP)

MELTON BOROUGH COUNCIL
ASSET MANAGEMENT PLAN
AND CAPITAL STRATEGY

2012/13 – 2014/15

Foreword by the Leader of the Council – Cllr Byron Rhodes

The current economic climate presents challenges for asset management, with continuing pressure on capital and revenue budgets and also the need to challenge the use and occupation of property assets to ensure that optimum social, environmental and economic outcomes are being obtained.

Over the next 3 years the Council will focus much of its resources in supporting the priorities within the Council's Corporate Plan, which are based around 3 themes of:

- Place - Improving places by helping to make an environment suitable for new business activity and new developments
- People - helping the local economy by supporting people through the economic downturn.
- Well-Run Council - Delivering good services to our customers that are value for money.

The effective use of property assets is a key factor to support the Council in delivering effective services to the community of Melton Borough. Accessible properties with good design and technology and good management arrangements will help to ensure that our customers enjoy a safe, comfortable and welcoming environment.

The next three years will see the Council develop and fine tune our newly enhanced joined up working with Partners. Already Partners are sharing space and knowledge effectively at Parkside and the Children/Community Centres to help improve service delivery to our customers. The refurbishment of Waterfield Leisure Pool will bring much needed improvements to leisure facilities for the local community. Options will be explored for the improvement and development of the Cattle Market and taking forward plans for the urban extension of Melton.

The Council will continue to be open to exploring new opportunities, for example, looking at our facilities to see if we can improve them, expand or contract our services or work differently we will also be investigating other leisure projects for the town, subject to consultation outcomes. The Council will acquire strategic property and land that make the case for social, environmental and economic benefits for the Borough now or in the future.

The Asset Management Plan and Capital Strategy sets out our priorities and planned actions over the coming three years and our progress will be reviewed annually by Members during this period.

Byron Rhodes,
Leader of the Council
Melton Borough Council

1. INTRODUCTION

This is the fifth Asset Management Plan and Capital Strategy for the Council since 2001. This year the Plan has been combined with the Capital Strategy to provide a more comprehensive single document. The Plan defines Melton Borough Council's Asset Management Plan and Capital Strategy for the period from 2012/13 -2014/15. The Plan has been endorsed and adopted by Melton Borough Council at the Policy, Finance and Administration Committee on 3rd July 2012 and progress will be reviewed and reported on annually.

The aims and objectives of asset management for Melton Borough Council are:

- 1 To regularly review the asset portfolio to ensure assets are fit for purpose and are utilised efficiently, effectively and economically taking into account partnering opportunities Future property needs will be identified and surplus properties disposed of.
- 2 To actively manage Council properties, providing a facilities management and repairs and maintenance service to ensure buildings are comfortable and clean, accessible for all, well maintained, safe and secure and operating effectively with minimum impact on the environment.
- 3 To identify and pursue opportunities for the Council to shape the local economy, helping to make regeneration happen by aligning asset management with corporate priorities.
- 4 To maintain and provide accurate data on the Council assets.

The Council owns a relatively small property portfolio and the level of detail and complexity of the Plan is proportional to the size of the portfolio.

2.0 Progress from the Asset Management Plan 2009/10 -2011/12

Before looking forward at the next three years it is helpful to put asset management at Melton into context and understand the significant changes made at the Council in the last four years (since the devastating fire at the Nottingham Road Council offices on the 29th May 2008).

The previous Asset Management Plan 2009-2011 set out four key priorities:

- New Council Offices – To include partners, to be “fit for purpose” at an appropriate quality and design, to be built on time and within budget.
- Disposal of surplus land at Nottingham Road
- Development Plan for Cattle Market regeneration and negotiations with Cattle Market partners for future management
- Waterfield Leisure Pools – Refurbishment project and appointment of Leisure operator

New Multi Agency Council offices

The challenge to design “fit for purpose” offices that support the business against competing resources and a limited budget made “Parkside” the main priority for asset management over the past three years. The focus was on joining up service delivery across tiers of government to better deliver on target outcomes at lower cost. The building was funded primarily by insurance monies and partner contributions.

The new Council offices were completed on time and within budget (apart from a slight time delay due mainly to weather conditions.) Parkside was occupied by the Council in September 2011 and Leicestershire County Council and Probation in October 2011, followed by the NHS Trust in December and voluntary sector partners in 2012.

The offices are modern, flexible, fit for purpose and well equipped to help staff deliver services to their customers. The new offices make efficient use of space and were designed to be open plan, keep energy consumption low and make good use of natural light. Solar shading and window blinds protect the building from excessive heat gain in warm weather. A building management system regulates the building temperature and makes use of natural ventilation with automatic opening windows, light sensors help to reduce energy consumption and the Council has introduced a green travel plan that encourages car sharing and cycling to work so that impact, the Council also has a paper light policy.

Parkside enables us to offer multi agency services under one roof to our customers. Volunteer organisations, Citizens Advice Bureau, Women’s Aid, and Voluntary Action Leicestershire work alongside the Police, health workers and Probation using flexible spaces at Parkside that encourages the sharing of appropriate information - enabling all to work together effectively for the public and provide early intervention approaches for vulnerable families and young people.

For the occupiers and users, Parkside is an inspirational building that will facilitate culture change and integrated working with a “One Service to the Public” culture.

Disposal of Nottingham Road site – 125 year Long lease

The sale of part of the former offices site for a supermarket completed in January 2012 realised a substantial capital receipt and a ground rent that will initially cover the lost income from the pay and display car park, this rent will attract compound interest over the period of the lease. The terms of the disposal also included a payment to the Council to support the town centre activities for two years and included certain obligations for the purchaser to create local jobs.

Development Plan for the Cattle Market and new agreement with the Partners

A new five year agreement was completed with the Cattle Market Partners in March 2011 enabling their business to plan for the future, improve and invest in facilities and also enabling the Council to receive a secure income from this asset.

This new agreement enables the Council to re-develop an agreed part of the site subject to certain conditions.

Waterfield Leisure Pools – New contract and capital improvements

A condition survey in 2010 confirmed that there was a backlog of maintenance and supported the business case for a re-development and upgrade of Waterfield Leisure Pools.

A successful joint procurement exercise with Charnwood Borough Council resulted in SLM, our existing leisure provider, being awarded a new 10.5 year contract to manage and re-develop Waterfield Leisure Pools.

The Council will provide capital funding of approximately £2.48 million for the improvements in return for averaged annualised savings to the Council of just over £350,000 per annum over a 15 year period. Customer experience will be enhanced with new changing room facilities, a new extended gym and a better overall offer, visitor numbers are projected to rise steeply accordingly.

3.0 POLICY AND RESOURCES CONTEXT

3.1 Corporate Plan 2011-2015

The Council's vision in the Corporate Plan is structured around three main priorities as set out below. The goals and promises underpinning these are set out in the Council's Corporate Plan:

- Place - Improving places by helping to make an environment suitable for new business activity and new developments
- People - helping the local economy by supporting people through the economic downturn.
- Well-Run Council - Delivering good services to our customers that are value for money.

3.2 The Capital Strategy and Asset Management Plan are important components of the Council's Policy Framework and support an overarching framework comprising the Melton Community Strategy, Corporate Performance Plan, Human Resources/Workforce Strategy and Medium Term Financial Strategy. Each Council priority is supported by objectives and targets which link to national and sustainable community strategy priorities and measured by outcomes and metrics so that we know how we are performing. The Council's Corporate Policy Framework is attached at Appendix 1.

3.3 Melton Sustainable Community Strategy 2009-2013

The Melton Sustainable Community Strategy is currently being refreshed; however, the Capital Strategy and Asset Management Plan aims and objectives support the emerging priorities relating to economic development and regeneration.

3.4 Melton Commissioning Plan

The Council and the Melton Community Partnership have recently approved the Melton Commissioning Plan, which identifies 4 priorities that the Council working with its partners will focus on:

- Economic Regeneration and development
- Supporting Vulnerable Individuals and families
- Access to services
- Skills, Education and Employment

3.5 PROPERTY RESOURCES

Corporate Property Officer (CPO)

The CPO is assigned with the responsibility of advising and leading the legal, property and finance monthly meetings and the Council's overall Corporate Asset Management process. The Corporate Property Officer and property team are part of Central Services led by the Head of Central Services. The property team comprises of 3.5 full time equivalent staff, the Corporate Property officer, estates manager (currently vacant), facilities manager and 0.5 FTE maintenance surveyors. In addition there are the caretaking, cleaning and public conveniences staff. A Strategic Director will have an overview of asset management as part of their strategic role for the Council.

Programme Board (PB)

Programme Board meets monthly and comprises of the Management Team. The Programme Board is responsible for the management, control and co-ordination of all projects within the Councils approved programme. The Councils definition of a project is any capital or revenue project over £10,000 or any single task that will occupy more than 100 hours of officer time.

The purposes of the Programme Board are defined as:

- To maintain an overview of all approved projects
- Ensure projects are on track in terms of budget, timescale and quality
- To support and challenge Project Sponsors
- To resolve key issues
- To ensure robust project management principles are being applied
- To ensure robust technical principles are being applied
- To take key decisions
- Review lessons learnt
- Providing overall strategic guidance for the project.
- Engaging with wider strategic stakeholders

Member Involvement

Member involvement is through a number of avenues and progress on major projects is regularly reported to Members of the Policy, Finance and Administration Committee. In addition, forum groups target special interest groups, for example, Local Community Forums and Highways Forum, Task Groups provide the opportunity for a Member steer a community role on policy for finite projects. Working Groups are set up for more complex/longer term projects, for example, the Cattle Market and Waterfield Leisure Pools.

Lead Member for resources

The asset champion is the elected Member who is the Lead Member for all resources and responsible for promoting and sustaining good practice in asset management, finance and ICT within the Council. The asset champion is the Leader of the Council and meetings are held every two months between the Head of Central Services, the Corporate Property Officer, the Chief Accountant and the ICT Client Manager to monitor and review progress on all of these issues.

4.0 PROPERTY ASSETS

4.1 Overview

Melton's property estate although small is a significant strategic and valuable asset, which costs money to use and maintain, and underpins the delivery of all Council services. Central Services maintain Melton's Asset Register and also updates the electronic property terrier which holds property records on land ownership, legal agreements, site plans, measurements and photographs.

Melton's property estate broadly consists of three groups of properties: Operational properties, non-operational properties and surplus properties. Operational properties are those buildings from which we deliver services or where services are delivered on behalf of the Council. Non-operational buildings are those buildings that are held for investment purposes and are let commercially. Surplus properties are those which Melton has no further operational need.

4.2 Property portfolio

Melton's property portfolio as at the end of March 2012 contained the following properties and sites:

Operational Property

Type	No. of Holdings	Size sq m/hectare	Tenure
Office and civic space (GIA)	1	3,325 sq m/	Freehold
Multi-purpose Community Centres	3	916 sq m	Freehold
Leisure Pool & Sports Centre	1	2,175 sq m	Freehold
Cemetery	1	4.34 hectares	Freehold
Cattle Market	1	6.3 hectares	Freehold
Car Parks (Pay & Display) 4 short stay 7 long stay	11	1008 parking spaces	Freehold
Car Parks – surface	4	2,200 sq m	Freehold
Depot	2	0.63 hectares	Freehold
Council Dwellings	1886	N/A	Freehold
Country Park & Recreational Grounds	4	63 hectares	Freehold
Youth & Play Centres	17	N/A	Freehold

Non Operational Property

Type	Number or size
Industrial buildings (rack rent)	Twenty 2780 sq m
Retail Property	One 136 sq m
Phoenix House Office	One 1,419 sq m

Surplus Property

Type	Size sq m/hectares
Strip of land Dieppe Way	N/A
Greaves Avenue, Melton	0.15 hectare
Queensway garages, Melton	0.12 hectare
Tudor Hill garages, Melton	0.09 hectare

Proposed Acquisitions

Abattoir	Freehold May 2012
----------	-------------------

There are a number of operational properties that have the potential to be declared surplus following consultation and review.

4.3 Asset Values 2011

There is a requirement for the Council to value its assets annually for accounting purposes.

The asset values of all our assets as at 31st March 2011 were as follows:

Asset Type	Balance Sheet Value
Land & Buildings	£10.019m
Vehicles, Plant & Equipment	£1.382m
Infrastructure Assets	£0.037m
Community Assets	£0.483m
Assets under Construction*	£6.597m
Assets held for sale	£4.679m
Council dwelling & HRA property	£62.482m
Total Balance Sheet Value	£85.679m

*The asset under construction is Parkside now completed

4.4 Asset Condition

The overall condition of the operational buildings is set out below:

The latest asset condition surveys were graded using the CIFPA method of categorisation as follows:

Category A: Good – *Performing as intended and operating efficiently.*

Category B: Satisfactory – *Performing as intended but exhibiting minor deterioration.*

Category C: Poor – *Exhibiting major defects and/or not operating as intended.*

Category D: Bad – *Life expired and/or serious risk of imminent failure.*

The detailed condition surveys categorised all elements of the properties and identified the full extent of back-log maintenance with all building elements being categorised as follows:

Condition	Meaning	Average Condition rating 2011/12	Number of properties
A	Good	14%	7
B	Satisfactory	56%	27
C	Poor condition	22%	11
D	Life expired	8%	4

The above figures are based on the number of General Fund buildings/properties owned and include car parks. Play areas and the abattoir have not been included as play areas are dealt with in the Play Strategy 2008-2013 –and the abattoir is identified for demolition so no survey has been undertaken. Snow Hill Units have been categorised as one asset.

The Council has commissioned a re-refresh of the existing condition surveys in 2012 to ensure data and cost information is up to date. This will inform a revision of the 5 year planned maintenance programme to address the repair needs of properties in category C and D. The next 5 year planned maintenance programme is under review and will be completed before October 2012.

It is important that expenditure on assets is planned and prioritised and the Council previously set a minimum target of 65% planned maintenance and 35% re-active maintenance in accordance with local authority asset management guidelines. Planned maintenance is identified five yearly in advance informed by the condition surveys, the five year planned repairs and maintenance programme is sense checked and reviewed annually. The General Fund figures for the last three years are set out below:

R&M	2010-11	%	2011-12	%	2012-13	%
Planned	£121,363	69.76%	£95,410	51%	£98,850	55%
Responsive	£52,620	30.24%	£91,669	49%	£81,730	45%
Total	£173,983		£187,079		£180,580	

The aim for the Council is to reach “satisfactory” for the majority of its buildings; ensuring buildings are fit for purpose and also recognising the need to be prudent and cautious in managing the repair and maintenance programme.

The four properties in condition D will be targeted for improvement, replacement or disposal. The detail of these four properties is as follows:

- Burton Street pay and display car park- Public consultation was undertaken and a design and costed programme of works will be reported to Members in July 2012 for their consideration.
- Cattle Market - cattle stores. These buildings are ear-marked for demolition and replacement, providing funding can be arranged. As such a policy of minimal maintenance is applied.
- Snow Hill Industrial Estate-There are a number of defects at these Units and a review will be undertaken to establish the repairs that will be undertaken by the Council and the repairs to be carried out by tenants. Despite their condition occupancy levels are reasonably high and the Council receives a gross annual rental income of approximately £130,000.
- The Country Park Pavilion - This pre-fabricated building is in a poor condition and when considering “whole life costing” expenditure on this building will not give value for money. Officers are working with the community to investigate funding opportunities for new facilities.

The 11 properties in Condition C are:

- Cattle market shed (uncovered)
- Cattle market car park (1)
- Cattle Market (2)
- Cattle Market toilets
- Regent Place car park
- Car park at Bradgate Lane, Asfordby
- Algernon Road car park
- Mill St car park
- Public conveniences Wilton Road
- Lake Terrace Depot
- Waterfield Leisure Pool

The Council has two funded capital programme items relating to assets which will significantly improve their condition.

- Waterfield Leisure Pools (now subject to refurbishment and improvement programme with approved capital budget of £2.488 million) and ongoing contribution towards repairs of £40k.
- Abattoir – Demolition and remediation of site, potential to be used for car parking - £60k budget for demolition

4.5 Building accessibility

The Council aims to ensure that the services it offers are to the benefit of all. This requires all of its buildings open to the public to be suitable for and accessible to all including people with disabilities, different languages and religions and special requirements. Staff training and awareness is important. The Council consults regularly with the local access group to see how it can improve services, adjustments have been made to the design of Parkside as a result of this and consultation and improvements continue to be made with regular access surveys undertaken.

The Council were externally assessed in late March 2012 and have been awarded the status of "an achieving Council" in respect to the Equality Framework for local government.

4.6 Code for Leasing Business Premises

Councils are being encouraged by central government (DCLG and BIS) to support small businesses by adopting "The 2007 Code for Leasing Business Premises". The code consists of three parts: a ten point set of requirements for Landlords, a guide for occupiers and model Heads of Terms. Use of the code delivers mutually beneficial terms for landlords and tenants and promotes a progressive and flexible approach to leasing and encourages open and constructive negotiations.

The Council is broadly code compliant in its leasing practices already. However, by formally adopting these "fair and flexible leasing terms" the Council can become accredited to the commercial landlord accredited scheme (CLAS) and demonstrate a commitment to best practice this is a recommendation in the report to members at the Policy Finance and Administration Committee on 3rd July 2012 .

4.7 Acquisition and Disposal strategy

The Council will regularly review its land holdings to identify surplus assets.

Each identified disposal will be considered by Members on its own merits and the basis of the disposal considered and determined (unless they fall within officer delegations). In specific circumstances this could be at or below open market value, for example when it achieves specific targeted objectives or transfer to community use. In the circumstances of below market value the proposed sale price and the estimated open market value will always be given to inform the decision making.

The Affordable Homes Programme 2011-2015 - Asks Local Authorities to consider the social gain from the disposal of assets as well as the financial. It is especially important to consider this when assets are put forward for disposal in certain areas of the borough where land/assets with development potential are difficult to secure.

The Housing Revenue Account reform and the New Homes Bonus scheme are ways that the Council can realise their assets to deliver affordable homes and officers will explore the possibility of leading on some schemes where appropriate.

Notwithstanding the above the Council must always be mindful of the reduction in local government funding and the need to generate financial resources to support the delivery of all the Councils priorities.

The Council will continue to monitor property market conditions and take a long term view of its assets to avoid disposal in poor market conditions when values are likely to be low.

Disposals will also be considered in the light of the Localism Act and community need this will entail explaining to members disposal options which may include transfer of an asset to a local community for nil consideration or an agreed figure below market value.

Acquisition

The Council will continue to monitor and assess local opportunities to acquire key strategic sites; recent acquisitions include part of Burton Street and the abattoir site. The Council will demonstrate how a proposed acquisition supports the Council's strategic objectives, for example provision of Council services, strengthening the local economy or improving infrastructure.

4.0 CAPITAL STRATEGY

The purpose of the Capital Strategy is to determine the Council's approach to capital investment and informs the development of the capital programme. In addition it aims to:

- Ensure the capital investment and management of resources contribute fully to the Council's long term aim and objectives
- Ensures the efficient use of our limited resources and assets
- Targets capital resources effectively and to the highest areas of need.

The Capital and Asset Management Strategies together promote efficient and effective capital planning and management of capital resources.

Capital Programme

A summary of the Capital Programme agreed at a meeting of the Full Council in February 2012 for the years to March 2016 can be found in the Council's budget book within the relevant committee pages. Increases to the capital programme are reported at each committee cycle where any revisions are also made. Any changes to the programmes are then reported to the Policy, Finance and Administration Committee for approval.

In addition to the approved Capital Programme there are other asset related capital projects which need to be addressed but which do not currently have any capital allocation. These include:

Street Lighting Improvements	£40k
Wilton Road Bus Park Resurfacing Scheme	£26k
Backlog repairs (current estimate)	

Capital Reserves

The estimated general resources available at 1 March 2012 for capital funding are as follows:

Corporate Priorities Reserve:

Current estimated balance £387,487. This reserve however, is also required to support revenue funding, which is particularly important in the current climate as the reduction in government grant support is expected to continue though the localisation of business rates and council tax benefit. The current economic climate continues to place additional income pressures on the Council's budget.

General Fund Capital receipts:

The recent large capital receipt from the sale of land at Nottingham Road has increased this reserve. This has the effect giving a current estimated balance on General Fund Capital receipts of £7,655,264.

Decisions regarding the residual capital receipts balance have yet to be made by Members which may reduce the amounts available to fund new schemes.

Any proposed capital schemes including those identified above, must meet specific criteria and be approved by the Council's Programme Board and relevant committees.

An element of the Capital Strategy is to consider the strategic and proactive acquisition of property in the current climate in order to achieve the Council's aims of gaining value for money for our assets. In addition the current climate when property values are low deters the disposal of assets unless absolutely necessary or achieving non financial objectives of the Council.

Other Capital Funding

The funding of capital projects is not entirely limited to the Council's reserves. Other options include prudential borrowing which the Council can undertake where relevant criteria and need are identified. Borrowing must conform to the prudential code and since the introduction of this code the Council has moved away from finance leases as a form of funding as it is financially beneficial to do so. Since the Council became debt free on its general fund it is not unlikely this method of funding will be preferred whilst there are receipts available to use.

Other funding streams include external grants, section 106 proceeds and revenue funding particularly for invest to save type projects or for equipment which may have previously been leased. The Council was successful in obtaining grant funding for the acquisition of the abattoir site and it will monitor closely any grant funding opportunities for the Cattle Market project.

The Council is small and does not currently have any schemes suitable for a PFI approach; however should any relevant opportunities become available this approach will be fully explored.

Evaluation & Monitoring of Schemes

The Corporate Management Team (CMT) comprises the Chief Executive and two Strategic Directors, and this team takes a corporate view to the development of the Council's services. The key internal decision making body of the Council is the Management Team consisting of CMT, and all Heads of Service, thus ensuring that a cross-cutting approach is taken to the consideration of all issues, including the Capital Programme. All development issues are discussed between the service area head and a Strategic Director as part of the Council's service planning process. Only schemes which deliver the priorities previously established by the Council's Corporate Plan and government guidance proceed to the next stage.

The Council's Programme Board considers the Capital Programme, assessing each of the schemes on the basis shown in project mandates and business cases, which set out the full details of the scheme including the capital and revenue costs across both the initial project and its whole life and an assessment of how the project delivers to the Corporate plan and the Council's priorities.

As part of the Council's regular budget monitoring, monthly expenditure reports are produced and variances and progress are discussed and reported to the Management Team.

Value for Money

The Council is committed to ensuring that value for money is obtained from all projects undertaken and these should be measurable for efficiency, economy and effectiveness.

The performance management system identifies and addresses value for money at the service level.

The Council has access to the Welland Procurement unit who provide expertise and access to further specialist procurement expertise. The procurement approach ensures that we support our small, local and rural businesses. In addition this service provides access to construction and EU procurement advice.

The Council's change team is an integral part of the way in which we seek to review services which in turn informs, in some part, our capital investment strategy. A good example of value for money achieved through this is by our new way of working in our new offices, with our partners, and the space savings this has achieved.

Revenue Consequences of Capital Investment and Risk Management

The Council's Medium Term Financial Strategy (MTFS), which is closely linked to this strategy, outlines a projection of the Council's revenue resources for the years to 2014/15 and takes into account all the revenue effects of the capital programme to ensure that the decisions taken are sustainable into the future.

The Prudential Code requires the Council to set prudential limits for servicing debt from 2004. The use of prudential borrowing to finance appropriate capital projects in future will be considered if affordable, i.e. invest to save schemes.

The Council has in place a comprehensive risk management process which includes the Management Team reviewing risks on a regular basis through the service planning process. Lead Members for risk are updated through CMT. The Council uses a STORM form (Strategic Tactical and Operational Risk Management) to assess and report on risks and this methodology is integrated into all of the Council's systems.

The Council is fully aware of the need to be prudent and realistic when considering future projects.

5.0 CONSULTATION AND PARTNERSHIP WORKING

Consultation with the Community

The Asset Management Plan and Capital Strategy are set specifically in the context of the Community Strategy and Corporate Plan to ensure that all of the extensive consultation carried out by Melton Borough Council with the community of Melton is reflected within it. Any changes to the Council Plans or policies of the Council will be monitored and incorporated at either the yearly AMP review or with a specific update should any fundamental changes occur.

Consultation with Stakeholders and Services

Effective consultation with Stakeholders and Services is ensured in a number of ways, at the meetings with the Lead Member for resources (previously referred to in Section 2.5) the following matters are discussed:

- Review progress on the Service Plans.
- Establish any asset issues and agree approach to these in accordance with asset management plan and capital strategy.
- Identify and prioritise any new capital projects that need to be referred to programme board
- Receive steer on policy or “best value” related issues
- Feedback to all relevant Services information from Lead member resource meetings.

Service

Each Service sets yearly Service Plans that are aligned to the Council priorities. Guidelines on the preparation of Service Plans require the use of assets to be considered within the Plan.

Stakeholders

The CPO and Strategic Director carry out rolling meeting programmes with major stakeholders to consult on new asset issues and specific project delivery. Any relevant issues are included on subsequent Lead Member agendas. Examples of this are regular meetings with Melton Brooksby College, the Town Estate and meetings with PERA.

Project specific public consultation

For all major projects, where the capital value of the project is significant or there is significant community interest public consultation will be carried out. The most recent example of this is Burton Street consultation in February 2012 where the Council sought views from the public on the future use of Burton Street car park before undertaking an expensive car park re-design and improvement project. The findings from the public consultation are supplied to Members to assist their decision making and prioritisation process. Notification of the consultation was widely advertised

including the local press, letter drops and posters and web site. The Council held two open days, Members also manned a display at the Market Place.

Partnership working

Close working with partner organisations has been at the heart of most of the change, ICT and property projects that the Council has undertaken in recent years. Parkside was partly funded with capital contributions from Leicestershire County Council and prudential borrowing against projected rental income from other partners. The children and community centres are another example of co-location centres.

The implications for property are that there is a need for transparency in costs, and a degree of collaboration in new property initiatives and improvements. At Parkside the Council has established multi agency management groups with clear terms of reference.

6.0 PERFORMANCE MONITORING

Asset Management Monitoring

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

- Performance management scorecards and metrics
- Review progress of major action points at Lead Member resource meetings.
- The Asset Management Plan will be reviewed by members each year and progress on the previous Asset Management Plan will be summarised in the current Plan
- An update report will be made to the Policy, Finance and Administration Committee yearly

Asset Management Performance Indicators

Local performance indicators will be determined and incorporated in the Central Services service plan, the performance indicators will include the following:

1. Annual Cost of Parkside per employee - full time equivalent
2. Annual amount of energy consumed at Parkside

These will be reviewed and developed over the next two years to ensure relevance and the opportunity for bench marking with similar organisations.

7.0 NEXT STEPS, FUTURE OPPORTUNITIES AND RISKS – 2012 TO 2015

The Asset Management plan identifies the need for several actions that are incorporated into the Property Action Plan attached at Appendix 2. These actions form part of the Service Plan for Central Services and the individual actions are included in personal appraisals for each member of staff.

The focus of the property team will be on the actions highlighted in the summary plan, we will continue to target services and improvements for our customers. Parkside is a new building and the snagging issues are likely to continue for much of the duration of this Asset Management Plan. Embedding good facilities management, with efficient processes and practices at all of our centres will be one of the areas of focus.

New Legislation

The Localism Act 2012 devolves greater powers to Councils and communities. This includes greater emphasis on neighbourhoods in relation to housing, finance and planning decisions. The Act gives communities the right to buy or run public assets and services which might otherwise close or face significant reduction.

In terms of asset management, the key opportunity presented to date is the New Homes Bonus. Housing growth is seen by the Government as an important source of economic growth and the New Homes Bonus aims to ensure that communities and local authority decision makers enjoy the benefits of growth. The scheme aims to encourage local authorities and communities to develop their housing in ways that meet local need both in terms of numbers and sensitivity to local concerns. The scheme will see the government match funding the additional council tax for each new home and property brought back into use, for each of the next six years after that home is built.

Officers have reviewed the recommendations of the Quirk report (2007 Review of Community Ownership and Management of Public Assets) on community asset transfer and the recent legislation in the Localism Act 2011 which promotes opportunities for empowering local communities to own and manage assets with a community value – it is anticipated that the relevant sections of the Localism Act 2011 will come into force in July 2012. Any requests for asset transfer will be considered by the Programme Board and the lead Member for resources. Management of the allotments at Old Dalby have been transferred to Broughton Parish Council with effect from 1st April 2012. Opportunities for joint working with sports clubs and allotment societies will be explored to improve sports and leisure facilities.

New Development

The Sustainable Urban Extension Master plan is at the options stage and subject to Council approval. The proposed scheme will bring 1,000 new homes, a new primary school, and allotment sites and a range of new infrastructure to support the development. The development will have implications for Scalford Road and the cattle market, bring about infrastructure and transport improvements to Melton.