



## **ASSET MANAGEMENT PLAN 2005-08**

**August 2005**  
**Adopted by Council 30<sup>th</sup> September 2005**

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### References:

- (1) Comprehensive Performance Assessment 2004
- (2) North Dorset District Council – Improvement Plan (Asset Management)
- (3) North Dorset District Council – Policy Framework
- (4) North Dorset District Council – Asset Management Strategy
- (5) Audit Commission report – Asset Management 2002/03
- (6) AMP Business Plan 2005/06
- (7) Use of Resource: KLOE (Asset Management)
- (8) North Dorset District Council – Best Value Performance Plan
- (9) GoSW – Single Capital Pot Feedback (Asset Management) -

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The Asset Management Plan (AMP) encompasses all the Council's assets. The AMP is one of two associated documents (the other document being the Financial Strategy) that form part of the Council's Policy Framework.

**Frequently Used Terms:**

Asset Management Plan	AMP
Asset Register	
Best Value Performance Plan	BVPP
Business Plans	
Asset Management Group	AMG
Financial Strategy	CS
Capital Programme	CP
Corporate Property Officer	CPO
Senior Management Team	SMT
Corporate Themes	
Condition Grading	
Crime and Disorder Reduction Partnership	CDRP
Department of the Environment Transport and the Regions	ODPM
Local Strategic Partnership	
Community Plan	
Office of the Deputy Prime Minister	ODPM
Policy Team	
Procurement Strategy	
Property Performance Indicators	pPI's
Property Portfolio	
Primary Criteria	PC
Secondary Criteria	SC
Team Leaders	

**North Dorset District Council – Pen Portrait**

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*The following information has been collated from details provided by Dorset County Council: North Dorset in Profile, February 2005.*

North Dorset is a peaceful and largely unspoilt area (approximately 630 sq kilometres) embracing the five market towns of Blandford Forum, Gillingham, Shaftesbury, Stalbridge and Sturminster Newton. In the south and east of the District are the Dorset Downs and Cranborne Chase, both officially recognised as Areas of Outstanding Natural Beauty. The Blackmore Vale occupies the western part of the District.

Almost 46% of the population live in the towns and over 6% of the population live in communal establishments such as prisons, boarding schools or armed forces accommodation. The age structure in North Dorset is not typical of the County; aged 15-29 years (North Dorset 16% c.f. County 13%). Crime rates are low at 49 per 1,000 population compared with 64 for Dorset and 113 nationally. In 2004, 64% of all North Dorset 15 year olds passed at least 5 GCSE's with grade A-C (national average 54%). In the 2001 census 25% of people aged 17-75 years in North Dorset had no qualification, 4% lower than the national average.

Average weekly income (£425) is about three quarters the national average and one of the lowest in Dorset. Average house prices in North Dorset have risen by 93% since 1999, now 10 times the annual average full-time wage. 2003/04 saw the highest number of new homes built at 616 (450 average per year). Employment levels are high with an unemployment rate (0.7%) less than third the national average. North Dorset has a large number of small businesses. Tourism employs 6% of the workforce with 11% in the knowledge sector.

**The District Council's Assets:**

The Council has a Property Portfolio valued at an estimated £12.5m. Assets include Leisure Centres, Public Conveniences, Depots, Car Parks, Industrial and Commercial Units and Offices

**Value of Assets £000s**

Offices and depots	Sports and recreation	Car parks	Non-operational	Other	Total
£2,483	£1,770	£3,363	£4,310	£585	£12,511

The Council has 33 Elected Members Conservative (15) Liberal Democrat (12) Independent (6). The Council has decided its new Political Structure as required by the Local Government Act 2000 and has chosen the Executive option with a Conservative Cabinet.

The Council restructured during early 2002 and has the Chief Executive, three General Managers, Section 151 and Monitoring Officer within the Senior Management Team (see Appendix K).

The Council was assessed as Weak in 2004 following a Comprehensive Performance Assessment and has since prepared and is implementing its Improvement Plan. Although the 2004 Asset Management Plan achieved a Good rating, Asset Management improvement is a Council priority under the Priority heading "B" – Building Corporate Capacity. An Improvement Project Plan has been prepared for Asset Management, which is monitored by Team North Dorset.

**ASSET MANAGEMENT PLAN ASSESSMENT**

**CRITERIA CHECKLIST**

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**PRIMARY CRITERIA**

<b>CRITERIA</b>	<b>MET</b>	<b>PARA</b>
<b>Organisational arrangements for corporate asset management</b>		
1.1 A Corporate Property Officer (CPO) has been identified with authority to undertake all required developments in asset management.	✓	1.0-1.3
1.2 Roles and responsibilities for the CPO (as indicated by the prevailing guidance) are clearly set out, explicit and have been communicated to all those concerned, in property management and use, throughout the authority.	✓	1.2
1.3 The CPO reports and is accountable to a strategic, decision-making group both at officer and member levels.	✓	1.3
1.4 Clear evidence has been provided that a cross-service, senior management forum has been set up which includes the CPO, representatives from major services and, where appropriate, the finance directorate and officers involved in the development of the Financial Strategy and the Community Plan (or its equivalent).	✓	1.3
1.5 The forum has formal terms of reference that includes the strategic management of the council's assets.	✓	1.3
1.6 Evidence that the forum: <ul style="list-style-type: none"> <li>- progresses the corporate Asset Management Plan and ensures that it is approved by senior officers and the Council;</li> <li>- ensures that the AMP is informed by and supports other key corporate and Business Plans and objectives;</li> <li>- meets regularly (at least twice a year or more often as may be appropriate).</li> </ul>	✓	1.4-1.6
<b>2. Data Management</b>		
2.1 CPO has ensured that a record is held and maintained of basic, core data on all the Council's property.	✓	3.1.1
2.2 The validity of this information has been tested.	✓	3.1.1
2.3 AMP can demonstrate a clear understanding of the data required to manage the performance of the property portfolio.	✓	3.2-3.5
2.4 Statistical information on the overall condition of the portfolio (condition categories: A-D/1-4) and maintenance backlogs is included in the AMP.	✓	Appendix
<b>3. Performance Management, Monitoring &amp; Information</b>		
3.1 The CPO submits a formal report to Members and Chief Officers at least annually on the performance of the property portfolio, which now includes performance outcomes in relation to the DTLR National pPIs.	✓	Appendix
3.2 The AMP includes information showing how the authority is performing in relation to all five national pPIs.	✓	Appendix
3.3 Members are informed, as part of overall budget and performance monitoring, of the progress and performance of the capital programme.	✓	Appendix
<b>4. Programme and Plan Development and Implementation</b>		
4.1 The AMP outlines the council's property related requirements and outlines the proposed programmes which are intended to meet these requirements. (For example: acquisition, disposal, investment, development; maintenance; programmes related to surplus and/or under-performing assets; plans enabling shared use and/or co-location.)	✓	5.0-7.0
4.2 CPO has demonstrated that there is a methodology for option appraisal and corporate prioritising between projects.	✓	5.2

<i>CRITERIA</i>	<i>MET</i>	<i>PARA</i>
4.3 A 3 year capital programme is developed including a forecast of the planned capital receipts.	✓	7.0-7.3
4.4 Output/outcome targets are set for programmes and plans requiring capital investment.	✓	7.3

<b>ASSET MANAGEMENT PLAN SECONDARY CRITERIA</b>
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<i>CRITERIA</i>	<i>MET</i>	<i>PARA</i>
<b>Organisational arrangements for corporate asset management</b>		
1. Evidence that the CPO / Asset Management Forum routinely challenges and reviews the use, provision and performance of the council's assets and its related property services, in order to achieve the most effective management, planning and use of these assets. Key findings and outcomes are reported to Chief Officers and the Council. Examples can include: the identification and rationalisation of surplus or under-performing property; the promotion of shared use or co-location; the systematic review and challenge of property use, provision and management and; Identification of the property implications arising from relevant plans, audits and reviews.	✓	1.2 1.5 1.6 2.3 4.2 4.5 6.1 6.2
2. Evidence that the CPO / Asset Management Forum takes into account stakeholder satisfaction information relating to property and property services.	✓	2.0
3. A cabinet member (or lead committee member) holds responsibilities for the authority's property resource on behalf of the council.	✓	1.2
4. The CPO is involved in the preparation of the Financial Strategy and contributes to the work of other relevant corporate and business planning groups.	✓	1.2
5. There are references to the property asset implications in corporate policies and strategies such as the Best Value Performance Plan, Best Value Reviews, the Financial Strategy, the Community Plan and LPSAs.	✓	1.5
6. There is evidence of cross service use, shared use and/or co-location of property resources within the authority and with other organisations.	✓	1.4
<b>Consultation</b>		
7. Evidence that processes are being developed to obtain feedback from services, users and occupiers.	✓	2.1-2.3
8. Evidence that consultation findings are used to influence the continuous improvement of property and property services performance.	✓	2.5
<b>Data Management</b>		
1. CPO has undertaken a full survey of future data requirements for the property portfolio.	✓	3.1.1
2. CPO has identified a programme of necessary improvements.	✓	3.4
3. CPO has commenced development of a data system for "intermediate" data (i.e. property data which requires updating from time to time such as condition, rents and user details)	✓	3.4

	<b>CRITERIA</b>	<b>MET</b>	<b>PARA</b>
4.	CPO has implemented Unique Property Reference number (UPRN) system or set out detailed reasons why any alternative property referencing approach is considered more appropriate.	✓	3.3
5.	CPO has developed an approach for the centralised co-ordination of property management information and its integration with relevant council financial information.	✓	3.4
6.	CPO has undertaken a review of training needs for users of the data and set in place a system for satisfying those needs.	✓	3.1
<b>Performance Management, Monitoring &amp; Information</b>			
7.	Clear evidence that the CPO is developing and using a set of local performance measures in relation to assets that link asset use to corporate objectives.	✓	4.0
8.	Clear evidence that the CPO is developing a process to enable the comparison of the performance and competitiveness of property and property services with other similar organisations and other providers.	✓	4.2
9.	Clear evidence that the development of performance measures and monitoring takes into account stakeholder consultation and user satisfaction findings.	✓	Appendix B
10.	Clear evidence that performance measurement feeds into a process of continuous improvement.	✓	4.5
11.	Local Performance Indicators are in place and being used for measuring and monitoring the amount of surplus property and space utilisation.	✓	Appendix B
12.	A written report is produced for Members and Chief Officers on any maintenance backlog recommending appropriate action.		Appendix J
13.	The CPO is collecting information on the "suitability" of the various categories of the portfolio for their current and future use.	✓	5.3
<b>Programme and Plan Development and Implementation</b>			
14.	The AMP demonstrates that the Council has identified the implications for property which arise from the Council's objectives.	✓	5.3
15.	The AMP demonstrates service wide understanding of corporate ownership of assets.	✓	5.3
16.	The AMP demonstrates that the Council has undertaken a thorough investigation and analysis of the gaps between future requirements and the current provision and performance of the authority's present property assets.	✓	Appendix H
17.	The Council has identified and appraised the options for closing these gaps.	✓	Appendix H
18.	The AMP outlines the Council's approved 3 – 5 year strategic action plan based on this analysis.	✓	Appendix H
19.	Local Performance Indicators are in place and being used for measuring and monitoring the amount of surplus property and space utilisation.	✓	Appendix B
20.	A written report is produced for Members and Chief Officers on any maintenance backlog recommending appropriate action.	✓	Appendix J
21.	The CPO is collecting information on the "suitability" of the various categories of the portfolio for their current and future use.	✓	1.6
22.	The AMP demonstrates that the Council has identified the implications for property which arise from the Council's objectives.	✓	1.5
23.	The AMP demonstrates service wide understanding of corporate ownership of assets.	✓	1.4-1.6

<i>CRITERIA</i>	<i>MET</i>	<i>PARA</i>
24. The AMP demonstrates that the Council has undertaken a thorough investigation and analysis of the gaps between future requirements and the current provision and performance of the authority's present property assets.	✓	Appendix H
25. The Council has identified and appraised the options for closing these gaps.	✓	Appendix H
26. The AMP outlines the Council's approved 3 – 5 year strategic action plan based on this analysis.	✓	Appendix H

## 1.0 ORGANISATIONAL ARRANGEMENTS AND THE CORPORATE PROPERTY OFFICER

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### 1.1 Aims and Objectives of Corporate Team

The Council has appointed the General Manager (Development & Resources) (GM) as Corporate Property Officer (CPO). The CPO is a member of the Senior Management Team and reports to the Chief Executive. As CPO the role, responsibilities and position within the management structure of the Council have been defined in the Constitution and are listed below as Terms of Reference.

### 1.2 Corporate Property Officer - Terms of Reference

- Lead the Capital and Asset Assurance Team (CAAT) ;
- Co-ordinate preparation of the Financial Strategy (CS) and the Asset Management Plan (AMP);
- Report to Senior Management Team, and Cabinet;
- Co-ordinate with and advise Team Leaders;
- Co-ordinate with the Leader of the Council, Portfolio Holder, Chief Executive, Senior Management Team, Policy Team and General Managers.
- Advise and consult with Members regarding the Financial Strategy and Asset Management Plan;
- Lead and advise Service based Asset Management Planning and ensure co-ordination with Corporate Themes and Strategic documents including Community Plan, Policy Framework, the Best Value Performance Plan and Business Plans;
- Collect and manage data and assess against property Performance Indicators;
- Monitor performance and direct action for improvement;
- Receive applications for capital expenditure; and
- Identify surplus assets and advise through regular Reports to CAAT, Senior Management Team, and Cabinet on actions for improvement or disposal.

Terms of reference have been circulated to the Capital and Asset Assurance Team (CAAT), General Managers and relevant Team Leaders. A report advising Members of the requirements was submitted to Cabinet on 29 September 2005. Flow charts depicting graphically the inter-relationship of the CAAT, the Corporate Policies and the methodology of consultation is provided in Appendix C.

The CAAT is established with wide ranging cross service representation, including representatives from the Finance, Legal, IT and Operations. It reports to the Senior Management Team, Chief Executive and the Cabinet. The group acts as the consultation and contact point for advancement of improved asset management and is responsible for monitoring and development of the Capital Programme. Meetings are held at quarterly intervals. Individual responsibilities have been assigned as follows:-  
General Manager Champion for Asset Management – Stephen Hill (Development & Resources)  
Portfolio Holder - Councillor Richard Moyle (since May 2004)

*The CPO is given full support from Senior Management Team to direct the CAAT to ensure a high level of commitment and support of the corporate group. Members, the Chief Executive and Senior Management Team recognise the importance of the work of the CAAT and are committed to ensuring it remains a priority.*

### 1.3 Capital and Asset Assurance Team - Terms of Reference

Terms of reference for the CAAT are:

- Oversee the preparation of the Financial Strategy (CS) and the Asset Management Plan (AMP);
- Ensure that Reports are submitted on time to Senior Management Team, and the Cabinet;

- Co-ordinate with and advise Team Leaders of the continuing need to keep Asset Management to the fore;
- Co-ordinate with the Chief Executive, Senior Management Team, Policy Team and all Team Leaders;
- Advise and consult with Members regarding the CS and AMP;
- Review and interrogate Service based Asset Management Planning and ensure synchronisation with the Corporate Themes and Strategic documents including Community Plan, Policy Framework and the Best Value Performance Plan;
- Receive data and assess implications against property Performance Indicators and recommend actions for improvement;
- Monitor performance, identify problem areas and direct action for improvement;
- Recommend to Cabinet and Council applications for capital and major revenue expenditure;
- Identify surplus assets, consider necessary action and advise on procedure for development or disposal.

#### **1.4 Co-ordination with Corporate Plan, Corporate Themes, Improvement Plan and Best Value Performance Plan**

The Council has set its priorities in the Best Value Performance Plan as follows: We have a set of priorities which we are putting at the heart of everything we do, and have been set to meet the needs of local people. Our aim is to make sure that our services answer these priorities.

The Improvement Plan sets out the Council programme for improvement for the three year period 2005-7. It is a comprehensive plan which prioritises and focuses the Council's activities. It contains a range of improvement actions which are drawn from:

- A revised vision for North Dorset based on the vision for Dorset developed by the Dorset Strategic Partnership;
- The six strategic themes which guide the Council's work;
- Issues raised in the Comprehensive Performance Assessment;
- The Council's existing plans for improvement and change.

The Council has, in its consultation activities, set out a new vision which is related to the vision which has been agreed by the Dorset Strategic Partnership.

A Shared Vision for the people of North Dorset – where thriving and balanced communities in our market towns and surrounding villages build economic prospects while safeguarding our unique and diverse environment.

This vision is delivered through six medium term strategic themes.

- Community Leadership and Community Planning – working in partnership to deliver community outcomes.
- Community – providing facilities which local people need because of changes affecting North Dorset.
- Economy – creating a climate which facilitates regeneration and secures prosperity for local people.
- Environment – safeguarding and enhancing our natural and built environment.
- Access, Communication and Consultation – giving people access to excellent service when, how and where they want it.
- Building Corporate Capacity – a high performing policy led, people focused Council.

Thirty one detailed implementation plans have been developed to deliver key improvements in the district to support the Council's role as a community leader and provider of quality services. Each plan has been assigned to an Officer (project leader) and relevant Portfolio holder (project champion) and includes key milestones that will be monitored to ensure that the project is successfully delivered.

Of these, 12 are priorities for improvement and are identified in the plan as North Dorset's ABC.

- **Access to our Services**
- **Building Corporate Capacity**
- **Community Leadership and Community Planning**

Each of these priorities has implications for the Council's property portfolio to a greater or lesser extent. Where there is an impact this is reflected in the business plans prepared by each section of the Council. These priorities are in keeping with the Council's District Wide Local Plan. The Council has undertaken consultation in relation to these priorities and will regularly update this. These aims will be aligned with a Community Plan for the development of communities in the area.

The Council's Policy Framework has a number of strategies that have property implications. The Policy Framework will feed into the asset management process as new policies are developed. The property impacts will be requirements for changes to existing property.

Asset Management Planning will support the Council's capital programme by identifying property that does not meet the Council's purpose. This property will be disposed of, thereby generating timely capital receipts from the sale of land and buildings.

The Council does not have much opportunity to share the use of its assets or to use other authorities' assets in the delivery of its services. The Council has set up a new customer service that provides first point of contact information for a number of services including benefits, housing and operations. The Registrar rents space in the administrative building to provide registrar services on site. The County Council rents land as a Highways Depot. There are a number of jointly funded posts accommodated in the Council offices. The [IEG3 statement](#) envisages providing local access to services in partnership with local community partnerships and other authorities. The development of the [Dorset4You](#) website has provided a countywide partnership delivering information and providing services to the community. The Council has many non-property-based partnerships involving delivery of services with other Councils and agencies. North Dorset hosts many of these partnership posts.

### **1.5 Co-ordination with Financial Strategy, Procurement Strategy and Business Plans**

The CPO will review the *Financial Strategy, Community Plan, and Business Plans* as they are published to ensure that the Property Portfolio achieves the corporate and community objectives. In turn the CPO is contributing to the preparation of the various strategies. The next annual review is due to be undertaken following issue of the corporate documents for 2006/07 and results will be incorporated in Appendix J.

Business Plans currently relate the function of each service to the Corporate Themes. Specific reference to the contribution or performance of the assets will form part of each service's Business Plan. Each service is responsible for the assets under its control; however corporate responsibility is achieved through the CAAT. The CPO will advise Team Leaders on the implications for properties during preparation of Business Plans (typically in November each year).

The AMP has due regard to community strategies and aspirations in addition to management and financial aspects of the Property Portfolio. The CPO co-ordinates with the Policy Team responsible for the LSP/Community Planning and co-ordinates the Property Portfolio to identify opportunities for wider community use of Council assets. Current examples include Gillingham Leisure Centre and Community Facilities; Blandford Library.

The Asset Management Strategy sets the overriding purpose for North Dorset property in the following terms. North Dorset District Council does not have the desire, expertise or resources to be a Property Investor, a Property Trader or a Property Developer. It will therefore limit its property holdings to those properties necessary to; perform its statutory functions and the functions of community development and leadership and to safeguard the future.

For those properties that it does hold, they must be managed to support the Council's priorities and protect their value to the community to reduce their impact on the environment and secure operating costs that are comparable with the best in the class.

This purpose has implications for the whole portfolio. It will take some time to bring the portfolio into line with the identified purpose and rationalise the assets. There are also issues of property management in the short term and long term that will need to be addressed. However, pursuing this Corporate purpose for North Dorset property will reduce management costs in the long term.

#### **1.6 Reporting and Requirements for Property Portfolio**

Team Leaders and General Managers report on the use of service related assets via annual review of the Business Plans and the relevant national Performance Indicators. Business Plans contain a section on asset use and suitability. In addition, Business Plans are being employed to update and inform the CAAT; this will develop and expand as more Services are subjected to audit/inspection.

The CPO is reviewing internal and external audits of services as they occur and has responsibility for implementing and completing any necessary actions relating to asset management.

## **2.0 CONSULTATION AND PLANNING**

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### **2.1 Responsibility for Achieving Consultation**

The CAAT, led by the CPO, is responsible for ensuring that full consultation occurs within the Council. Consultees include stakeholders, Members, SMT, the Policy Team, the Financial Services Manager and Team Leaders, particularly those in charge of services relevant to the Property Portfolio. Comments and opinions received are being fed back to the CAAT to enable full consideration of all the issues that are raised.

The Council has established a Citizens Panel, which is providing an invaluable forum for consultation both corporately and service related. (Appendix H).

### **2.2 Results of Service Specific Consultation**

Outcome of consultation with service users is an integral part of service management and is incorporated into the Business Plans and during the consultation stage and conclusions of budget setting. Team Leaders are asked to ensure that results of consultation and the impact upon the Property Portfolio are referred to the CPO. In turn the CPO is incorporating such information during the annual review of plans and strategy.

### **2.3 Co-ordination with Service Based Asset Management Planning**

The CPO is instructing Team Leaders of the need for asset management planning within their service areas, Business Plans and during Service Reviews.

Team Leaders are required to provide, annually, evidence to the CAAT of service based asset management planning, which is to be included within the relevant Business Plans and must be reported as a main outcome from Service Reviews. The CPO is responsible for ensuring the information is included within the AMP and that it directs corporate asset management decisions.

Dorset County Council hosts a countywide asset management network of staff responsible for asset management. Meetings are held two or three times a year to discuss common asset management issues. Speakers on specific subjects are invited as appropriate.

### **2.4 Outcomes of Consultation and Links with Corporate Aims and Strategies**

The CPO is recording the annual review of the Property Portfolio against Corporate Aims, Community Plan, Financial Strategy and relevant Service Reviews and Business Plans to identify results of consultation. The CPO is co-ordinating results of consultation into the AMP and ensuring that the AMP contributes to revisions of the strategies and plans (for example, consultation on parking charges and rented industrial units occupancy rates).

### **2.5 Management and Implementation of Consultation Outcomes**

The priorities of the AMP are revised to reflect results of consultation, corporate aims, strategies and Business Plans through the CAAT and are reported annually to Members as part of the budget setting round in the autumn. Prioritisation and option appraisal have enabled early implementation of initiatives that are essential financially and contribute most to community strategies and the Corporate Themes. The Council has prioritised the schemes in the Capital Programme.

The network of Community Partnerships in North Dorset is growing and they are gaining experience in their work. The Partnerships attend many consultation events and are represented at all fora where North Dorset issues are discussed. The Council hold a number of consultation events annually for Town and Parish Councils. These consider issues relevant to Council Policy and service delivery including a meeting to discuss common asset management issues as part of developing the asset management plan. The purpose of the meetings is to report on the asset management process and discuss areas of common interest in

asset management. Following the meeting North Dorset will meet with the Town Councils individually to progress asset management on a joint basis. The County Council, NDDC and the Town Councils show their property on a common plan for each town. This is being transferred onto the new GIS so that all can work together to deliver joined-up working for the community.

There have been two major public consultation exercises in the last year concerning property. The first covered the leisure facilities in Gillingham and the second covered property in Shaftesbury. In one case the leisure facility will be replaced, possibly on a new site, in partnership with the local community trust. In the second case property will be transferred to the local community trust.

All tenants in NDDC property have been surveyed on issues connected with their occupation of the property. Valuable information has been obtained from this exercise and further actions to change how some properties are dealt with will follow. A further tenant survey will be carried out in 2006.

### 3.0 DATA MANAGEMENT

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#### 3.1 Definition of the Council's Property Portfolio

The summary Asset Register, included in Appendix A, represents the core data system that defines all of the Council's Property Portfolio. The information has been collated in consultation corporately and with Team Leaders.

The Council core legal property data is held in the Land Terrier and the Asset Register. The Land Terrier is a database with details of land holdings, purchase dates etc. together with lease and disposal details. The Land Terrier is linked to the GIS system and shows the extent of land owned. It is maintained by the Legal Service and is regularly checked for accuracy. The Terrier holds part of the intermediate data in terms of users, tenants and rents. The Finance team maintains a register of financial details of the property including depreciation and capital value information. This is updated annually as valuations are amended as part of the annual revaluation exercise. Transient data on property is held in the accounting system. Information on the condition of property is held separately by the Technical Service. While these systems are adequate for their defined purpose they have restricted access and do not contribute to joined-up property management. The Land Terrier and Asset Register are to be audited, by the internal audit team, this year as part of the normal audit process.

The Council is investigating installing a joined-up Asset Management system. Property data requirements are being defined and will be included in the replacement system. Access to property data will become more widespread to increase transparency and efficiency. Training needs are identified annually in the annual staff performance review and as the new systems are being installed a planned training scheme will operate to ensure that those needing and providing data can access the relevant parts of the system.

The purchase of the new corporate GIS software will be instrumental in linking all data to a corporate GIS system. The current programme of installation and training will be completed by November 2005.

##### 3.1.1 Asset Register

The Asset Register has been significantly updated during preparation of the 2005 AMP and represents an accurate resume of the Council's property portfolio. For interpretation purposes, the following points should be noted:

- Dorset County Council Estates department was commissioned to value the portfolio during 2005. The portfolio is valued over a five-year period. This is the fifth year with 20% of property valued each year in accordance with CIPFA rules. These are matched with the asset register that is updated with the new values.
- Some figures included within the valuation column are the historic capital cost
- Where appropriate, several values have been estimated pro-rata on figures provided by the 2005 valuation.
- The valuation programme will continue with the first 20% of properties re-valued in 2006. Individual valuation of specific properties is undertaken between wholesale reviews.
- Car parks have been placed in Infrastructure Assets since inclusion of the assets within Other Land and Buildings would otherwise distort the property Performance Indicators.
- It is believed that there are in existence, small isolated areas of public open space owned by the District Council that, as yet, have not been included in the AMP. It is planned that the GIS Asset Register Co-ordination will be implemented during autumn 2006.
- Play areas and open spaces have generally been valued as community assets with "de minimus" value because they are often restricted by Section 106 Agreements and Planning restrictions.

#### 3.2 Condition Grading

Edmond Shipway was commissioned to carry out a condition survey of all Council buildings. In October 2004 they reported the results of the survey and have graded property in accordance with the standard grading categories recommended (A to D and 1 to 4).

The information collected has been used to determine ODPM property Performance Indicators 1A and 1B, which appear at Appendix B.

### **3.3 Unique Property Referencing**

Consideration had previously been given to the feasibility of allocating Unique Property Reference Numbers (UPRN) before the new corporate GIS system becomes fully operational. However, the Council is now progressing well with district wide UPRN allocation and this will include the Council's assets. The current Asset Register caters for each property which has been allocated a UPRN that is unique.

### **3.4 Data Requirements and Data Handling**

At present, the extent of data required and the need for its handling is being adequately managed by operation of a database; as a result, existing training needs are minimal. The phasing-in of the ICT systems throughout the Council requires that training of key personnel is essential. This has been recognised and training will be provided for appropriate staff with further training planned.

The CAAT has considered the extent of data available and has developed the Asset Register. The need for additional data was acknowledged and was collected during 2002 to enable measurement against ODPM and local property Performance Indicators, contribution to strategies and aims, effective facilities management and capital investment. The CPO is liaising with the CAAT and Team Leaders to collect and collate the information.

The AMP requires an increasing amount of data in order to meet asset management processes. Intermediate data on rent, leases, floor area, occupancy and condition are linked to the Asset Register.

The increased introduction of e-government is currently advancing with several service systems already in place. The Council has appointed an e-Government General Manager and Portfolio Holder and has joined with other Dorset Authorities to work together on a number of initiatives. The contribution of e-government to the Property Portfolio is likely to include e-procurement, data sharing and use of supplier's e-services.

### **3.5 Data Collection**

During 2004, the Council commissioned Edmond Shipway to undertake a condition survey for each of the buildings listed in the Asset Register. Work completed includes all Nordon office accommodation, leisure centres, public conveniences, commercial and industrial units etc. owned by the District Council. Each property record includes the gross internal floor area, the overall condition of the asset and the total cost of works either currently required or to be expected in the five year time frame to bring the asset up to a condition that is considered suitable for the purpose. The Priority 1 works cost represents the maintenance backlog together with some of the Priority 2 works.

In addition to the condition survey, data collection for the five property performance indicators (pPI's) has continued. The information gathered includes energy consumption, financial data covering such areas as lease, licence costs, rent and user details as well as Disability Discrimination Act audits related data and capital programme expenditure. The Council has also completed an asbestos survey of its property.

The Council has carried out a space audit on its headquarters building. This has shown that the mixture of cellular space and open plan space does not meet the Council's purpose and a project is in progress to review and improve the space usage.

Data for the National and Local property performance indicators is collected and collated to provide information for management and the AMP.

### **3.6 Improved Data System**

The extent of the Council's Property Portfolio enables data to be managed relatively simply. It is intended that the majority of the information scheduled above will be recorded using standard forms, such as the Asset Survey Record. The forms are normally prepared by the CPO and distributed for Team Leaders to

complete. The CPO then collects the information and reviews its adequacy before using the data for the AMP and property Performance Indicators.

The forms therefore constitute the data handling system. In addition, the forms will be used to monitor improvements to performance and provide feedback to Team Leaders.

The Council has purchased several major upgrades to its ICT systems, which cater for all disciplines and includes corporate GIS that are in the process of being introduced and fully networked. The system is planned to provide a single source database for property related information and facilitates allocation of Unique Property Reference Numbers. (See 3.3 above). It is anticipated that this new system, when it is completely operational throughout the Council, will contribute to performance monitoring.

### **3.7 Existing Data Sources**

In previous years there were a variety of sources of data within the Council. These are being brought together to provide to complete register of assets. In consultation with Team Leaders these will be brought together in the new joined-up system.

Existing systems for data recording include the Council's Financial Information Management System (TASK) and a more limited officer driven collection of raw data supplied by Team Leaders which is collated and entered into databases and spreadsheets for analysis. These systems are being constantly reviewed and updated.

#### 4.0 PERFORMANCE MONITORING AND MEASUREMENT

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#### 4.1 Corporate Performance Measurement

##### Property Performance:

The Council has an [Asset Management Strategy](#), which since its introduction has improved the way information is collated to determine the performance of the Council's Property Portfolio. The Asset Management Strategy represents a constructive, co-ordinated system for collection and review of data upon which to measure performance. The Strategy sets a context for the Council's property as follows: *The Council does not have the desire, expertise or resources to be a Property Investor, a Property Trader or a Property Developer. It will therefore limit its property holdings to those properties necessary to safeguard the future, perform its statutory functions and the functions of community development and leadership. For those properties that it does hold, they must be managed to support the Council's priorities and protect their value to the community and to reduce their impact on the environment and secure operating costs that are comparable with the best in the class.*

Team Leaders are responsible for the routine management of the Councils assets. The allocated manager for some assets previously not defined has now been addressed.

During preparation of the 2005 AMP, the register of assets previously maintained has been reviewed and expanded upon to provide a more comprehensive Asset Register including intermediate data.

Reports will be submitted annually to the Cabinet in autumn of each year which include details of the performance of the Property Portfolio against corporate and community objectives, the outcomes of the five national pPI's, the results of the three Local Performance Indicators together with details of action required relating to maintenance backlog.

##### Team North Dorset Programme Board

A Programme Board comprising of the Leader, backbench members, community representatives and representatives of external organisations has responsibility to ensure that the 31 projects in the Improvement Plan (including Asset Management) are being delivered on time to an agreed standard. The Programme Board meets every 6 weeks and receives reports from the Improvement Programme Steering Group.

##### Improvement Programme Steering Group (SMT)

The steering group ensures that the 31 projects are phased to commence, and be delivered, at key milestone dates. It identifies and addresses potential problems in any of the projects and suggests amendments to the board for their consideration.

The Council has adopted the published ODPM property Performance Indicators (pPIs) and has introduced additional local property Performance Indicators. These are produced at Appendix B and include let property occupancy, rent arrears, match to Corporate Property purpose and leisure provision. A draft report was submitted to CAAT on 12 September 2005 updating on the action taken to progress asset management and describing the data sources to determine the Councils performance against the pPI's and the Property Portfolio.

#### 4.2 Monitoring System

A performance monitoring system has been introduced using the format included in Appendix B. This will aid the CPO and Team Leaders when determining information requirements and also to measure progress towards targets and objectives. The monitoring system is being co-ordinated by the CPO. The CPO is reporting annually to the Cabinet progress towards improved asset management and Appendix B has been updated for the AMP 2005 and has been approved by Members.

The Council will become (before end 2005) a Member of the National Best Value Benchmarking Scheme: Estates and Property Management Module, which operates in-line with the ODPM pPI's. The scheme enables the Council to accurately benchmark with confidence its performance against a wide group whilst at the same time aiding the setting of targets for both national and local pPI's. The pPI's described in Section 3.5 will be used to benchmark and set improvement targets.

The Policy team has reviews the capital programme against Corporate Themes and priorities during the Capital Programme prioritisation annually and the Council has, via the annual budget setting, approved the Capital Programme.

The benchmarking information has been used to determine pPI targets for 2005 AMP.

#### **4.3 Property Performance, Objectives and Aims**

The Asset Register collates all the available data on property. Additional data has been collected to enable measurement against the local pPI's. The annual review of the Property Portfolio against the Policy Framework enables the CPO to contribute to Corporate Themes, the Best Value Performance Plan and other corporate strategies. This is supported via an annual statement to the Policy Team, which defines the Property Portfolio's contribution to Corporate Themes.

#### **4.4 Implications of Corporate Strategy and Best Value**

The CPO, in liaison with Team Leaders, is interrogating audits/inspections and Business Plans to recommend development of the Property Portfolio in line with Corporate Themes. The CPO advises the Policy Team of the outcome of the review, via the proposed annual statement, to facilitate any revision to the Corporate milestones that may be necessary. In turn, any amendments that arise are being fed back into the AMP.

#### **4.5 Consultation for Improvement**

Cabinet is kept informed of existing property performance and those improvements and resources needed to achieve targets.

Where performance is poor or improvements are not being achieved, the CPO is arranging formal consultation with the relevant Team Leaders, at least bi-annually, to identify the problems preventing progress and to prepare an Action Plan for the Team Leader to address.

## **5.0 PROGRAMME DEVELOPMENT**

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### **5.1 Relationship to Corporate and Financial Objectives**

It is recognised that development of the AMP is crucial and must be continually reviewed and amended to reflect changes to the Corporate milestones and the financial objectives of the Council. The AMP is not a stand-alone document but forms part of the Council's Improvement Plan and Policy Framework. The financial objectives and the financial status of the Council will significantly impact upon asset management and close liaison with Financial services has been essential.

The Council has few programmes directly relating to property. The Capital Programme is the largest and is monitored by the CAAT. There are three programmes involving capital expenditure mainly funded, and partly managed by external agencies. These are Leader+, Rural Renaissance and the Liveability programme. These programmes primarily provide funding to external organisations. Individual officers monitor these programmes and progress is reported back to the main group. Liveability is managed by a discrete part of the Council.

The full Council approves the Capital Programme as part of the annual budget round and is monitored by the CAAT with quarterly reports to Cabinet.

The capital programme will be partly funded by disposal of surplus property (refer to appendix K). The Council has a S106 programme to partially fund appropriate projects in the capital programme. Remaining funding will come from the capital reserve.

### **5.2 Prioritisation and Option Appraisal**

Applications for capital funding can come from within the Council for operational purposes or community development or from external agencies and communities. The Council may not be the lead deliverer for all projects funded through the capital programme. A lead officer from within the Council is responsible for managing the application process and liaising with external applicants. Applications for capital funding are considered in two phases. The first phase covers the principle of involvement in the project and is based on an outline business case. The second phase includes a full business case with an option appraisal. Projects are scored individually against a number of criteria including project quality, sustainability, delivering against Council priorities, legal obligations and external funding. The Council has the skills for the Whole Life Costing of projects. This will be augmented by further training as appropriate as well as working with the County Council who have developed skills in this area.

The CAAT considers applications on a quarterly basis. CAAT reports all bids to the Cabinet with recommendations on approval. Grant offers to external organisations are made in writing and include any appropriate conditions including outputs and outcomes. They are subject to written acceptance by the applicant. Internal approvals are also written with any conditions attached.

### **5.3 Existing Ambiguities and Remedies**

All assets operated by the Council fall within the remit of Business Plans. The AMP has identified mismatches between current asset provision and future asset requirements.

Where mismatch is identified, the CPO through the CAAT will assist Team Leaders in developing action plans to address key areas that require significant attention.

The CPO has undertaken a review of the Asset Register and has identified a number of assets that require action in order to best utilise and to improve the potential for achieving the effective property management or disposal. In most circumstances the action will be taken as an integral part of service management and service based Asset Management that will then be fed back into the AMP.

In addition, the Council has prioritised schemes to meet gaps in required Capital funding and property. This forms the basis of the CAAT Work Programme set out in Appendix H.



## 6.0 UNDER USE AND DISPOSALS

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### 6.1 Identification and Quantification of Surplus Assets

By consulting with Team Leaders, interrogating Business Plans and audits/inspections the CPO has developed a systematic approach to identifying under-used, under-performing or surplus assets. This takes account of national and local performance indicators that may be applied. The Council has commissioned Asset Surveys for several properties to facilitate the process.

Other indicators have been considered including those that measure surplus property, space usage and stakeholder satisfaction. With a small diverse portfolio these indicators are not considered appropriate in North Dorset. Surplus property is dealt with in the property review process and space usage only applies to the administrative property. A space audit has been carried out on the administrative property and is updated annually. These results will form part of the accommodation review. Stakeholder and user satisfaction are dealt with on a property by property basis and due to the diversity of the portfolio an indicator in this area would not provide any useful information.

An [Acquisition and Disposal Protocol](#) has been developed as part of the Procurement Strategy. This is intended to provide guidance on handling the acquisition and disposal of property in the future to ensure that a consistent methodology is applied in all cases.

The Council reviews its properties on a regular basis and disposes of properties on the following basis:

**The Council will retain land:**

is needed to perform Statutory functions;  
will enable community development/leadership and well-being;  
to safeguard the future but must be realistic i.e. 1-2 years ahead;  
to generate revenue income.

**The Council will dispose of land where:**

the land does not aid the first three retention criteria;  
provides affordable housing;  
enables community development/ well-being;  
disposal reduces revenue cost, resources needed,  
reduces future risks or costs;  
disposal produces a capital receipt;

### 6.2 Approach to Utilisation or Disposal

Having determined the need for improved utilisation or disposal, the CPO requires Team Leaders to prepare and implement Action Plans. The CPO will in due course collate the relevant information from the action plans and report to the Cabinet, including details of land and floor space disposed of within one year of it falling vacant or consideration of shared/cross-service use of surplus property.

The first phase of the property review has been completed with all development land and investment properties considered. The Planning Policy team has considered the potential of the development land in terms of planning policy and further work will now be undertaken to bring suitable property to the market. Some investment property has been judged suitable for disposal and advice on a marketing strategy for that property is being taken from external agents in accordance with the Acquisition and Disposal guidance.

The second phase of property review is considering leisure property, administrative property and depots. This review will be carried out in 2006/07.

It is recognised that the current administrative centre at Blandford Forum does not support the business. The existing space is inefficient with only 65% of space available as working space and the property performance indicators show that the building is not energy efficient. Significant repairs are needed in the future. The building layout is not conducive to team working. Nordon is currently under detailed consideration with an Accommodation group leading a project to review medium term changes and maintenance of Nordon. A space audit has been carried out. Terms of Reference for a review of longer term options will be prepared early 2006.

The disposal of property that does not meet the Council's purpose will be carried out over a planned period taking account of market conditions to ensure that the best outcomes are obtained. This forms the basis of the CAAT Work Programme set out in Appendix H. Advice on a marketing strategy for those properties will be taken from external agents in accordance with the [Acquisition and Disposal guidance](#).

## **7.0 SPENDING AND OUTCOME INFORMATION**

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### **7.1 The Capital Programme**

The Financial Strategy and the draft 5-year Capital Programme are inextricably linked to the AMP. The programme defines capital expenditure and receipts, revenue and current and proposed methods of achieving income. The CPO and CAAT are jointly responsible for monitoring and development of the Capital Programme. Members are informed quarterly of progress on the programme.

### **7.2 Need for Capital Investment Identified by the AMP**

The Asset Register includes an assessment of immediate maintenance backlog and this is used to inform capital investment in the short term. The table below is a list of the most urgent work in priority order.

A full condition survey has been carried by Edmond Shipway (October 2004). However, that survey needs to be co-ordinated with the Council's own condition surveys of several assets and with reports of the Overview & Scrutiny Committee (e.g. car parks and public conveniences). The condition information is reported in the property performance indicators. Property maintenance is included in the annual revenue budget round and the Capital Programme provision for maintenance is approximately £50k over five years.==

The current condition of the portfolio is included in [Appendix B](#).

The CAAT will promote the development of a periodic review of property condition supported by condition surveys. Action is needed with several properties now assessed as a priority. The process is continuing as resources permit.

In addition to assessing condition, Team Leaders are being required to demonstrate the effective use of space or bring forward suggestions for improved use of space. The Council does not have formal space standards.

The CAAT receives requests for capital investment from Team Leaders using the approved standard form, which essentially has to be supported by demonstrable need by reference to the Corporate Aims, Business Plans, results of consultation, Service Reviews and to address maintenance backlog. Now the procedure is in place, the Capital Programme will co-ordinate more formally with identified needs and the Corporate Themes.

### **7.3 Targets for Improvements Resulting from Capital Investment**

Capital investment can only be approved with targets established by the CAAT to ensure effective implementation. Team Leaders are required to monitor the effect of the capital investment and feedback to the CAAT to demonstrate the improvements achieved.

The CAAT is responsible for developing and monitoring the capital programme throughout the year. The group draws on support provided by the CPO, Financial Services Manager and Senior Management Team.

Members are consulted during the budget cycle and approve the Capital Programme. Quarterly progress reports are prepared to keep Members informed on the implementation of the Capital Programme. The General Manager is designated Team Leader for the Capital Programme and he is also the Corporate Property Officer; this situation achieves consistency between the Capital Programme and the AMP.

### **7.4 Financial Strategy, Asset Management Work Programme and Gap Analysis**

The Council's Capital Programme and the current work programme cover a diversity of projects and initiatives, which have been prepared to accord with the Corporate themes. These, together with the future Capital Investment and Property requirements, form the basis of a Gap Analysis, which has been approved by Members (see Appendix H).

**8.0 MONITORING AND SUBMISSION**

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**8.1 Key Issues**

The following schedule indicates the key issues for the Council that have been highlighted by the AMP to date and it projects timescales for actions to implement and improve the AMP process.

Member Involvement	Portfolio holder May & July 2005
Data collection	July & August 2005
Resourcing of Processes	Improvement Plan resourced
Corporate Commitment to the CAAT and Support of the CPO	AMP 2003
Leadership, Corporate Themes and Strategy Documents	Improvement Plan Dec 2004
Action Plans for Improvement and Disposal	August 2005, AMP
Capital Programme	2005/06 Programme Approved
Funding of Capital	Disposal Schedule Action Plan April 2006
Partnership Initiatives	Mid 2006

**8.2 Monitoring, Review and Feedback**

Monitoring, review and feedback on the AMP process is the responsibility of the CPO and the CAAT.

It is essential that the progress made over the past twelve months is maintained and improved upon by corporate commitment to the process and by making the AMP procedure a priority. Action undertaken during AMP 2003 continues to raise the profile of the AMP within the Council.

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**Summary of Asset Register**

<b>Asset Location</b>	<b>Valuation (2004) £</b>	<b>Maintenance Requirement over 5 years (£)</b>
Nordon offices	£2,146,000	£501,300
Depots	£337,000	£54,000
Investment properties	£2,693,000	£67,650
Development land	£1,573,000	
Garages	£44,000	£5,000
Sport and recreation	£1,770,000	£99,650
Car parks	£3,363,000	£43,750
Public conveniences	£585,000	£46,850
<b>Totals</b>	<b>£12,511,000.00</b>	<b>£818,200</b>
<b>Maintenance cost estimates are based on 2004 prices</b>		

<b>Appendix B</b>	<a href="#">Back to Contents</a>
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**Performance Monitoring System**

**Internal Floor-space and Maintenance required pPI's 1A and 1B**

<b>Gross Internal Area in each condition category</b>				
<b>Operational</b>	A	B	C	D
% of total	0%	98.9%	1.1%	0%
GIA		6091 Sq.M.	70 Sq.M.	20 Sq.M.
<b>Priority for repair</b>	1	2	3	4
Value	£46,450	£470,700	£100,400	£84,250
% of total value	6.6%	67.1%	14.3%	12.0%
<b>Non-operational</b>	A	B	C	D
% of total	0%	91.8%	6.8%	1.4%
GIA		1352 Sq.M.	100 Sq.M.	20 Sq.M.
Priority for repair	1	2	3	4
Value	£22950	£52750	£5450	£32950
% of total value	20.1%	46.2%	4.8%	28.9%
<b>Comments</b>				
The grading includes all built property				

Property Performance Indicator 2

<b>Internal Rate of Return for investment property</b>	
Industrial property	10.875%
<b>Comments</b>	
North Dorset District Council has four properties included in this category. Most are held for purposes other than investment although they do produce an income. This year the non-investment properties are included in this indicator. There is no property in agriculture or retail categories. The IRR has been calculated using a modified form of the supplied spreadsheet and does not include any asset rental cost.	

Property Performance Indicator 3

<b>Management Costs</b>	
Operational Property	£3.38 per Sq.M.
Non-operational Property	£3.38 per Sq.M.
<b>Comments</b>	
Due to the size of the portfolio it has not been possible to separate the management costs into the separate categories and is therefore the average figure. Management time occupies approximately 25% of one internal post. The indicator has risen this year through increased costs and the inclusion of the cost of preparing the asset management plan.	

Property Performance Indicator 4

<b>Maintenance and Energy costs for operational buildings</b>	
Maintenance costs per Sq.M. GIA	£12.08
Energy costs per Sq.M. GIA	£10.34
Water costs per Sq.M. GIA	£3.29
CO <sub>2</sub> emissions per Sq.M. GIA	75.54 Kg/Sq.M.
<b>Comments</b>	
Energy costs are for the major operational buildings. The cost of collecting the separate information for the minor buildings is not warranted by the outputs.	
CO <sub>2</sub> emissions have been calculated using the figures from the Energy Efficiency web site.	

Property Performance Indicator 5

North Dorset District Council has not undertaken any capital projects within this category that qualify for reporting this year.

**Local Performance Indicators**

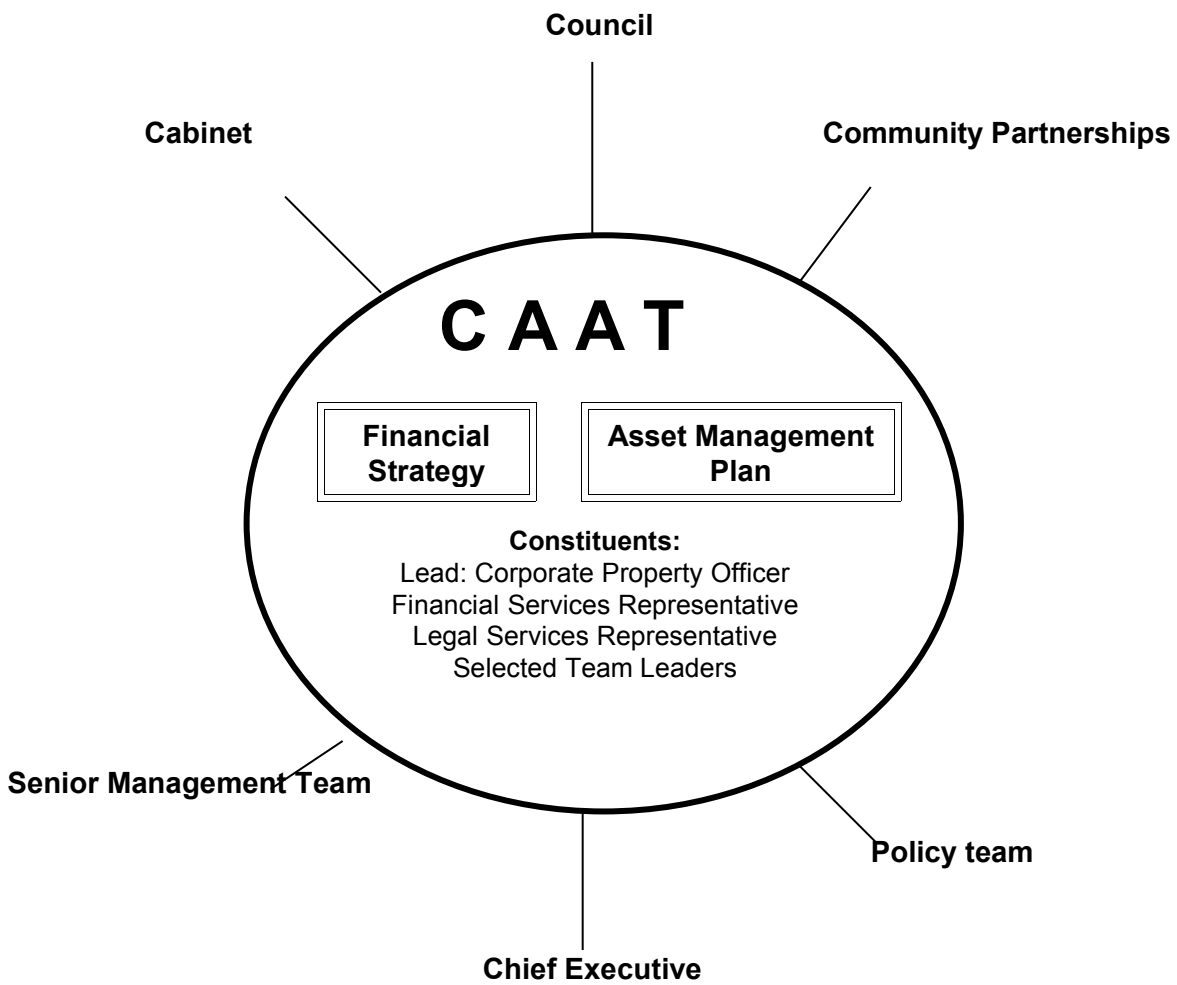
**Local Performance Indicator 1**

	Actual 2004/2005	Predicted 2005/2006	Target 2005/2006
36 properties available for letting % occupied	70%	80%	90%

**Local Performance Indicator 2**

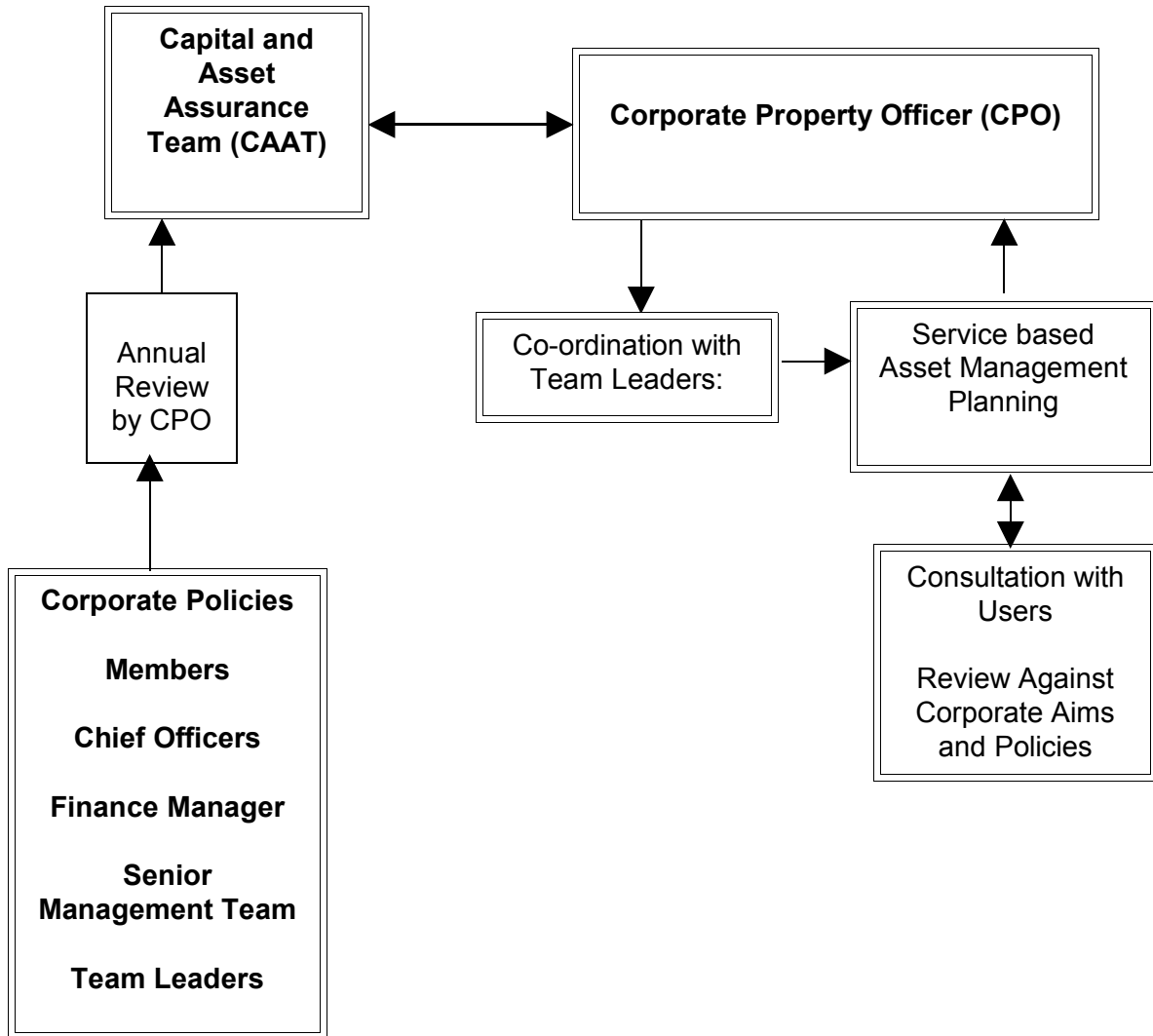
	Actual 2004/2005	Predicted 2005/2006	Target 2005/2006
Properties meeting corporate purpose	74%	76%	78%

**Capital and Asset Assurance Team (CAAT)**





**Consultation**



## **Appendix D Asset Management Strategy**

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### **Aims**

The Council will manage its assets to ensure holdings align to its Key Priorities, supporting its Capital Programme and general budgetary strategy. It is currently part way through a programme to rationalise its asset holdings and subsequently manage them to ensure they are aligned on an ongoing basis. Its Community Strategy and Capital Strategies will be the product of consultation with communities and asset holdings will be aligned with those priorities.

North Dorset District Council does not have the desire, expertise or resources to be a Property Investor, a Property Trader or a Property Developer. It will therefore limit its property holdings to those properties necessary to safeguard the future, perform its statutory functions and the functions of community development and leadership.

For those properties that it does hold, they must be suitably managed to support the Council's priorities and protect their value to the community and be properly managed to reduce their impact on the environment and secure operating costs that are comparable with the best in the class.

### **Responsibility for Management of Assets**

The Corporate Property Officer will draft the Asset Management Strategy for approval of Cabinet and Council. The Senior Management Team with the agreement of Cabinet will allocate responsibility for management of assets and set in place a system of performance monitoring and measurement

#### **Cabinet and Corporate Management**

The Cabinet is responsible for proposing periodic updates to the Strategy and for the achievement of its objectives. The Asset Management Portfolio Holder will be responsible to the Cabinet for the day to day oversight of the management of assets in conjunction with the General Manager (Development and Resources) as Corporate Property Officer. The Corporate Property Officer will be responsible for the compilation and updating of the Council's Asset Management Plan.

### **Performance Monitoring**

The Council will establish, through the Cabinet, Performance Indicators (pPIs) and targets for achievement of agreed objectives in relation to Asset Management. National pPIs will be supplemented locally where applicable.

The Cabinet will receive reports on Asset Management at intervals of not more than 6 months. The Corporate Property Officer will be responsible for monitoring day to day performance, and ensuring that users comply with Council requirements.

#### **Records and Record Management**

The Council has investigated all of its property assets and updated its records. Asset records are held in the Property Terrier database linked to the corporate GIS system and the Asset Register maintained by the finance function. These records form the core data on property assets together with some intermediate data. At present there is no corporate system for presenting transient data. As part of its ICT review, property data management systems,

together with UPRN, will be introduced across the Council to make full property information easily available to those who need it.

### **Costs and Income**

The Council is establishing the costs of running and maintaining all of its assets (transient costs) and will ensure these are reviewed as part of all Best Value reviews.

The capital programme process requires all projects to identify and respond to the revenue costs of any property project. Project development will seek to reduce the revenue costs of all new projects.

The Council will seek to raise the maximum income from its property where this is compatible with the use of the property and the Council priorities. In the case of the Council's small let portfolio, occupancy will target 90% subject to the effect of the external economic climate.

### **Valuation**

The Council is in the last year of its rolling 5 year revaluation programme. All property is being valued according to the CIPFA guidance. Where it is proposed to dispose of property the Acquisition and Disposal guidance will govern the process.

### **Maintenance and Replacement of assets**

The Council will establish a maintenance/replacement regime for all its assets following the full baseline condition survey of all properties. The regime will define levels of maintenance applicable to categories of asset or the requirement for funds to be set aside for replacement purposes. These will be related to the management criteria referred to above. Programmes of planned maintenance will be set and periodically updated.

Whenever legal agreements for the occupation of property are made they will clearly set out maintenance/replacement requirements. When the Council enters an agreement to allow the use of one of its land assets it will ensure that any agreement provides for the user to maintain (or replace) and insure the asset in accordance with the Council's standards of maintenance.

The costs of maintenance/replacement will invariably be charged to the user of the asset.

**Appendix E**[Back to Contents](#)**Capital Programme Management**

The Capital Programme is managed corporately by Capital and Asset Assurance Team. Projects are placed on the Capital Programme through the Business Planning and annual budget setting process, following and appraisal of each project submitted by the relevant Team Leader to the CAAT. The project appraisal includes an assessment of revenue implications, objectives, options, consultations, contribution to Council themes, cost and timescale.

Approval of capital expenditure is granted by Cabinet based on a more detailed report.

Projects are prioritised by the Policy Team testing each project against the following criteria:

Corporate Priorities

Statutory Function

Leverage

Improvement

Community Support

Proven Need

Sustainability

Project scores are recorded in the published Capital Programme

Overview and Scrutiny Committee consider the Capital Programme proposals and make recommendations to Cabinet. Council approves the Capital Programme.

**Appendix F**[Back to Contents](#)**Citizens Panel**

The Council has used the Citizens Panel on four occasions to seek the views of the community. The third survey conclusions and recommendations follow.

**5: Conclusions & Recommendations**

The following conclusions and recommendations have been drawn from the research findings section of the report.

**5.1: Community Safety**

- Most residents believed that the local level of crime had stayed the same over recent months, but a significant minority did think it had risen. This is a worrying trend that needs to be addressed immediately.
- It is clear that the Council, and its partners, need to promote the Crime & Disorder Partnership and Community Safety Partnership if awareness and contact is to increase.
- This may be best achieved through local and Council press, the Council's website, leaflets at central locations and through local community groups.
- The vast majority of residents feel safe in their local area during the day, but walking in selected areas at night is a problem for some in the District. Although this may be due in part to the perception of crime rather than actual dangers, it will nevertheless be important for the Council and its partners to focus its efforts here.
- Many residents would feel safer if there were a police presence in their area, both during the day and at night. This was highlighted by the common requests made for 'bobbies on the beat', regular police car patrols and the reopening, or extended opening, of local stations.
- Street lighting and CCTV security measures would also be appreciated in some areas.
- Many resident concerns related to young people on the streets, vandalism and behaviour due to drugs and alcohol consumption, so particular attention being paid to tackling these areas would be a comfort.
- Again, a police presence or security equipment on streets and outside late night venues (including bars and shops) may help in this respect.

Some also believed that the provision of facilities for younger people would also prevent anti-social behaviour, although this is a difficult task in such a rural area.

- However, residents were most concerned with traffic offences, such as speeding, reckless driving and drink driving. This led to requests for speed limit signs and cameras in villages where speeding was thought a problem, and to an increase in police patrol cars.
- Street and household crime was less of a worry generally, and may be addressed through education, advice and Neighbourhood Watch Schemes.

**5.2: Pest Control**

- Whilst this service is no doubt thought essential by most residents, only two thirds are willing to pay for it. If the Council should decide that charges should be made they should ideally not be levelled about £20.
- However, further charges for missed appointments or out of hours visits may be made at the Council's discretion (with the latter service being a popular request).

**5.3: Budgeting & Council Tax**

- Council Tax is always an emotive subject, and so it was hardly surprising that around half did not agree with the Council's proposal to increase it in line with other similar authorities.
- From the additional comments submitted it is clear that some people, particularly those on lower incomes, do not see why repeated increases above inflation and pension awards are necessary. This led some to suggest internal efficiencies be found or that the Council

negotiate their Government contributions, although others did recognise a need for investment in local services.

- Whilst a minority would be willing to suffer a reduction in services or increased service charges to negate the need for Council tax increases, most would not.
- However, a majority did think that spending on the development of recycling services should increase, and so increases in line with this work would be acceptable.
- This is obviously going to be a difficult decision for the Council, with some resident dissatisfaction inevitable whatever the outcome. It is recommended that the Council communicate clearly the reasons behind their decisions via local and Council press, and Council Tax statements.

#### 5.4: Car Parks

- Residents were generally satisfied with the cleanliness of public car parks, and so no action is required in this area.
- However, they were less satisfied with the number of parking spaces in certain areas (a recent reduction in Shaftesbury was commonly cited), and the introduction or increase in charges in others. These two points were commonly thought to impact on the local economy and traffic congestion.
- It is recommended that the Council, in partnership with other agencies (Dorset County Council are currently drafting the Local Transport Plan), investigate the parking requirements of local residents, commuters and visitors to ensure they are satisfied.
- In addition, the Council should consider whether the current car parking charges make ticket machines and warden services viable, and the effect of such charges on the economy and congestion (this being one course of action taken to reduce car usage).

#### 5.5: Planning Policy

- A surprisingly high proportion of residents would like to be involved in the next planning policy in their area, this being another emotive area of consultation that affects the quality of life of all concerned.
- Due to this extremely positive response, and their preference for postal questionnaires, the Council should consider the use of the Citizens' Panel as the main method of consultation.
- Having said this it will be important to allow those not currently involved with the Panel to have some input. This may be achieved through ad hoc consultations and public meetings, both of which can be promoted through local and Council media channels.

#### 5.6: Contact With The Council

- Although the Council should ensure good communications via a variety of media, it is likely that the majority of future contact will continue to be via the telephone, so adequate staffing levels and telephone points should be allotted (possibly on the basis of service area).
- The Council may wish to promote a single contact number, or provide a telephone directory of services. In either case automated telephone responses and instructions should be limited as these can be unpopular with residents.
- Personal visits will also be common (especially for certain services and local residents), so the building should be designed in such a way as to allow for visitors to easily identify the correct area for their enquiry, and to wait in comfort if necessary.
- Although restricted mainly to younger age groups and disabled residents at present, as local internet access, skills and service availability increase so will e-mail and website contact. In addition to the statutory developments required in this area, the Council should monitor and encourage usage of these channels as they could provide significant cost savings in the future.
- As a general rule, if a reply is required residents should be contacted using the same medium (unless otherwise stated).

- Past consultations have found that telephone calls should be answered within 6 rings, and a reply given by the next working day if possible. This reply period also applies to e-mails and website contact. Visitors will find speaking to a member of staff within 6 minutes acceptable in most cases, and responses by post are acceptable up to 5 working days from receipt.
- Use of the website has been encouragingly high, and the vast majority found it easy to use. There are indications that most of those visiting the website had done so some time ago (before recent website developments), and so requests for more updated content and better search facilities may now be irrelevant.
- A majority believe that the Council keeps them well informed, as they did in 2003. However, relatively few believe they are kept very well informed, so further improvements to the content and distribution of Council literature are certainly possible.

**Appendix G - Achieving the Councils Corporate Objectives**

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**April to June 2005 – 2006 Progress on our promises**

As at 31 March we delivered **27 (✓)** out of the **32 promises** for the period 2004 – 2005. There were 0 promises where we were unable to determine whether we will deliver (?), and **5 exceptions (✗)**, which although progress had been made, look unlikely to meet the target, however it is envisaged that the promise will be delivered.












✓	On track to deliver action
?	Currently unable to determine whether action will be delivered
✗	Not on track to deliver action

Progress made against all actions is detailed in this report under the priorities below.

**Access to our services**

**Report on our promises for 2005 - 2006**

✓	<p><b>Integration of Customer Relationship Manager Systems with back office activity to create automation of business process management. (Customer Care Improvement – Customer Contact Manager)</b></p> <p>The CRM system is currently being used for a variety of areas of service delivery and a comprehensive project plan is in place to integrate it with back-office systems. This will support the council in its aim to provide a 'right first time' approach to service delivery.</p>
✗	<p><b>Introduction of software to enable corporate complaints to be more efficiently tracked and monitored. (Complaint Management – Research and Performance Policy Manager)</b></p> <p>Existing bespoke software has been enhanced pending the purchase of new complaint management software. The proposed introduction of the Covalent complaint management module that could be possibly integrated into our existing performance management system has been delayed by the company by up to 9 months.</p>
✓	<p><b>Publish report on strengths and weaknesses of services based on analysis of data. (Complaint Management – Research and Performance Policy Manager)</b></p> <p>The analysis of complaints that have been collated from the information supplied by the council's services is reported to the Standards Committee. This highlights the specific recurring issues in our services.</p>
	<p><b>Project Implementation complete of CRM, FMS, GIS and LLPG. (Implementing Electronic Government – General Manager Policy and Performance)</b></p>
?	<p><b>Develop a toolkit to assist consultation for community planning. (Consultation and Communication Strategy – Public Relations Consultant)</b></p> <p>This is a joint project between the public relations and economic development teams and is currently being considered by the parties involved.</p>

<p><b>Produce a new consultation and communication strategy. (Consultation and Communication Strategy – Public Relations Consultant)</b></p>	
<p>Audit work to establish the current situation with the council's communication activities is currently being carried out. Once this is completed work will begin on writing the strategy with input from senior managers and members.</p>	
<p><b>To have a schedule in place for management, archiving and destruction. (Freedom of Information – Customer Contact Manager)</b></p>	
<p>A schedule of archiving has been drawn up in line with the Electronic Document Records Management System. This project is being rolled out over 2005/06.</p>	
<p><b>Completion of improvement works on council property. (Access for disabled people – Principal Technical Officer)</b></p>	
<p>A project group has been established and have completed some surveys to council buildings where the public have access. When all the surveys are completed work (planned for October 2005) work will be undertaken to improve access for disabled (planned for March 2006).</p>	
<p><b>Completion of initial training programme. (Access for disabled people – Principal Technical Officer)</b></p>	
<p>Once all disabled access improvement works/procedures are implemented a staff training programme will be completed (planned for March 2006).</p>	
<p><b>Building Corporate Capacity</b></p>	
<p><b>Report on our promises for 2005 - 2006</b></p>	
<p><b>Change management workshops complete. (People strategy – Strategic Personnel Adviser)</b></p>	
<p>Workshops planned for early 2006 depending on funding from ODPM Capacity Fund Bid.</p>	
<p><b>Competency approach to HR systems and processes. (People strategy – Strategic Personnel Adviser)</b></p>	
<p>Key HR processes are mapped and key skills identified.</p>	
<p><b>Key processes are improved to avoid waste and duplication following process mapping exercise. (People strategy – Strategic Personnel Adviser)</b></p>	
<p>The ODPM Capacity Building bid includes this project to complete a strategic process mapping exercise to build front-desk customer service, improve process efficiency and fully utilise the ICT investment.</p>	
<p><b>Established an Integrated performance management system. (Performance management – Research and Performance Policy Manager)</b></p>	
<p>Integrated performance management software has been purchased and is now being tested prior to the launch and training for team leaders this Autumn.</p>	
<p><b>Developed a system for identifying and delivery targeted training. (Performance management – Research and Performance Policy Manager)</b></p>	
<p>The staff performance review completed in June 2005 has been enhanced and is being used to identify the specific training needs of team leaders.</p>	
<p><b>Roles and responsibilities of officers and members' clarified. (Performance management – Research and Performance Policy Manager)</b></p>	
<p>Performance reports are now submitted to the Review Sub Committee and Portfolio Holders are held to account for performance. Portfolio Holders hold monthly meetings with team leaders to discuss progress.</p>	
<p><b>Prepare an operational plan to deliver Asset Management Programme. (Asset Management – General Manager Development and Resources)</b></p>	
<p>The Asset Management Plan 2005 is due to be issued to Cabinet for approval on 29 September 2005.</p>	


<p><b>Implementation of corporate procurement strategy and publication of first monitoring report. (Procurement – Financial Services Manager and Section 151 Officer)</b></p>	✓
<p>Gershon Forward Looking and Backward Looking Efficiency Statements submitted on time. Draft Procurement Strategy due to go to SMT. Links with Centre of Excellence established. CX on SW Region Centre of Excellence Board. Developing relationships with Dorset County Council Procurement Team so Council can take advantage of there contracts. E-procurement software set-up on FMS system Council participating in sub-region e-procurement market place project.</p>	
<p><b>Risk management embedded at all levels in the Council. (Risk Management – Financial Services Manager and Section 151 Officer)</b></p>	✓
<p>A strategic risk register has been established as a result of the strategic risk review this register will be extended to include the risks associated with the improvement plan. An operational risk register is now being populated with all the risks identified in the business planning round, this is enabling the operational risks to be linked to Council priorities, budgets and performance indicators. As the risk registers are held on an Access data base it will possible to analyse risk patterns and develop corporate wide risk management measures to support the operational ones. Embedding risk management in the Councils operational and strategic processes is now firmly established with risk assessment forming part of all decision making reports to Cabinet and Council, being mandatory in business plans and risk registers being established for project plans.</p>	
<p><b>The production of a revised Strategic Financial Plan for the Council. (Medium term financial plan – Financial Services Manager and Section 151 Officer)</b></p>	✓
<p>The revision process of the plan to reflect the impact of capping is being undertaken. A number of scenarios have been developed to demonstrate the financial effect of a low rate of Council Tax increase over future years. Work is now being under taken to review the allocation of resources to Council priorities which will reflect the constrained level of taxation revenues.</p>	

## Community Leadership and Community Planning

### Report on our promises for 2005 - 2006

<p><b>Actions agreed for the district’s main towns and surrounding areas through negotiation with partners at round table meetings. (Community Planning – General Manager Policy and Performance)</b></p>	?
<p>The Council is working on a co-ordinated response to the issues raised at the round table meeting held with community partnerships.</p>	
<p><b>5 parish plans agreed. (Community Planning – General Manager Policy and Performance)</b></p>	?
<p>5 parish plans are underway.</p>	
<p><b>Action Plans produced to accompany the Dorset Community Strategy. (Community Planning – General Manager Policy and Performance)</b></p>	✓
<p>Action plans have been produced for each theme of the Dorset Community Strategy. They are monitored at Dorset Community Partnership Board meetings.</p>	
<p><b>The Council to participate in a regional leadership programme. (Leadership Programme – Chief Executive)</b></p>	✓
<p>The council is participating in a leadership programme established within the county area which has been scoped and starts in September 2005.</p>	
<p><b>To complete the supervisors’ management developed programme. (Leadership Programme – Chief Executive)</b></p>	✓

The first cohort of 12 supervisors have completed the taught element of the programme. The deadline for their assignments is 31 August. The second cohort of 12 start the programme in September with the taught element due to complete in December 2005. The programme leads to the award of the Institute of Line Management (ILM) level 3 Certificate in First-Line Management.

**Learning and development programme agreed by members and implemented. (Member Development – Democratic Services Manager)** 


Learning activities based on feedback from the Members Learning Questionnaire and individual development needs are programmed for the autumn and New Year. The Peer Mentoring Programme is underway May – Dec 2005 and a bid has been made to the OFDPM Capacity Building fund for support to bring the Neighbour Initiative Foundation Community Engagement programme in-house for all Members.

## Community


### Report on our promises for 2005 – 2006

**Improve % of positive responses within the Performance Standards Project Plan (Benefits Improvement Plan – Revenues Manager)**


**Remain compliant with benefit performance standards criteria. (Benefits Improvement Plan – Revenues Manager)**

**Five homes improved to decent homes standard. (Private sector housing strategy – Policy Manager Housing and Community Safety)** 


Low take up of decent homes grants may mean this target is not met.

**Fuel poverty reduced by 5%. (Private sector housing strategy - Policy Manager Housing and Community Safety)** 


Affordable warmth strategy designed to reduce fuel poverty going to Cabinet in September 2005. Joint approach with other district partners and energy advice services.

**3 accredited landlords. (Private sector housing strategy - Policy Manager Housing and Community Safety)** 


Landlord accreditation scheme in place likely to be able to accredit 3 landlords by December 2005.

**Establishment of local action groups in each community planning partnership to tackle crime and disorder issues. (Community Safety - Policy Manager Housing and Community Safety)** 

Blandford and Sturminster groups are up and running. Gillingham and Shaftesbury are on target to be set up by the target date of October 2005.

**Community planning processes to locate community safety in pecking order of community concerns. (Community Safety - Policy Manager Housing and Community Safety)** 

Ongoing project with community development officers and community planning groups.

**The completion of at least 57 non publicly funded affordable housing. (LPSA housing target - Policy Manager Housing and Community Safety)** 

This is a 3 year target covering the period 2003 – 2006. To date 28 of the 57 houses have been delivered representing just fewer than 50%. It is unlikely that the remainder will be delivered within the timescale; however, additional affordable homes without public subsidy will be delivered beyond the target deadline as a result of work on this target.

<p><b>Commission consultants to undertake feasibility study into potential locations and facilities mix. (Gillingham community facilities – Project Manager Asset Management Plan)</b></p>	?
<p>The final report from the consultants will be available by the end of September. This will be followed by public consultation and project development.</p>	
<p><b>Publish planning consultation on location and scope of new facilities. (Gillingham community facilities – Project Manager Asset Management Plan)</b></p>	?
<p>The final report will be available at the end of September. This will be followed by public consultation. The study report will recommend the scope of new facilities.</p>	
<p><b>Leisure management contract underway and internal contract management arrangements in place. (Leisure Management Partnership – Community and Sports Development Officer)</b></p>	✘
<p>There have been some significant difficulties with this project and it will not meet the above target. A project board meeting is now pending, following which a more detailed and clearer project plan will emerge.</p>	

## Economy

### Report on our promises for 2005 – 2006

<p><b>Improve speed of determination of applications to meet national performance indicators. (Development Control Improvement Plan – Planning Projects Officer Development Control)</b></p>	?	
<p>The service is on target for minor applications and is exceeding the target for other applications, but is failing to achieve the target for majors.</p>		
<p><b>Completion of training and internal restructuring to provide greater case officer support. (Development Control Improvement Plan – Planning Projects Officer Development Control)</b></p>	✔	
<p>This is now complete but a further review of the staff structure and training needs will be carried out once the new IT system is operational.</p>		
<p><b>Amendments agreed to Capital Programme. (Developer contributions – General Manager Development and Resources)</b></p>	?	
<p>It is planned to review the Capital Programme September 2005 before issue to Senior Management Team and incorporation into the 2006/07 budget setting process.</p>		
<p><b>Identify level of contributions collected against schemes costs and match funding needed. (Developer contributions – General Manager Development and Resources)</b></p>	?	
<p>The Developer Contributions project group has been established with activities clearly defined and resources allocated. This element of work is planned to be completed by January 2006.</p>		
<p><b>Establish a single database for monitoring contributions received. (Developer contributions – General Manager Development and Resources)</b></p>	?	
<p>This is allocated to the Developer Contributions project group with a single database planned to be complete November 2005.</p>		
<p><b>Statement of community involvement submitted and core strategy options published. (Local Development Framework – Policy Manager Planning)</b></p>	?	
<p>The draft statement of community involvement has been published (July 2005) and work is progressing on the core strategy options.</p>		
<p><b>Co-ordinated group to negotiate support bidders work and/ or prepare for reduction in camp capacity in future. (Blandford Camp – Chief Executive)</b></p>		
<p><b>Successful completion of transitional period and all relevant premises licensed for alcohol</b></p>		✔

<b>and regulated entertainment. (Licensing implementation – Food, Safety and Licensing Team Leader)</b>	
The cut off date for conversion of licences of the 6 August has passed and officers and members are in the critical stage of processing applications before the second appointed day on 24 November when the new licences will come into force. A significant number of potential appeals (25 – 30) are currently expected. The officer assessment is that they are very busy but on target.	

## Environment

### Report on our promises for 2005 – 2006

<b>The Procurement of wheelie bins, lifting equipment for vehicles completed and scheme implemented underway across district. (Recycling targets – Policy Manager Environment)</b>	

<b>Establish new consultation mechanisms and publish the young people’s strategy. (Young People Strategy – Policy Manager Housing and Community Safety)</b>	<b>?</b>
Work progressing through the county-wide Children and Young People’s Strategic partnership includes a participation sub-group and the development of an integrated commissioning project for North Dorset.	

<b>The provision of integrated and interlocking enforcement service with specialist support. (Enforcement Strategy – Food, Safety and Licensing Team Leader)</b>	

<b>Establishment of free standing regeneration trust (BALDRIC). (Liveability – Rural Regeneration Manager)</b>	

<b>The completion of schemes in Shaftesbury and Sturminster Newton and adoption by Dorset County Council. (Shaftesbury and Sturminster Newton town centre enhancements – Policy Manager Environment)</b>	

## Appendix H - Financial Strategy and Asset Management Work Programme and Gap Analysis

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Asset Name	Action	Reason	Outcome
<b>Current Capital Investment (3-year Capital Programme: 2005/06, 2006/07, 2007/08)</b>			
Planned maintenance	Capital programme allocation of £10k p.a.	<i>Building Corporate Capacity</i> Maintaining the Council's assets will protect the future value and use	More usable space
Nordon office accommodation	Capital programme allocation of £184k to complete the project.	<i>Building Corporate Capacity</i> Improving the office accommodation will improve productivity and working conditions	Better staff conditions
Nordon car park	Capital programme allocation of £40k for reconfiguring and resurfacing the car park	<i>Building Corporate Capacity</i> Improving the office accommodation will improve productivity and working conditions	Safer car park with less parking on public highway
Closed Churchyards	Capital programme allocation of £20k p.a. for four years to maintain closed churchyards	<i>Building Corporate Capacity</i> The Council is responsible for four closed churchyards needing some capital investment to ensure public safety	Less risk to the public
Sturminster Newton depot	Capital programme allocation of total £1.2m to replace outdated facilities and service additional vehicles needed for recycling programme	<i>Building Corporate Capacity</i> The existing facilities are partly leased and the landlord wishes to redevelop. The remaining facilities are inadequate for current needs	Better maintained vehicles
Additional sports pitches at Gillingham	Capital programme allocation of £246k funded by developer contributions to increase the capacity for outdoor sports	<i>Community – providing facilities which local people need because of changes affecting North Dorset.</i> The town has outgrown the current facilities	More people using the facilities
Community and leisure facilities in Gillingham	Capital programme allocation of £2.31m of NDDC funds supplemented by £1m of developer contributions to provide a joint facility in the town	<i>Community – providing facilities which local people need because of changes affecting North Dorset.</i> There are no community facilities in the town and the leisure centre is reaching the end of its life	More people using the leisure centre and more community activities
Refurbishment of public conveniences	Capital programme allocation of £310k for the refurbishment of the public conveniences to maintain their quality	<i>Community – providing facilities which local people need because of changes affecting North Dorset.</i> Facilities now need ongoing maintenance and refurbishment	Improved facilities

Asset Name	Action	Reason	Outcome
<b>Current Capital Investment (3-year Capital Programme: 2005/06, 2006/07, 2007/08)</b>			
Blandford Leisure centre	Capital programme allocation of £185k over five years for the refurbishment of the leisure centre	<i>Community – providing facilities which local people need because of changes affecting North Dorset.</i> The existing centre is now in need of refurbishment to continue to deliver the necessary facilities	More people using the leisure centre
Resurfacing car parks	Capital programme allocation of £297k for resurfacing and improving car parks	<i>Community – providing facilities which local people need because of changes affecting North Dorset.</i> Ongoing maintenance of assets	Improved car parking facilities
Additional sports fields at Blandford	Capital programme allocation of £130k for the provision of additional facilities	<i>Community – providing facilities which local people need because of changes affecting North Dorset.</i> Long term need identified	More people using the facilities
Card Island bridge Blandford	Capital programme allocation of £45k for the construction of a bridge to Card island	<i>Community – providing facilities which local people need because of changes affecting North Dorset.</i> To provide public access to the island	More people using the facilities
Additional long stay parking provision at Shaftesbury	Capital programme allocation of £200k to meet the needs of the town	<i>Community – providing facilities which local people need because of changes affecting North Dorset.</i> There is insufficient car parking in Shaftesbury	Better parking facilities
DDA compliance	Capital programme allocation of £200k to meet the DDA requirements where physical change is justified	<i>Access to our Services</i> Some properties are unsuitable for disabled persons	Improved access for all customers

Priority	Property Name	Location	Description	Notes and actions	Corporate priority
<b>Property work programme</b>					
1	6/7 Nightingale Court	Blandford Forum	Shop/office building only	Currently vacant. Needs repair work before it can be let. Let on market or use as decant space for office review. To be used by Operations	Access to our Services
1	St Leonard's Chapel	Blandford Forum	Historic building	A number of enquiries received for letting. Consider selling? Let on market or sell	Environment – safeguarding and enhancing our natural and built environment.

Priority	Property Name	Location	Description	Notes and actions	Corporate priority
1	15-17 Station Road	Gillingham	Investment Property	Lease ends November 2005. Needs significant work on dilapidations Deal with dilapidations and dispose of lease	Building Corporate Capacity
1	Gillingham Leisure Centre	Gillingham	Sport and Recreation	Replacement building joined with Community Building	Community – providing facilities which local people need because of changes affecting North Dorset.
1	Barton Hill	Shaftesbury	Swimming Pool	Complete negotiations with Swimming Pool Trust and transfer on lease	Community – providing facilities which local people need because of changes affecting North Dorset.
1	Former Tip, Salisbury Road	Shaftesbury	Gypsy Sites/Landfill Sites	Contaminated land survey & depot? Continue negotiations with potential purchaser for access to employment land	Economy – creating a climate which facilitates regeneration and secures prosperity for local people.
1	Wincombe Centre	Shaftesbury	Business Centre	Let units	Economy – creating a climate which facilitates regeneration and secures prosperity for local people.
1	Land, Slopers Mead	Spetisbury	Amenity Land	Part of the site could be open market housing (3). Balance of site to Parish Council as open space? Sell	Community – providing facilities which local people need because of changes affecting North Dorset.
1	The Sidings, Station Road	Stalbridge	8 small industrial units	Let units and sell land at rear	Economy – creating a climate which facilitates regeneration and secures prosperity for local people.
2	Blandford Camera Club, off Alex Street	Blandford Forum	Investment Property	Continue negotiations with Camera Club	Community – providing facilities which local people need because of changes affecting North Dorset.
2	Land at Churchill Road	Blandford Forum	Garages	Resolve adverse possession. Users of the site not known	
2	Land at Elizabeth Road	Blandford Forum	Allotment Gardens	Resolve unauthorised access from two properties on the southern boundary. Use for affordable	Community – providing facilities which local people need because

Priority	Property Name	Location	Description	Notes and actions	Corporate priority
				housing	of changes affecting North Dorset.
2	Marsh & Ham	Blandford Forum	Tourist Information Centre	Used for storage in connection with Blandford TIC. Will be affected by the outcome of the public conveniences review	Access to our Services
2	Nordon, Salisbury Road	Blandford Forum	Offices	Review long-term property need in 2006	Building Corporate Capacity
2	The Highways Depot, St. Leonard's	Blandford Forum	Depots	Surrender lease when new depot facilities available	Environment – safeguarding and enhancing our natural and built environment.
2	Land at Hopegood Close	Charlton Marshall	Community Asset	Possible lease to Parish Council	Community – providing facilities which local people need because of changes affecting North Dorset.
2	Land adjoining Nos.26 Orchard Close	Fontmell Magna	Development Land	Resolve adverse possession and sell 30 June 2005 Negotiations with adjacent occupier concluded. Legal preparing documents for transfer	Building Corporate Capacity
2	Land next to 6, Marshlands, Penn Hill, Bedchester	Fontmell Magna	Development Land	Sell to Signpost	Building Corporate Capacity
2	High Street Former site of Public Convenience	Gillingham	Development Land	Sell to adjacent developer	Building Corporate Capacity
2	Site of Doctors Surgery	Milton Abbas	Investment Property	Negotiate rent review. Agent instructed August 2005	Community – providing facilities which local people need because of changes affecting North Dorset.
2	Land at Mary Gardens	Okeford Fitzpaine	Development Land	Sell?	
2	Castle Hill, Shaftesbury - Amenity Land	Shaftesbury	Community Asset	Resolve adverse possession	Environment – safeguarding and enhancing our natural and built environment.
2	Industrial Site, Longmead Phase 1	Shaftesbury	Investment Property	Partial assignment of leasehold on one plot. Possible sell	Building Corporate Capacity

Priority	Property Name	Location	Description	Notes and actions	Corporate priority
2	Livestock Market, Christy's Lane	Shaftesbury	Investment and car park	Redevelop?	Economy – creating a climate which facilitates regeneration and secures prosperity for local people.
2	Longmead Depot	Shaftesbury	Depots	Continue current use until replacement depot established	Environment – safeguarding and enhancing our natural and built environment.
2	Land at Grove House/Park Grove	Stalbridge	Development Land	Licence to Harris	Community – providing facilities which local people need because of changes affecting North Dorset.
2	Land at Grove Lane Close	Stalbridge	Garages	Sell?	Community – providing facilities which local people need because of changes affecting North Dorset.
2	Land Adj. Brimble Cottages	Stourton Caundle	Development Land	Parish want a Liveability bid to replace the play equipment and increase provision Lease part to Parish. Remainder retain for future development 30 June 2005 Gardens lettings to be resolved	Environment – safeguarding and enhancing our natural and built environment.
2	Rolls Mill Depot	Sturminster Newton	Depots	Part of depot relocation project	Environment – safeguarding and enhancing our natural and built environment.

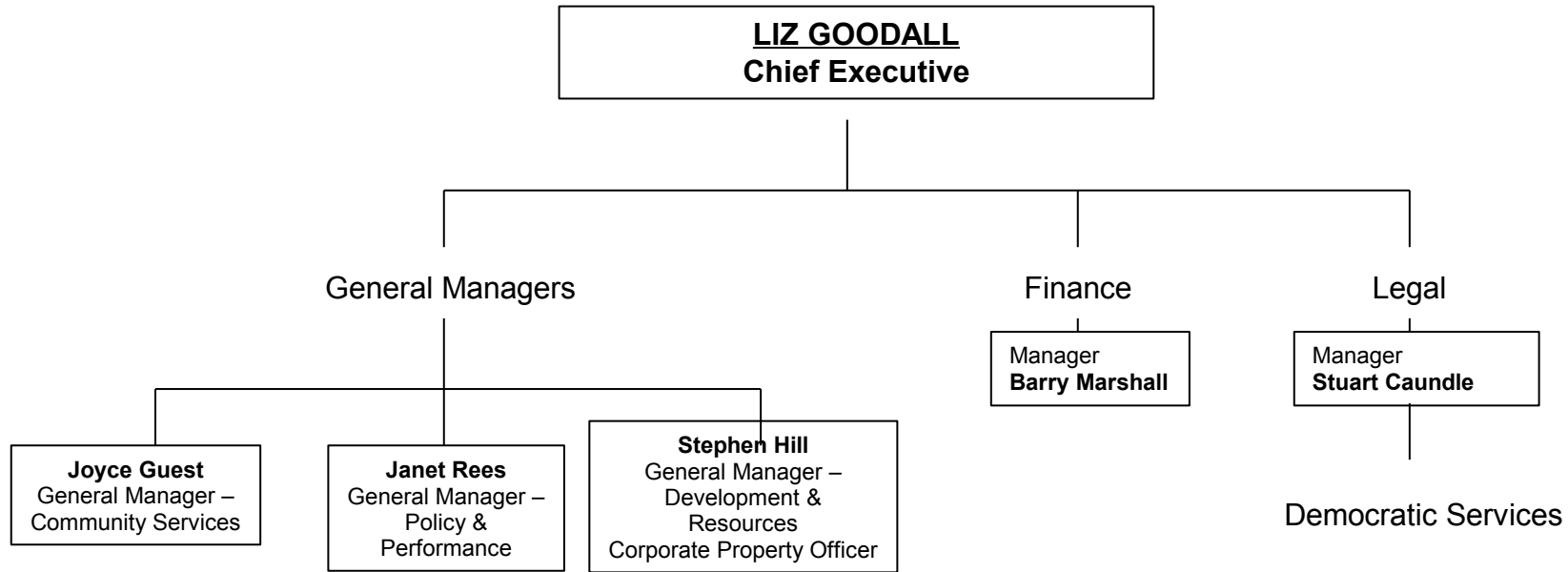
### Planned maintenance programme

Budgets for planned and reactive maintenance	Revenue 2005/06	Capital	Comment
Planned maintenance general		£50,000	
Amenity Areas	£32,790		
Blandford Joint user	£25,600		
Blandford swimming pool	£10,000	£185,000	
Car parking maintenance	£22,480	£297,000	Resurfacing and refurbishment
Closed churchyards	£4,500	£80,000	
Conservation	£1,040		
Nordon	£43,000	£184,000	For alterations and refurbishment

Budgets for planned and reactive maintenance	Revenue 2005/06	Capital	Comment
Nordon car park		£40,000	To improve the car park and reduce parking on the highway
Depots	£3,500		
Flood protection	£3,000		
Gillingham Leisure Centre	£10,230		
Industrial sites	£1,000		
Miscellaneous properties	£9,000		
Public conveniences	£13,230	£310,000	Following a review of public conveniences, some are recommended for closure with the remainder refurbished
Recycling	£2,240		
Shaftesbury joint use	£13,240		
Sturminster leisure centre	£10,810		
The Sidings	£1,800		
Tourism	£2,090		
Wincombe	£12,000		
DDA compliance		£200,000	
Totals	£221,550	£1,346,000	

**Appendix I Management Structure**

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Appendix J

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## NORTH DORSET DISTRICT COUNCIL

### Capital and Asset Assurance Team (Cabinet & Council)

Date of Meeting:

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REPORT TITLE: PROPERTY ISSUES

Report by: Corporate Property Officer

Purpose of Report:	To advise team members on the progress of asset management
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#### BACKGROUND

1. The purpose of North Dorset Property  
North Dorset District Council owns a number of properties for a variety of reasons. Many of those reasons are historic and do not ensure that the properties serve a useful purpose today.
2. The 2004 Asset Management Plan received a good score in the assessment process. The Financial Strategy scored good. This means that there is no requirement to submit this plan to Government Office although they have been consulted in the drafting of this plan.

#### ASSET MANAGEMENT PROGRESS

3. The 2005-08 Asset Management Plan has been drafted and includes the following text taken from the 2004 plan:  
The Asset Management Strategy sets the overriding purpose for North Dorset property in the following terms. North Dorset District Council does not have the expertise or resources to be a Property Investor, a Property Trader or a Property Developer. It must therefore limit its property holdings to those properties necessary to perform its statutory functions and the functions of community development and leadership.

For those properties that it does hold, they must be properly maintained and improved to support the Council's priorities and protect their value to the community and be properly managed to reduce their impact on the environment and secure operating costs that are comparable with the best in the class.

4. This purpose will have implications that will take some years to work through. However there are significant benefits in terms of management costs in reducing the portfolio to that necessary for the delivery of statutory functions and community development and leadership.

#### KEY ISSUE REPORTING

5. The Council has active asset management in place with a retained agent to market lettable space and provide valuation advice as appropriate. As properties become available for disposal the agent will carry out the marketing and negotiation for those disposals. This is coupled with thorough reporting of property activity.
6. The Senior Management Team support the active management of the property portfolio. Asset management will become part of the Business Plan process with team Leaders reporting on asset use and management in the Business Plan development process. The Council will continue to consult with stakeholders on property issues as necessary.
7. The portfolio will be measured using the property performance indicators and the system is monitored through CAAT and the Improvement Plan.

#### CAPITAL PROGRAMME

8. The Government requires Local Authorities to have a capital programme that has a robust appraisal mechanism and decision making process. In addition the Government requires that the programme is monitored and progress is reported to Cabinet. As part of the Asset Management Process the capital programme has been reviewed and a revised mechanism for appraisal and decisions has been developed. This now needs to be formally approved and reported as such in the Asset Management Plan. The Capital Programme process is one of the Primary Criteria. Failure to meet all of the primary criteria will result in a poor assessment.
9. The Capital Programme is currently funded from the capital reserves. Work is in progress to establish a mechanism to include the S106 funds in appropriate projects and this should be introduced as soon as possible. Part of the Capital Programme funding should also come from disposal of surplus property while surplus property exists in the portfolio.

#### PROPERTY PERFORMANCE INDICATORS

10. The Asset Management Plan process requires performance of property to be measured. There are five national property performance indicators that are required to be reported in the Asset Management Plan annually. The National pPIs are of limited use in managing the portfolio but they are used to compare NDDC results with other authorities. NDDC is required to develop local performance indicators. The current Property Performance Indicators are detailed in Appendix B of the Asset Management Plan.
11. The condition of North Dorset property is generally reasonable. A condition survey of all buildings was carried out in 2004. The results have been used in the Property Performance Indicators
12. Local Property Performance Indicators have been developed. The choice of indicators needs careful consideration to ensure that indicators reflect an activity that NDDC can control, as well as restricting the resource used in collecting the data. The following is taken from the assessment guidance issued by ODPM to Government Offices showing that the indicators are important.

13. The following table shows the buildings that NDDC lets to others. Of these 33 locations (excluding Station Road Gillingham) six are vacant at present. This gives an occupancy rate of 82%. The target is 90% occupancy as a local performance indicator based on these properties. At present the Council's agent is marketing the properties and new tenants are being found. The purpose of this indicator is to ensure that the Council obtains income from its portfolio. Collecting data for this indicator is not resource intensive.

Property	Town	Status
6 & 7 Nightingale Court	Blandford Forum	To be occupied by Operations
St Leonard's Chapel	Blandford Forum	Vacant
Stable building Nordon	Blandford Forum	Occupied
The Old Water Tower Station Road	Blandford Forum	Occupied
15 Station Road	Gillingham	Lease ends Nov 2005
16 Station Road	Gillingham	Lease ends Nov 2005
17 Station Road	Gillingham	Lease ends Nov 2005
Unit 1 Wincombe	Shaftesbury	Vacant
Office 1 Wincombe Centre	Shaftesbury	Occupied
Office 2 Wincombe Centre	Shaftesbury	Vacant
Office 3 Wincombe Centre	Shaftesbury	Occupied
Office 4 Wincombe Centre	Shaftesbury	Occupied
Office 5 Wincombe Centre	Shaftesbury	Occupied
Office 6 Wincombe Centre	Shaftesbury	Occupied
Office 6A Wincombe Centre	Shaftesbury	Occupied
Office 7 Wincombe Centre	Shaftesbury	In negotiation
Office 8 Wincombe Centre	Shaftesbury	Vacant
Office 9 Wincombe Centre	Shaftesbury	Occupied
Office 10 Wincombe Centre	Shaftesbury	Occupied
Office 11 Wincombe Centre	Shaftesbury	Occupied
Office 12 Wincombe Centre	Shaftesbury	Vacant
Unit 1 Plot 14 Longmead	Shaftesbury	Occupied
Unit 2 Plot 14 Longmead	Shaftesbury	Occupied
Unit 3 Plot 14 Longmead	Shaftesbury	Occupied
Unit 4 Plot 14 Longmead	Shaftesbury	Occupied
Unit 5 Plot 14 Longmead	Shaftesbury	Occupied
Unit 6 Plot 14 Longmead	Shaftesbury	Occupied
Unit 7 Plot 14 Longmead	Shaftesbury	Occupied
Unit 1 The Sidings	Stalbridge	In negotiation
Unit 2 The Sidings	Stalbridge	In negotiation
Unit 3 The Sidings	Stalbridge	Vacant
Unit 4 The Sidings	Stalbridge	Occupied
Unit 5 The Sidings	Stalbridge	Occupied
Unit 6 The Sidings	Stalbridge	In negotiation
Unit 7 The Sidings	Stalbridge	Occupied
Unit 8 The Sidings	Stalbridge	Occupied

14. Once properties are let it is important to ensure that tenants pay the rent due. This indicator records the amount collected by the due date compared to the whole rent roll for the same properties. The figure for 2005-05 is 0%. This result has been influenced by a

tenant in liquidation. Finance can provide these figures with a simple spreadsheet.

15. These property performance indicators will be reported to Cabinet quarterly and Council annually as part of the Asset Management Plan. Further local property performance indicators may be developed in the future.

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Date: 8 September 2005  
Background papers  
Financial Strategy Draft  
Asset Management Strategy Draft  
Asset management Plan Draft

## APPENDIX K

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### NORTH DORSET DISTRICT COUNCIL GUIDANCE NOTE ON THE ACQUISITION AND DISPOSAL OF LAND AND PROPERTY

#### Introduction

1. The principal object of this guidance is to ensure that the acquisitions and disposals undertaken under it are for the best consideration reasonably obtainable and that the procedures followed maintain a level of probity and transparency commensurate with the use of public funds. All disposals for less than, or acquisitions above the best consideration reasonably obtainable must be in accordance with current regulations.
2. The Council will appoint external consultants (agents), in accordance with normal procurement principles to handle all transactions. The availability of independent advice will provide a safeguard for the propriety of the Council's transactions, particularly when the Council proposes to sell other than on a basis that secures price competition.

#### Pre-acquisition process

3. When the Council decides to acquire a site or building to meet its objectives the property must be fully appraised to ensure that those stated objectives could be met. This requires a full feasibility study to be completed to ensure that the project is deliverable at reasonable cost and that the Council will not acquire unreasonable liabilities.
4. There may be situations where there is insufficient time due to competition in the market for a full feasibility study to be completed. In these cases a case paper containing as much information as possible will be presented to the Chief Executive for approval to proceed without completing the preliminary stages. The case paper will record the current circumstances, information that is known about the property and the proposed project.

#### Methods of Sale

5. The state of the market will always be a relevant factor in considering the most appropriate marketing strategy in any particular case. Provided the market is reasonably active, the "best price" will normally be achieved by marketing assets in such a way as to maximise price competition. In general, assets should therefore be offered for sale on a basis which ensures full exposure to the market except where the Council is satisfied that a more restrictive approach is justified and will achieve at least as high a price. Sale by auction or tender may be appropriate in some cases such as sales to investors and developers and have the advantage of demonstrating price competition. Guidance on these methods is at Annex A.

#### Sale or acquisition by Private Treaty

6. Private treaty acquisition or sales of land and buildings by the Council may be concluded where the professional adviser is prepared to state in writing that the price to be paid or achieved represents the best reasonably obtainable in the market. The Council should ensure negotiations of private treaty sales are fully documented and subjected to careful review in order to minimise any risk of impropriety and to ensure that the consideration

obtained is fully justifiable. The Council should obtain an independent valuation prior to opening such negotiations in order to provide a benchmark against which to assess offers. *An offer to sell below or buy above the valuation obtained prior to opening negotiations may be accepted provided that it is endorsed by the Council's Independent Valuation Advisers as the best price in the current market.*

7. The Council should take care to ensure that it is neither legally nor morally committed to proceed to the sale or acquisition until contracts are exchanged, in case it becomes necessary or desirable to break off negotiations at an advanced stage.
8. Where, in the case of a private treaty sale, a number of parties have expressed interest it may be appropriate to invite "best and final offers" to resolve matters. This procedure carries certain risks (for example, interested parties may withdraw) and it should only be used on the advice of the professional agents handling the sale. Where it is used, all the interested parties should be invited to submit their best (subject to contract) offers within a stated period.

### **Sale Price**

9. In considering whether the sale price reached following negotiations with a potential purchaser represents the best price reasonably obtainable, the Council should have regard to all the circumstances of the transaction. On the one hand it should consider any collateral benefits given to a purchaser, such as deferred payments. On the other it should consider any benefits to the vendor, such as the enhancement of the overall value of the Council's remaining assets arising from the "pump-priming" effect of incoming businesses or the disposal of an actual or potential liability. It is essential that all such factors should be recorded, evaluated and reviewed so that any apparent departure from open-market valuation can be seen to be justified. If a disposal is, or might be regarded as, not at the best consideration with respect to the sale price alone, Cabinet should receive a report on all the circumstances of the transaction and, if necessary, Full Council approval sought.
10. It is for the Council to determine the best price reasonably obtainable in any particular case, i.e. the best price obtainable in the market. Thus, a price which is depressed because of the general economic situation or because a particular property does not prove attractive to bidders is still a market price. It is the Council's responsibility to ensure that the property is properly marketed and that independent professional advice is taken on its value. The highest bid then made should normally be accepted, *even if it is below the initial guide price*, provided only that the professional advisers consider it reasonable. This applies even if only a single bid is received.
11. In the case of acquisition where the price agreed is above the initial guidance because of competition in the market, this is still a market price provided only that the professional advisers consider it reasonable.

### **Valuations and Negotiation**

12. Assets should be valued and the valuation recorded, along with relevant comparables, before being offered on the market or negotiations commence; and where appropriate a provisional reserve price should be set. Any such valuation should take full account of potential alternative uses and/or development values.

13. Internal procedures should ensure that in cases where negotiations become protracted, or the market shifts significantly, a revaluation is undertaken and the case reviewed to determine whether the negotiations should be terminated and the asset offered for sale on the open market. Negotiations should be fully documented. In a failing market revaluations and new comparables should be recorded on the file so that proper comparison of the final sale price is possible.
14. In major or potentially difficult cases, another professionally qualified adviser (who may be a Council employee) should endorse the selling agent's valuation and subsequent actions. Where the final sale is at a price below the initial guide price, they should both also certify that it is the best offer reasonably obtainable.
15. If the Council's valuer and the selling agent are unable to agree on any particular aspect, both sets of arguments and the reasons for the disagreement should be *referred to the Cabinet* for a decision in the light of the facts and the arguments.

#### **Creditworthiness of Purchasers**

16. Where appropriate, the creditworthiness of the purchaser should be examined. This is particularly important where the method of sale results in a continuing relationship with the purchaser (for example, where a sale is conditional upon the grant of planning consent or where payments are linked to the progress of a development) or if a late bid were to be considered. Where agents are used to establish creditworthiness they should submit their advice in writing, indicating the nature of the evidence on which it is based. They should cover both the bid that it is proposed to accept and any higher bids that are recommended for rejection because of doubts about the bidders' financial credentials.

#### **Disengagement**

17. Assets should be sold on a basis which as far as possible frees the Council from all further involvement in the property. In general, therefore, disposals of assets should be on a freehold basis. Sale of development land should also be on a freehold basis unless some equity retention is inevitable and retention of the freehold at this stage is likely to make more attractive and therefore facilitate the sale in the **near future** of the whole of the Council's retained interest.
18. Where possible, the Council should aim to dispose of property where it is responsible for managing common areas or facilities so as to transfer responsibility for the management function with the parcel of property to which it relates.
19. Normal planning controls should be relied upon to secure desirable restrictions as to future use of Assets sold. Restrictive covenants, apart from those normally to be found in disposal documents and placed there for the purposes of good estate management in order to secure best price should not normally be imposed for this purpose.

#### **Hope Value and Clawback**

20. In most cases valuers should be able to assess the level of any "hope" value attaching to a disposal and this should always be taken into account in negotiations. In general, the Council should seek to negotiate a fair price including any "hope" value at the time of

sale. Where there is the prospect of a future event greatly increasing the value of an asset (for example, clarification of the planning status of a site) but where the uncertainty is so great that a realistic valuation cannot be put on the resulting “hope” value at the time of sale, the best course may be to incorporate **clawback conditions** in the terms of sale. In deciding whether to impose clawback conditions and negotiating precise terms, the Council will need to have regard to their potential impact on the sale price, and to the cost to the public purse of administering them. **Any clawback conditions imposed should be listed in the Register of Assets and Liabilities.**

### **Sales to Tenants**

21. Sales to tenants often provide the best opportunity from which to negotiate a good price and secure an early completion. Proposals to purchase by tenants should not be deferred unless there is clear evidence that a substantially higher price would be achievable by doing so.
22. However, even in cases where it would be appropriate for the Council to negotiate with a sitting tenant by private treaty, such negotiations must be conducted against a full knowledge of market value. In some circumstances this will only be possible if there is a parallel test of open market interest. Such a test may result in a better price being achieved, or will provide assurance that the offer from the sitting tenant represents the best consideration reasonably obtainable. In other circumstances, recent open market sales of similar properties will provide comparable evidence of open market value.
23. The Council may give tenants a “right of first refusal” whenever an asset is to be marketed provided full open market value is achieved. It is particularly important in these cases that the Council should satisfy itself that it has the best possible evidence of market value.
24. In some cases the tenant may be in a position to offer materially more for the freehold than a third party, giving rise to **marriage value** (i.e. the additional value attaching to an asset when joint interests in it are merged). The Council should normally seek to secure at least a 50% of any marriage value and should take account of the possibility that a higher percentage may sometimes be achievable. Securing an appropriate share of marriage value will frequently involve adopting a tough negotiating stance. In cases where it is not achieved the circumstances should be carefully documented.
25. Where the property to be offered for sale contains premises let by the Council directly to more than one tenant, but where the individual premises could be sold separately without affecting the total proceeds, the tenants should individually be given the “right of first refusal”, with a reasonable period (at least three weeks) to prepare their offer, before any approach is made to other parties.
26. The Council should keep its property holdings under review, with the object of releasing property from its ownership as soon as it is no longer required to serve its objectives.
27. Unused and under-used land held by the Council, whether required for future use or not, should be entered on the land registers maintained for the purposes of Part X of the Local Government Planning and Land Act 1980 if it falls within the criteria adopted for this purpose.

### Disposal of Surplus Land

28. There may be instances where the Council considers that disposals of surplus land should properly be regarded as the sale of land not required for purposes connected with its objectives. For example, the Council may decide that a site or part of a site it owns cannot become part of a development scheme and decides to sell it.
29. In such circumstances, the Council will need to have regard to the “former owner” considerations under the Crichel Down Rules, as set out in the Note: “Disposal of Surplus Government Land: Obligation to Former Owners or their Successors - the ‘Crichel Down Rules’” issued by DoE on 30 October 1992. In this regard, the Council’s attention is also drawn to Part IV of the Land Compensation Act 1961, which was re-inserted in that Act by Section 66 and Schedule 14 of the Planning and Compensation Act 1991. Part IV applies to any case where land is acquired by a body which used, or could have used, a compulsory power and that land is not returned to the former owner or successor. Under Section 26 of the 1961 Act, as amended, it will be necessary for the acquiring body to reimburse the former owner where the value of the land is enhanced by any planning permission which is given within ten years of any acquisition completed on or after 25 September 1991. The full text of the DoE guidance on the Crichel Down rules is [at the ODPM Site](#).

### Submission to Cabinet

30. Cabinet should approve all disposals before any commitment is given to disposal of an asset under the following circumstances:

where it is proposed to dispose of any asset, or package of assets, where there has been no price competition and where the net present value of the negotiated price is below prevailing market prices for outright sales in the vicinity;

where the disposal does not bring to an end the Council’s interest in and liability for the property. This includes leasehold disposals in excess of 25 years (see paragraph 6.1 above), rent guarantees, lease-back schemes, management agreements and restrictive covenants beyond those required for the normal purposes of good estate management. It also includes the imposition of clawback conditions.

where the Council wishes to dispose of land for a use which accords with its objectives, but which, in the professional opinion of the selling agent, may be used for a more valuable alternative use. In considering whether or not to approve such a disposal the following factors will be taken into account: the extent to which the sale furthers the Council objectives, the safeguards which have been put in place to protect the preferred use, and the provisions for clawback of development value if a more valuable use occurs.

### Information to Accompany Disposal Consent Applications to ODPM

31. Revised regulations governing disposals at less than the market price will govern any ODPM approvals.

### Conditional Bids

32. The Council may receive bids, which are made “subject to valuation”. This is most likely to arise where a parcel of properties is being offered and where the time allowed for prospective purchasers to make their assessment is too restricted. The Council should seek to minimise the scope for such conditional bids by allowing sufficient time for bidders to prepare tenders on an unconditional basis. Where the best offer received for a disposal is nevertheless made “subject to valuation” the Council will wish to consider carefully whether to accept the bid or move to the next highest offer. If the bid is accepted, a strict timetable should be imposed within which a substantive offer must be made so that under-bidders can be approached if the highest bid then proves unsatisfactory.

**ANNEX A*****Sales by Auction and Competitive Tender***

In the case of sales by auction or competitive tender, the Council's professional advisers should consider with the selling agent whether or not there should be a reserve price and, if so, the level at which it should be set. The final reserve figure should normally be set as near to the time of the auction or tender as possible, and not more than seven days in advance.

A fixed date and time must be set for receipt of tenders, with no revisions to tenders normally allowed other than to correct errors. However, a position might exceptionally arise where the Council receives a late or revised bid after the closing date, but before the sale has become legally binding, which is significantly higher than those received before the deadline. In these circumstances, having regard to the recommendations in the Public Accounts Committee's 12th Report, 1990-91, on the sale of Herstmonceux Castle, the Council should consider carefully, with appropriate professional advice (which may include advice on the financial status of the source of the late or revised bid), whether the bid should be taken into account. In doing so the Council will need to consider not only its duty to the taxpayer but also the propriety of normal tendering practice and any consequential effects including the risk of the original bidders withdrawing their offers because of the delay. The Council must also be scrupulously fair in its dealings with the original bidders. If it is decided that an authentic late bid should be taken into account the interests of those who tendered within the time allowed must also be considered and all bidders given the opportunity to improve their original bids.

A tender bid made on the basis that a certain sum over and above the highest tender will be paid should not be accepted.

Property should normally be sold for the highest bid that at least equals any reserve price; the under-bidders should not be invited to improve their bids. However, if none of the bids clears any reserve price, all the bidders may be told this and given an opportunity to revise their offers by a specified date as an alternative to the re-advertisement of the sale. Alternatively, where the reserve price is not reached but the highest bid is only marginally lower than the reserve, the Council should consider with its professional advisers whether it would nevertheless be worthwhile accepting that bid.

**ANNEX B****Appropriation of property for sale**

Property that is identified for disposal may need to be re-appropriated to a different purpose from the existing appropriation. Appropriation to S123 of the Local Government Act 1972 governs the disposal of land by Local Authorities.