

CABINET

17 MARCH 2008

2008 CORPORATE PROPERTY STRATEGY AND CORPORATE ASSET MANAGEMENT PLAN

REPORT OF EXECUTIVE DIRECTOR, ENVIRONMENTAL
SERVICES

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to seek Members' approval to the 2008 Corporate Property Strategy and Corporate Asset Management Plan, a copy of which is attached at Appendix 1.

2.0 RECOMMENDATION

2.1 It is recommended that the 2008 Corporate Property Strategy and Corporate Asset Management Plan attached at Appendix 1 of this report be approved.

2008 CORPORATE PROPERTY STRATEGY AND CORPORATE ASSET MANAGEMENT PLAN

3.0 INTRODUCTION

- 3.1 The Council has an obligation to produce a Corporate Asset Management Plan (CAMP) and a Capital Strategy to demonstrate that it uses its resources effectively. There is currently no requirement to produce a Corporate Property Strategy (CPS), although it is considered good practice to do so.
- 3.2 The Department of Communities and Local Government (DCLG) sent out a consultation paper in December 2007, referring to the development of corporate property strategies for local government and it is highly likely that local authorities will be obliged to produce CPS's, in the near future.
- 3.3 In February 2008, the DCLG published '*Building On Strong Foundations – A Framework For Local Authority Asset Management*'. In the forward to the paper, John Healey, the Minister for Local Government states, "Over the next three years, I want to see local authorities build on their earlier work to ensure that they secure better value for money whilst making more effective use of their asset base as the foundation for delivering high performing public services" The document states that research indicates that more could be done to improve strategic asset management.
- 3.4 The Council's first CAMP was produced by GVA Grimley in 2005 and was updated in March 2007, whilst the Cabinet approved the Council's first CPS at its meeting on 30 July 2007.
- 3.5 It was originally intended to produce a single document covering the CPS, the CAMP and the Capital Strategy but due primarily to the size of the documents, it was decided to produce a separate Capital Strategy report on this occasion. Further consideration will be given to producing a concise document covering all three areas in future years.

3.6 The document attached at Appendix 1 of this report is the proposed 2008 Corporate Property Strategy and Corporate Asset Management Plan.

4.0 **CORPORATE PROPERTY STRATEGY**

4.1 The Council produced its first CPS in July 2007 and the document has been updated to reflect progress made since that time. The CPS broadly follows the headings set out in the consultation document issued by the DCLG in December 2007, which highlighted the need for local authorities to develop property strategies to ensure that the value and potential of property assets were understood and optimised

4.2 The CPS identifies policies and objectives that shape the development of the Council's property strategy, while also mapping out responsibilities, objectives and management principles.

4.3 Corporate and directorate priorities/action plans are documented under the heading Opportunities. Corporate actions include:

- reducing office accommodation by 25% over a 5-year period;
- introducing new ways of working to facilitate a reduction in office accommodation;
- linking the Information Management Strategy with the CPS to optimise accommodation; and
- keeping the non-operational stock under review with a view to disposal - subject to a business case being made.

4.4 The directorates' priorities enable a comprehensive overview to be established in terms of directorates' needs

4.5 Under the heading of the Transformation Programme and Corporate Property Strategy, it is noted that there are key linkages between people, property, finance and ICT and that the CPS can act as a driver for change.

4.6 An indicative timeframe for action is set out at the end of the CPS document.

5.0 CORPORATE ASSET MANAGEMENT PLAN

5.1 As stated above, the previous CAMP was prepared by GVA Grimley in 2005 and updated by the consultants in March 2007. The Corporate Property Group (CPG), in consultation with directorate teams, has developed this document. The Corporate Asset Management Group - CAMG reviewed the document at the meeting held on the 11 February 2008 and contributions from the Group have been incorporated into the document.

5.2 The CAMP is intended to provide a comprehensive picture of the Council's property portfolio. The document looks at:

- management arrangements;
- financial context;
- policies, programmes and plans;
- property condition, suitability and maintenance backlog;
- accessibility;
- sustainability;
- data management; and
- performance monitoring and measurement.

5.3 Prior to the establishment of a corporate landlord function in the summer of 2007, the Council had a fragmented approach to property management. It is inevitable therefore that property performance information is:

a) fragmented; and

b) inconsistent in terms of the quality of information held between the various directorates.

5.4 The Council has made progress since March 2007 exemplified by:

- establishing a corporate landlord function on an interim basis since the summer of 2007;
- producing a Corporate Property Strategy in July 2007;

- completion of a review of non-operational property to identify surplus assets in November 2007;
- commencement of the first area property review in February 2008;
- development of the 2008 CPS and CAMP by Council officers; and
- proposals to appoint a permanent Corporate Property Group by Summer 2008.

5.5 A significant amount of work has been undertaken to identify national and local property performance indicators and arrangements are being made to put in place systems to capture key data and to benchmark with other organisations

5.6 Actions noted in the 2008 CAMP include the:

- need to address the identified maintenance backlog, amounting to £10.65M;
- requirement to establish a unified corporate property records facility;
- requirement to capture property performance data and to benchmark Oldham's performance against other councils; and
- requirement to keep the following under review:
 - i) Office portfolio
 - ii) Non-operational stock
 - iii) Property running costs
 - iv) Property management costs

6.0 CONSULTATION

6.1 Draft copies of this report were considered and supported by the Council's CAMG at the meeting held on the 11 February 2008.

7.0 FINANCIAL IMPLICATIONS

7.1 The proposals set out in the 2008 CPS and CAMP, are designed to ensure that the Council makes best use of its property portfolio and specifically:

- keeps the non-operational stock under review;

- reduces the amount of floor space currently used to deliver services by 25% over a 5 year period;
- makes a key decision to invest in the Civic Buildings or procure replacement premises;
- keeps under review the running costs and performance of the property estate; and
- invests in a system to provide a unified property database.

8.0 CORPORATE HUMAN RESOURCES COMMENTS

8.1 Any issues relating to staffing and human resources will be dealt with in accordance with the existing policies and practices of the Council.

9.0 LEGAL SERVICES' COMMENTS

9.1 There are no specific legal implications of this report. However, legal and other relevant advice should be sought before making further recommendations in respect of any specific dealings with land or buildings in which the Council has an interest to ensure that the Council is able to deal with the land in the manner to be recommended (SL).

10.0 TREASURER'S COMMENTS

10.1 There are no direct financial implications as a result of this report. There are, however, financial implications which are currently under review as part of the specific actions in the CAMP relating to :

- a) the backlog of maintenance.
- b) establishing a unified corporate landlord function
- c) review of office accommodation. (TJB)

11.0 IT IMPLICATIONS

11.1 No comments (IQ)

12.0 PROPERTY IMPLICATIONS

12.1 The proposals in this report reflect the requirements of the Council's current Corporate Property Strategy.

13.0 ENVIRONMENTAL AND HEALTH AND SAFETY IMPLICATIONS

13.1 The efficient and effective management of the Council's corporate property assets will have a positive impact on the built environment and ensure that the Council complies with its health and safety obligations in respect of its property assets.

14.0 COMMUNITY COHESION IMPLICATIONS (INCLUDING CRIME AND DISORDER IMPLICATIONS IN ACCORDANCE WITH SECTION 17 OF THE ACT)

14.1 The efficient and effective management of the Council's corporate property assets will realise direct and indirect benefits for all sectors of the community.

15.0 FORWARD PLAN REFERENCE

15.1 This is not a key decision.

16.0 SUPPORTING PAPERS

16.1 The following papers support this report:

- Corporate Asset Management Plan – 2005
- Asset Management Plan Review – 2007
- Oldham's Corporate Property Strategy – July 2007
- DCLG Consultation Paper Local Government Asset Management Strategy – January 2008
- Building On Strong Foundations – A Framework For Local Authority Asset Management – DCLG February 2008.

Papers can be viewed by contacting Peter Ridley Tel: 0161 770 4367 or Steve Cooper ext 4524 during normal office hours.

The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents, which would disclose exempt or confidential information as defined by that Act.

File Ref – Records Held in Directorate

Any Person wishing to inspect copies of the above background papers should contact:- Mr Peter Ridley – Interim Service Director, Corporate Property – 0161 770 4367



**Oldham Metropolitan Borough Council
2008**

Discussion Draft Paper

Corporate Property Strategy and Asset Management Plan



**Oldham Metropolitan Borough Council
Corporate Property Strategy and Asset Management Plan 2008.**

Foreword

For 2008 the Council has taken the opportunity to bring together and publish in a single document its:

- a) Corporate Property Strategy
- b) Asset Management Plan

There is an inter-connection between all of the Borough's resources including, people, property, finance and ICT. The Council's Capital Strategy was reviewed and updated in January 2008, although as there is a requirement for it to align to the Citizens Plan and Financial Strategy it will again be reviewed before finalisation and approval by Council on April 16th 2008. It is, however, recognised that there is a case to publish a single document covering all of the Council's key resources.

The effective use of the property assets and capital resources is an ongoing feature of the Council. The Borough developed its first Corporate Property Strategy in 2007 and there is increased recognition amongst members and officers of the value of the property estate. The effective use of this resource can contribute to delivering excellent services.

Background

Oldham has traditionally been a low wage low skill economy. Initiatives are needed to diversify the boroughs economy from historically high manufacturing levels, inherited from the days of textiles. The Borough can claim qualified success in doing this though its economy is still vulnerable. The economic challenge is to use a mixture of inward investment opportunities and indigenous growth to create a modern sustainable economy, which we are attempting to do by, for example, the creation of the sixth form college, promotion of University Oldham and regeneration initiatives referred to in this document.

Though Oldham lies to the outskirts of the North West, it is at the heart of the Trans-Pennine area that encompasses Greater Manchester, Merseyside and Yorkshire. Transport in Oldham is therefore potentially a key driver for the prosperity of the borough, and infrastructure investment could be a key element of the renaissance.

A full picture of Oldham, its people and communities, economy, transport, housing market and physical environment, can be obtained from the visionary document *Oldham Beyond*. Oldham Local Strategic Partnership and the Northwest Development Agency jointly commissioned this in 2004, with the objective of setting out a route for renaissance for the town. The document was updated in 2008.

The effective management of the property estate can reduce revenue costs and property is treated as a corporate resource. Land and property sales contribute to the Council's capital receipts.

OMBC's Capital Strategy is based on the overarching principle that the Council's capital investment should be deployed where it can make the greatest impact achieving the Council's Mission "to improve peoples' lives by providing quality services and effective community leadership in a regenerated Borough."

Capital planning and asset management is linked to the Council's six main themes (although these are subject to review once the refreshed Citizens Plan is agreed at the April 16th Council meeting):

- Community Cohesion
- A Prosperous Borough
- Realising the Potential of Children, Young People & Families
- An Improved Environment
- Healthy & Well Cared for People
- An Improving Council striving for Excellence

Corporate Property Strategy 2008

Introduction

The Council's Corporate Property Strategy – CPS, was adopted by the Cabinet in July 2007 and this document updates the first strategy. It is set out in the format of the consultation document issued by the Department of Local Government and Communities in December 2007.

The Borough recognises the importance of good asset management - property is one of the Council's key resources and it is acknowledged the estate contributes to service delivery. An interim Corporate Property Group - CPG was established in the summer of 2007 and through the work of the Group, the following actions have been completed since the production of the first CPS:

- A review of the non-operational stock has been undertaken and Cabinet has approved the release of the first tranche of properties identified as being surplus to requirements as a result of this work.
- A review has been undertaken of the office portfolio and a strategy has been developed that proposes to split the estate into primary and secondary office accommodation. It is also proposed that at least 25% of the existing floor area is released over the next 5-year period.
- Proposals to transform the secondary school stock have secured £200m of funding through the BsF programme
- A review has been completed of the Council's maintenance backlog and a process to recover the stock condition is to be determined by the Cabinet in March 2008
- The Regeneration Directorate undertook a review of Oldham Town Centre and a strategy for the Town will be developed in 2008.
- A review of libraries and leisure facilities has been completed and a strategy has been developed.
- Proposals for the £50m transformation of the primary school stock through Primary Capital Programme is to be funded over a period of 15 years.

Policies and Objectives that Shape Our Approach to Asset Management

Factors that influence the development of our CPS include:

- The Sustainable Community Strategy covering Local Area Agreements and the Local Development Framework.
- Delivering Value for Money in Local Government – Meeting the Challenge – CSRO7, with particular regard to asset management.
- Achieving the Decent Homes Standard by 2010/11
- Securing the economic regeneration of the Borough, which has significant pockets of deprivation
- Our Citizens' Plan, Capital Strategy, Asset Management Plan, Service Plans and Housing Strategy
- Reducing our operating costs by shrinking down the amount of office space we use by introducing new ways of working
- Reviewing our non-operational stock to ensure property is only retained, where a business case for retention can be made.
- The Building Schools for the Future Programme
- Primary Schools Capital Programme
- Engaging with the community.
- The potential to work with other public sector partners to share facilities to give an improved service to customers. An example of this is the District Centre Programme providing new facilities to improve access, health and wellbeing.

Responsibilities

We established our Vision, Management Objectives and Management Principles in 2007 and these are set out below and are being closely followed by the Borough.

Our Vision

'Excellent services achieved by making best use of the property estate'

Primary Management Objectives

The primary management objectives of the Council's Corporate Property Strategy are to:

- Make effective and efficient use of the Borough's property holdings in line with the Council's key objectives and targets
- Optimise construction and maintenance expenditure, having regard to whole life costings
- Optimise property running costs to ensure expenditure associated with occupation is minimised
- Keep under review the business case to retain non-operational assets.

Key Management Principles

- Property is to be held as a corporate resource and where appropriate, capital receipts from property and land sales will be utilised to fund priorities identified in the Borough's Capital Strategy.
- Property will only be held to support service delivery – this may include being held to generate income to secure services subject to a business case being demonstrated.
- Non-operational property will be subject to annual review.
- Property assets have a value and Executive Directors will account for assets used to deliver services.
- The Council will maintain investment into its property infrastructure subject to available resources.
- Partner organisations and particularly those in the public sector will be encouraged to adopt a joined up approach to service delivery to:
 - share accommodation to reduce costs
 - improve customer access
 - facilitate inclusion
- Investment planning will take into account life cycle costs. Capital and revenue programmes will make provision for investment into the Borough's property infrastructure.
- New buildings will be sustainable, based on life cycle costings and not initial capital outlay. All new buildings will have a Building Research Establishment Environmental Assessment Method – BREEAM rating of not less than good.
- Where practicable maintenance and improvement programmes will endeavour to improve sustainability in existing buildings – for example replacement low energy lighting systems.
- Property occupation costs and property utilisation will be monitored through the AMP process.
- Property users have an obligation to reduce running costs.

Opportunities (Corporate and Service Action Plans)

Corporate Action Plans

The Corporate Asset Management Group - CAMG has established the following corporate and service action plans in consultation with senior members and officers looking forward over the next 5 to 6 years.

- Established a strategy to reduce office accommodation by at least 25% over a 5-year period.
- All Executive Directors to take action to reduce the amount of office accommodation held to provide services by at least 25% over a period of 5 years.

- Introduce new ways of working adopting a corporate rather than directorate approach. This includes developing new working protocols, re-engineering support functions, adopting a corporate approach to records management and reviewing storage arrangements.
- Link the office strategy with new ways of working and the Information Management Strategy to optimise accommodation use – this presumes that offices generally will have open plan configurations to optimise space utilisation.
- Following a review of the non-operational portfolio in 2007, dispose of non-operational property subject to the requirements of the Council's management principles. A business case for retention must be demonstrated. However, sales will have regard to prevailing market conditions.
- The Council will continue to engage with other public and private sector partners to develop joint accommodation strategies to secure excellent space utilisation and to reduce running costs.
- The Council's housing stock has a book valuation of £892m. In March 2009, FCHO will complete the decent homes programme. The sustainability of the HRA is an issue and consequently, the Council has agreed to carry out an option appraisal including consideration of a stock transfer. The findings of the review will be reported to Cabinet in September 2008.
- Complementing the Civic Centre's one-stop shop, one-stop shops/service access points to be provided in key centres of population and specifically based on the District Centre regeneration strategy being pursued by the Council.
- The Council's Leisure Strategy will make explicit links with the BSF programme and District Centre proposals.
- Major construction and engineering projects to be used to secure training opportunities for local people as far as lawful.
- Oldham's CPS will use the linkages between new ways of working, information and document management and the development of a corporate approach to IT to act as a driver for change within the Council.
- Linkages will be made with the Council's Capital Strategy and a 3-year disposal/acquisition programme will be established.
- All property will be subject to benchmarking reviews to assess performance and to identify those premises that have higher running costs.
- Capital projects will be commissioned by the Capital Strategy Group to align with corporate priorities and continue to be subject to option appraisal. Investment decisions will be based on lifetime cost estimates.
- Where appropriate the Council will develop exemplar sustainable projects – for example within significant regeneration schemes and as part of the BSF programme.
- Regular property reviews will be undertaken to compare building condition, suitability and efficiency of occupation. Properties that are not suitable and have a significant maintenance backlog or incur high running costs to be considered for disposal.

- Area property reviews will be undertaken to enable cross service considerations to be taken into account – commencing in January 2008 with the Royton Area. The area review will also identify opportunities for surplus buildings to be held for community use and will be subject to consideration by Community Councils.
- Action will be taken to recover the Council's maintenance backlog over time as agreed by the Cabinet in March 2008. It is anticipated that the BSF programme will address outstanding repairs in the secondary school sector and the Primary Capital Programme will address maintenance backlogs in the primary school sector.
- Incentives to be introduced to release accommodation through the introduction of a mechanism to charge for the full cost of occupancy.
- An exercise is being undertaken to ascertain use of Council premises by other groups and organisations.
- Action to be taken, to put in place a property information system – this is likely to involve undertaking a competitive tender. Options to consider include the Atrium system and the Technology Forge system.

Service Action Plans

Environmental Services Directorate

- Undertake option appraisal of Moorhey Street Depot, and Lees Rd Depot sites, which require significant investment, with a view to consolidating operations on one depot site to gain efficiency savings. Appraisal to inform invest or dispose decision.
- Relocate the remaining services within the Environmental Services Directorate from Henshaw House into the Civic Centre or other suitable premises. (However the Property and Engineering Clients may remain within the building to be in close proximity to the Unity Partnership Team).
- A PPG 17 Local Needs Assessment of open spaces was undertaken in September 2006. Area property reviews will consider the findings of the review in respect of green and open spaces and where practicable will identify sites that require upgrading or those that are potentially surplus to requirements.
- All non-operational property held and managed by the Unity Partnership on behalf of the Council to be subject to review. Property only to be retained if a business case for retention can be demonstrated. This will cover commercial premises, industrial premises and freehold interests.
- Chadderton Town Hall has been improved to enable the Registrars Service to relocate into this building together with staff from:
 - West End House – Environmental Health
 - Oldham Business Centre – Community Safety
 - North House – Environmental Health
- First Response and Security Service to consolidate its operations at Vulcan St, Derker, including modifications and extensions to the existing units, which will then also accommodate Trading Standards and Licensing from North House.

- Relocation of Planning and Building Control from Levels 13 and 14 to Level 4 to provide easier access to the One Stop Shop to deal with planning/building regulation enquiries.
- Action will be taken to dispose of North House. West End House to be retained for use by the Council, at least in the short term.
- Review to be undertaken of the Queen Elizabeth Hall to determine its long-term future and how the resource can be fully optimised. The retention of the building will be subject to the outcome of corporate proposals in respect of the Civic Centre and proposals to regenerate Oldham Town Centre.
- Alternative premises to be found to enable Street Scene (East Team) to relocate from the old Waterworks site, located in Strinesdale, due to inadequate drainage facilities.
- Street Scene (West Team) to relocate temporarily to West End House from Wellington Street Depot to enable the latter site to be used to build Chadderton Health and Well Being Centre commencing in March 2008.
- Review of all Street Scene depots to be undertaken and consideration to be given to district/locality bases.
- Oldham Tommyfield outdoor Market, to relocate to town centre pedestrianised streets in an attempt to regenerate the market. If successful, this will vacate the present site adjacent to the Market Hall. The future of this site will be subject to the outcome of corporate proposals in respect of the Regeneration Strategy for Oldham Town Centre.
- Start of area property reviews in January 2008 with review of Royton Area.

Regeneration Directorate

Oldham has a wide range of physical Regeneration Programmes which have a property perspective involving both property acquisitions for land assembly as well as property disposals to developers, PFI partners etc which in many instances result in significant capital receipts.

Housing Market Renewal

The biggest of these programmes is "Housing Market Renewal", a 15-year programme, which covers most of the wards in Oldham as well as parts of Chadderton, Hollinwood and Failsworth and in all covers 40% of the housing stock in the Borough. The first intervention areas are Derker and Werneth/Freehold where an extensive programme of both commercial and residential property acquisitions has been undertaken over the last 2 years and continues. Disposals of land to each of the four selected new housing developers has commenced and will continue over the next few years. The next phase of intervention areas for HMR will be Sholver, Alt and Hathershaw/Fitton Hill.

Economic Regeneration

- A number of priorities for economic regeneration were identified in the Borough's 'Oldham Beyond' vision and these ideas have been further developed through 'masterplanning' exercises with completed strategies for Hollinwood (M60 Junction 22), Chadderton Technology Park, The West End and Mumps in Oldham Town Centre.
- Hollinwood is the Borough's best location for creating new employment on a large scale with the focus on new offices and enterprise opportunities. Land assembly is continuing and a strategic development partner is about to be selected.
- Chadderton Technology Park is the employment zone between Chadderton Town Centre and Oldham Town Centre. It is the home of Zetex, the UK's only manufacturer and world leading creative designer of microchips. The strategy is to retain Zetex in the Borough by improving the quality of the employment zone at the same time as creating sites for other high technology enterprises.
- Consultants have been commissioned to carry out a review of Oldham Town Centre to further develop thinking in respect of the regeneration of the Town. The GVA Grimley report is due to be finalised by March 2008 and will look at the following:
 - a) Potential to improve shopping
 - b) Feasibility of introducing more leisure facilities
 - c) Potential to replace or upgrade the sports and leisure complex.
 - d) Actions to be taken with the Old Town Hall
 - e) Consideration of replacement facilities for the Coliseum Theatre
 - f) Opportunities for the Civic Buildings and Queen Elizabeth Hall
- West End in Oldham Town Centre is the emerging 'educational quarter,' which includes the University Centre Oldham, The Sixth Form College and The Oldham College. The latter has plans to completely rebuild the campus whilst UCO and the Sixth Form College have expansion proposals. It is also the location of the proposal to relocate Oldham Coliseum Theatre.
- Mumps at the east end of Oldham Town Centre has like the other areas had a 'masterplan' prepared which reinforces the Council's enabling role and recognises the huge importance of the Oldham Town Centre as an economic generator.
- The NWDA has recently approved funding to support the Council's continued land assembly at Hollinwood, Chadderton and the West End.

District Centres

The Town/District Centres, Failsworth, Chadderton, Huddersfield Road, Royton, Shaw, Lees and Uppermill are also recognised as key regeneration imperatives. Projects to improve and in some cases transform them such as at Failsworth continue and a programme to identify opportunities to develop new multi public service buildings with 'Community Access Points' is emerging. Many of these will be developed in conjunction with Community First Oldham Ltd., the PCT's 'LIFT' provider. The first of these projects commences in Chadderton in March 2008.

Metrolink

Metrolink through Oldham has now been approved and is set to transform the Borough. A bid to the Government's Transport Innovation Fund (TIF) has been made to ensure the Town Centre link between Werneth and Mumps is constructed. Construction is programmed to start in 2009. The Council has assisted the GMPTE to acquire significant land to enable the Town centre link.

Building Schools for the Future

BSF will transform the Secondary Education provision in the Borough with new schools being opened from 2011. This programme will involve the assembly of three new sites and the release of up to seven former school sites from 2011 onwards, for other types of development within the Borough.

Regeneration Directorate's operational needs

- There are also small neighbourhood offices in Werneth (small terraced house which will be returned to housing use once vacated) and Derker (small portacabin, the site is a small residential infill that can be developed once vacated).
- The NDC (New deal for Communities) had c 500 sq metres on a short lease in Borough Mill, which has been surrendered to enable relocation to Langham House in February 2008.



Oldham's Old Town Hall, currently empty but occupying a key regeneration site within the Town.

Adult and Community Services Directorate (ACS)

During 2007/08 the ACS Directorate continued to implement the Adult and Community Services Asset Management Plan, which was approved in August 2005. The final stage of the accommodation strategy run over the last four years was finalized to include the disposal of Queens Road Resource Centre. Action is now in hand to dispose of Marion Walker House, Ashleigh Children's Home, in conjunction

with C.Y.P.F. with Toravon Staff Development Centre, plus Greenacres Lodge, Broadway House and the Hollies.

Work is continuing to be undertaken to maintain and upgrade adult social care provision, including during 2008/09 at Medlock Court, Boston House, Butler Green House and Limecroft. Much of this work is to meet CSCI requirements.

Adult Social Care Office Accommodation

During 2007/08 the Directorate continued to reduce its use of office accommodation by the adoption of new ways of working. This led to the relocation of staff to efficient premises located at Southlink, Ashwood House, Tweedale Way, Ena Hughes and Rock Street.

Further work to reduce the Directorate's use of property is being undertaken through the Directorate's Property Review Group. Sites identified for disposal - some of which are already going through the sale process, are as follows:

- Failsworth Town Hall
- Marian Walker House (C.Y.P.F.)
- Toravon – 107 Newport Street
- Ashleigh – 105 Newport Street (C.Y.P.F.)
- The Hollies – NB covenant issues
- Land to rear of Rock Street Centre

Sites where thought is being given to the possibilities for disposal, include:

- 111 Union Street
- Vulnerable Adults - 18 Greaves Street
- Phoenix Day Care - 1 Phoenix Street

Sports Facilities

In terms of the Directorate's sports facilities portfolio, which is managed on behalf of the council on a day-to-day basis by Oldham Community Leisure Limited (OCLL), Chadderton Pool was closed for safety reasons and work began immediately to provide alternative facilities at the Chadderton Health and Wellbeing Centre, which is to be located on nearby Wellington Street. Building work on this Centre will begin in the early part of 2008. The Crompton Pool enjoyed a significant refurbishment, which should extend its useful life. A new pitch was laid at Chapel Road Playing Fields and the changing facilities were upgraded.

Work is about to get underway to enhance facilities at Saddleworth Pool, including the provision of a gymnasium, dance studio, and new synthetic turf pitch. Work is also now underway on plans for a Health and Wellbeing Centre in Royton, and to upgrade the synthetic pitch located at Royton & Crompton Secondary School.

Libraries, Heritage and Arts

The review of the Council's library provision was completed during 2007/08. In due course the Library Service will operate from a number of community hubs. Immediate work arising from the Review is the disposal of Broadway Library.

A major development will take place at Lees Library during 2008/09 to increase its size and create additional community facilities.

Strategy And Resources Directorate

- The priorities and actions that are required to be taken in respect of property assets used by the Strategy and Resources Directorate are generally reflected in the Corporate Actions above.
- Specific proposals for the Service include:
 - The co-location of Human Resources to Level 13 in the Civic Centre to consolidate occupation on Levels 13 and 14
 - Requirement for space for the Vision Team - in Manchester Chambers up until September 2008
 - Current corporate HR office on Level 3 required for the Job Evaluation Team until the end of 2008.
 - Establishing an appropriately located centralised digital mailroom.
 - Determining the accommodation needs of the Unity Partnership and resolving the requirement to provide a 'Business Centre'.
 - Identification of Local Customer Access Points – linked to the Transformation Programme and District Centre Programme
 - Further development of service provision through the Call Centre and One Stop Shop, which may have an impact on accommodation requirements.
 - Current work with the Unity Partnership may identify further services that could transfer into the Partnership and this may have an impact on accommodation requirements
 - The Unified Finance, Corporate Governance and Procurement Teams total around 170 staff and it is intended to provide desk spaces for 155. It is intended that 4 staff will transfer from the Oldham Business Centre to join with colleagues in the Central Capital Treasury/Revenue Teams. Action is being taken to introduce new ways of working within the Children, Strategy and Schools Team reflecting the occupancy levels due to staff duties away from the office. The Unified Finance Service now has all Adult and Community Services Directorate support staff based at Southlink having relocated staff from Laurel Bank and High Barn (18 FTE in total). It is the aim of the Unified Finance Service to have all its officers based together either in one location or in adjacent facilities to assist in the service improvement and efficiency programme it has embarked upon.

- The Audit Team, within the Corporate Governance Service require an interview room.
- The Procurement Team, which includes the Core Processing Unit (CPU) being created as a result of the implementation of the new financial system - totals 63 staff and it is anticipated that this will reduce to 52 over time. In order to facilitate the efficient management of the team, a single location is desirable.
- The FMIS implementation team is located at Southlink. The requirement for this team to exist will cease once the immediate aftermath of the new system implementation is addressed. Staff will be integrated back into Finance Teams, the CPU and the Systems Maintenance Team, that will be created within the Unified Finance Service.
- Requirement for accommodation for Service Communication Team, possibly to be co-located with the Graphics Design Team.

Children, Young People and Families Directorate

- Implementation of Building Schools for the Future, Capital Programme to transform secondary school provision across the Borough. (£200 million programme).
- Review of Primary School provision across the borough to remove surplus places, rationalize admission numbers and support school improvement to be delivered through the Primary Capital Programme over a 15 year period. (£50 million programme).
- Implementation of Directorate Property Strategy rationalizing office accommodation and focusing on the effective use of Southlink, Fitton Hill Centre for Professional Development and the Civic Centre.
- Delivery of General Sure Start Grant Capital Programme establishing Children's Centres, (Early Years capital grant - £1.12M each year from 2008/9), Extended School Provision and Integrated Services for 3 & 4 year olds. (£3 million programme 07/08, 08/09 - £483K, 2009/10 £512K, 2010/11 £264K)
- Development of respite care facilities at 43 Nether Hey Street, and the disposal of 45 Nether Hey Street.
- Continuously review condition and suitability of Children's homes in order to maintain suitable accommodation.
- Delivery of annual school modernisation programme (Allocation available 07/08 £6.2 million 08/09 £4.4 million, subject to confirmation 09/10 £2.742M and for 2010/11 £2.37M).
- Design and building of a new primary school on the Highbarn school site to replace Highbarn and Byron Street Primary Schools for completion in September 2009.
- Support schools devolved capital programme (Funding available 07/08 £3.6 million). Devolved Capital Allocations for 2008/9 are £5.1M and for 2009/10 and 2010/11 £5.5M each year
- Rationalisation of Lifelong Learning and Youth premises to meet service delivery needs.

- Annual review of condition, suitability and sufficiency of all school buildings in order to ensure continued formulaic allocation from DCSF.
- Update of CYPF Local Policy Statement and Statement of Priorities relating to CYPF school premises.
- Analysis of land currently held by the Directorate in relation to DCFS Statutory requirements with a view to identifying surplus land for sale.
- Annually determine priorities and allocate resources to ensure access and provide suitable facilities for SEN pupils attending mainstream schools (Funding 07/08 £372k). Allocation for 2008/9 2009/10 and 2010/11 is £424K each year
- Implement improvements at Werneth, Coppice and Bare Trees Primary School sites. Facilitate the amalgamation of schools.
- Allocating in consultation with the Salford Roman Catholic & Church of England Diocese the LCVAP Programme with allocations £2.073M from 2008/9 each year for three years

The Transformation Programme and The Corporate Property Strategy

People, property, finance and ICT make up the Council's key resources and there are explicit links between the resources. The CPS is intended to act as a driver for change.

An interim team has provided a corporate property function since November 2007 and recruitment of the permanent team will commence in March 2008.

The document Blueprint for the Transformation Programme 2007 – 2011 identifies linkages between key resources including property and has the following objectives.

- Improve the quality of services offered to customers
- Improve the value of these services to customers
- Improve customer satisfaction
- Focus the Council's spend on its defined priorities
- Change from a delivery model to a commissioning model

Timescale

Oldham took action in 2007 to establish its corporate approach to asset management. Set out below is the current indicative programme in respect of the CPS action plan.

- Corporate property protocols agreed by Cabinet in March 2008.
- Option appraisal to be undertaken on Civic Buildings – report in March/April 2008.
- Continue the programme to shrink down office accommodation by 25%
- By March/April 2008, Executive Directors to report proposals to reduce accommodation to achieve overall saving of 25% floor space by 2012. This action will take into account progress with the new ways of working initiative.

- Action to be taken to rationalise property usage in the Cultural Quarter of Oldham to facilitate the release of surplus properties and to secure full utilisation of the Lyceum and Life Long Learning Building – report in April/May 2008.
- Cabinet to consider report on maintenance backlog and recovery process – excluding schools by March 2008.
- Invite offers to provide a Corporate Property Records facility – OJEU notices to be issued in March/April 2008.
- Report findings of Royton area property review in April/May 2008 and commence review of other district areas.
- Introduction of new ways of working linked to office rationalisation programme.
- Recruitment of permanent CPG commenced in March 2008 to establish permanent team by May/June 2008.
- Subject to market conditions identify further non-operational property that can be released in 2008.
- Regeneration Directorate to develop a Strategy for Oldham Town Centre to be approved by Cabinet in June 2008 (Commencement of new Council).
- Subject to the recommendations of the report take actions to adapt the Civic Building to optimise space utilisation and introduce new ways of working. Commence in Autumn/Winter 2008.
- Primary Capital Programme to commence in 2009.
- 2009/10 BSF programme due to commence.

Oldham Borough Council
2008 Corporate Asset Management Plan

Background

This document is intended to provide information about the property estate covering:

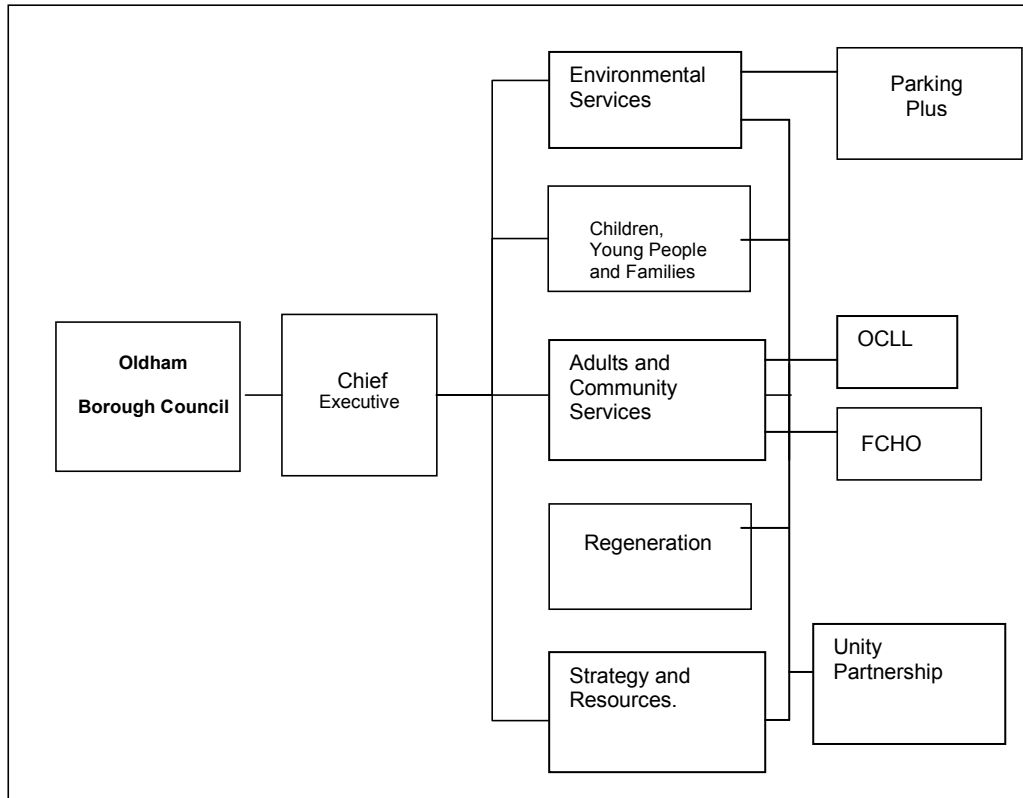
- Corporate framework and structure - management arrangements
- Financial context
- Policies Programmes and Plans that impact on asset management
- Performance
- Property condition suitability and maintenance backlog
- Accessibility
- Sustainability

Corporate Framework and Structure.

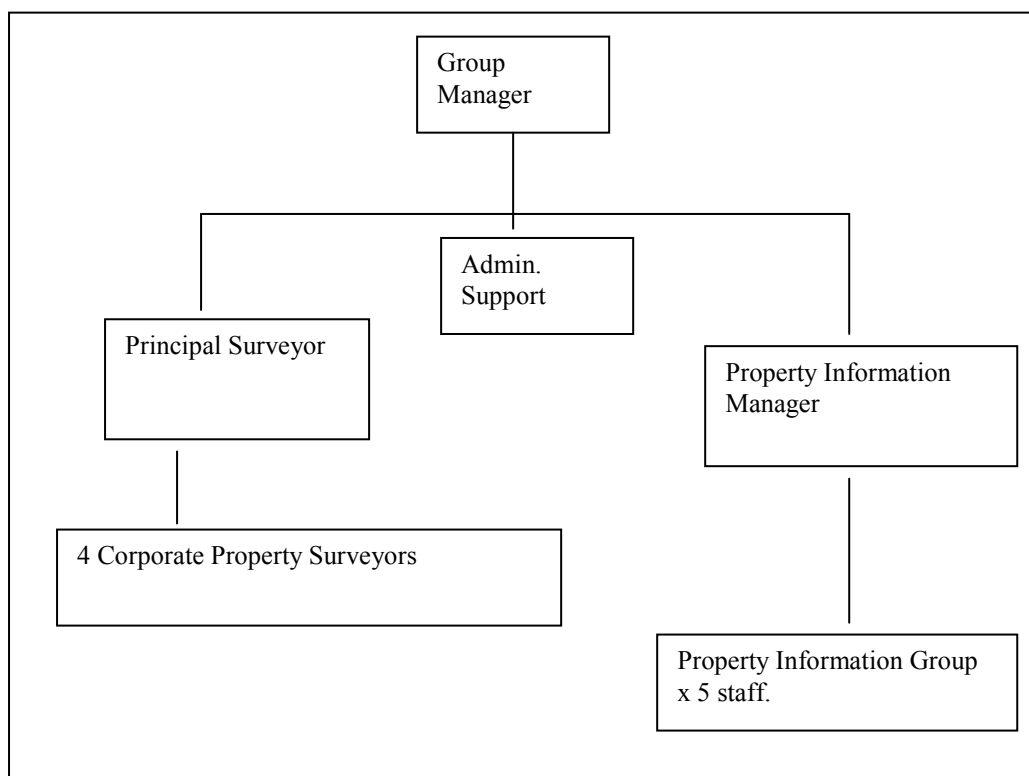
The Council is managed by a Cabinet with portfolios based on the following:

- Children and Young People.
- Adults and Community Services
- Environmental Services
- Regeneration
- Strategy and Resources.

The diagram below illustrates the structure of the Council.



A corporate property management arrangement was established in July 2007 with an interim team. The structure chart below illustrates the organisation arrangement of the CPG. Action is being taken to recruit the permanent team by June 2008.



Organisation arrangement of Corporate Property Group

The Council has established the Corporate Asset Management Group – CAMG, which is chaired by the Executive Director Environmental Services - the Council's Corporate Property Officer - CPO. The Group meet on a monthly basis and it includes representation at Executive and Service Director level. A decision was taken in 2007 to reconstitute to Group to include representation at the most senior level within the Council to drive forward proposed actions in the CPS and the CAMP.

The CAMG reports to the Council's Strategic Management Team and action has been taken in 2008 to establish a Capital and Property Panel to provide greater focus and transparency around the property estate. The CAMG also report to the Capital and Property Panel.

The primary role of the CPG is to support the delivery of services by ensuring the property estate:

- Takes into account service need
- Bids for capital investment into the stock
- Manages an acquisition and disposal programme
- Manages a planned maintenance programme
- Monitors the maintenance backlog

- Reviews the performance of the estate
- Challenges directorates about the amount of accommodation held to provide services
- Keeps the non-operational stock under review
- Acts as the Council's managing agent in respect of the property portfolio.

The CPG utilise a combination of information to manage and monitor the property estate and this includes, commissioning work from specialist consultants, service manager reviews, and customer consultation, monitoring performance by using property indicators and through benchmarking studies.

Where appropriate the Council shares assets between a number of service users, for example, the establishment of the District Centre Programme is a joint venture between the PCT, Police and Council and provides joined up access to public services together with sports and community facilities.

The CPO and CPG review the Council's core objectives through the Corporate Plan and Service Plan requirements to identify property implications for existing and future service need.

The CPG reviews non-operational stock on an annual basis. Through this review process, the CPO has been able to identify a number of sites suitable for release and the capital receipts will be allocated to priorities identified in the Capital Strategy. Recent examples include:

- Review of surplus sites – some sold at auction in February 2008
- Review of the Cultural Quarter, which identifies opportunities to rationalise current ownership by making better use of the Lyceum and Life Long Learning Building to release the Old Library/Old Post Office and adjacent land.
- Potential to dispose of interest in a number of industrial estates
- Potential to dispose of freehold of a number of residential properties.

Policies Programmes and Plans

The Council provides a range of services for the people who live, work in or visit the Borough. The Council's objective is to improve the quality of life and life chances for its residents. The Oldham Beyond document sets out our vision, which is to make Oldham an attractive place to live and work, with a cohesive community. Oldham Beyond develops a vision under the following headings.

- A generator of wealth – through bold investment in economic regeneration
- Many places not one – the area covers town, village and countryside
- Desirable place – with affordable housing and good transport links
- Ambitious people – through the establishment of excellent education facilities to encourage more people to pursue further and higher education.
- Sustainable Borough – by investing in, the environment, people, the economy, housing, waste management/recycling and renewable energy.
- Empowerment – by devolving power and responsibilities to a local level and through the establishment of partnerships.

The Council's six main themes are:

- Community Cohesion
- A Prosperous Borough
- Realising the Potential of Children, Young People & Families
- An Improved Environment
- Healthy & Well Cared for People
- An Improving Council striving for Excellence

NB – these may be changed in light of the refresh of the Citizens plan – due for approval by council on April 16th

The Borough is undergoing a great deal of physical change driven by a range of programmes including:

- Building Schools for the Future
- Primary School Capital Programme
- NHS LIFT programme
- Housing Market Renewal
- Housing PF I schemes
- Metrolink
- Oldham Town Centre Regeneration.

Areas benefiting from physical regeneration proposals include:

- Hollinwood – an area for high quality commercial property/office development with proposals to build a Metrolink station and located at the junction of the M60 and A62 promoting easy access.
- Chadderton Technology Park – building on the success of an existing employer – Zetex a master plan for the development of this area has been prepared
- Oldham Town Centre – Work is in progress to develop a strategy for the town centre, which has regard to the extension of the Spindles shopping precinct and town centre shopping. Proposals include the West End area as an education and leisure quarter. The area around the new library as a cultural quarter, which will also address the issue of the vacant old Town Hall, Lyceum Building, Life Long Learning Building and Victoria House. The Civic Building and Queen Elizabeth Hall will also be subject to review.
- The development of District Centres will provide facilities to be shared with other public sector partners in the following areas:
 - Chadderton
 - Royton
 - Shaw
 - Failsworth

The physical regeneration that is due to take place in many parts of the Borough has an impact on the Council's land and property resources.

The illustration below shows how some of the key strategies inform the development of service plans and the Council's Corporate Asset Management Plan.

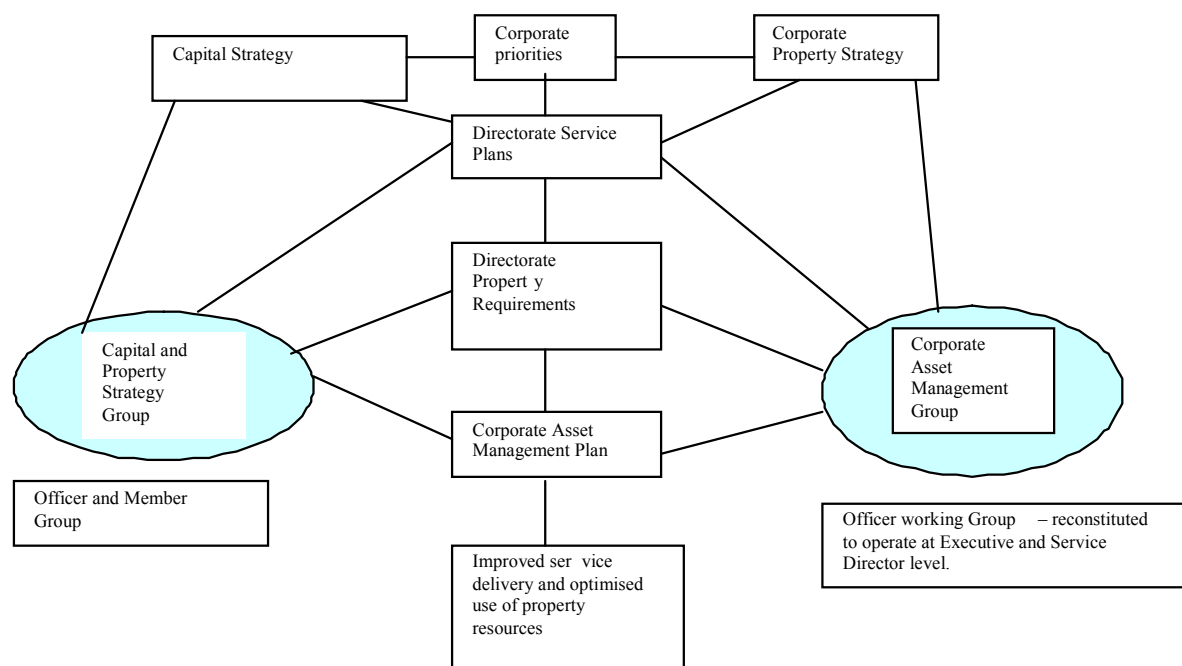


Illustration of relationship between strategic and service plans

Corporate Property Group

Action was taken in 2007 to establish the CPG and to centralise responsibility for the property estate under the stewardship of the Corporate Property Officer (the Executive Director Environmental Services). In July 2007 the Cabinet adopted its first Corporate Property Strategy, which sets out key objectives and management principles.

Revised Corporate Property Protocols were proposed by the CAMG in January 2008 and the Cabinet adopted these in March 2008.

The Council treats all property as a corporate resource with a landlord and tenant relationship being deemed to exist between building users. The CPG is considered to operate as the Council's agent.

Key actions of the Corporate Property Group are:

- Moving from an interim to permanent structure by June 2008.
- Undertaking reviews of the non-operational stock to release surplus assets – this work commenced in 2007 and has already led to the declaration of a number of properties and sites being declared surplus to requirements – November 2007 Cabinet report and the proposal to sell properties in Union Street at an auction in February 2008.

- Review of the office portfolio and the identification that the Council can reduce the amount of floor area by up to 25% over a 5-year period
- Making linkages between the property strategy and transformation programme to optimise the property resource.

Financial Context

Revenue

In 2006/7 the Borough spending on property was £8.90m

- The total revenue budget for 2007 /08 was £7.74m made up as follows.
- Maintenance £7.37M, which includes:
 - Asbestos checks £126,000
 - Safe water inspections (Legionella) £68,000
 - Health and safety (e.g. gas soundness testing and remedial measures) £247,000
- Service contracts £0.06m
- Electrical installation upgrading/essential works £0.31m

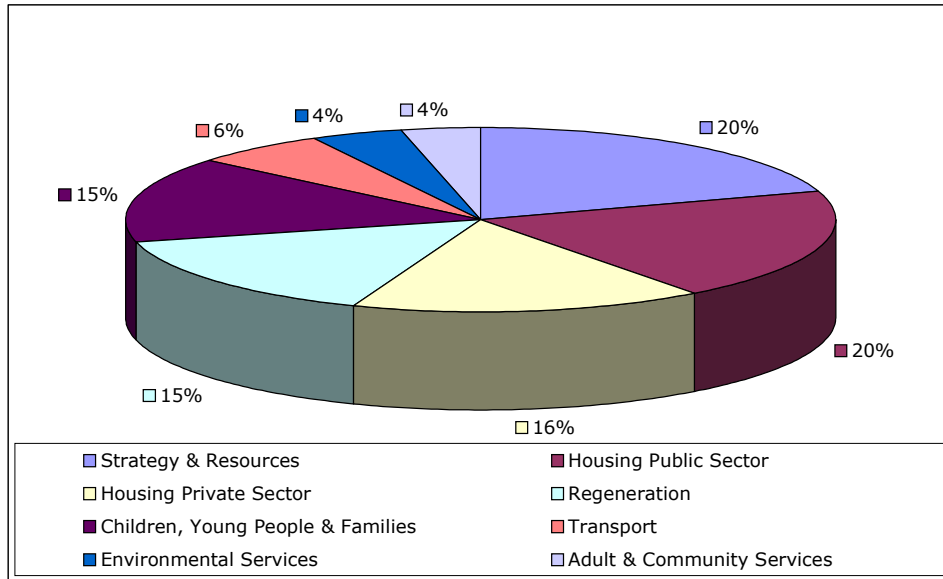
The Council has particular revenue and capital financial pressures in 2008/9 and for this reason action was taken in 2007 to establish a Property Workstream Group to focus on opportunities to reduce revenue spending by disposing of surplus property. Action was taken and authority to release the first tranche of surplus non-operational stock was obtained from the Cabinet in November 2007. A corporate savings target of £1 million has been set in relation to reduced operational running costs in 2008/09. It is also anticipated that over £3million of capital receipts not earmarked for other purposes will be generated in 2008/09.. This resource can therefore be allocated to emerging priority issues e.g. elements of the maintenance backlog that can be charged to capital.

Capital

The Council's capital programme in 2006/07 amounted to £113 million. Sources of funding comprise:

£50.4 million in loans;
 £45.2 million of government grants;
 £8.5 million in capital receipts;
 £3.7 million in contributions;
 £1.9 million from revenue; and
 £3.3 million from Major Repairs Reserve

The table below shows the capital programme spending by directorate



The tables below breaks down the capital programme including expenditure on Housing & Street Lighting PFI & BSF schemes (under current accounting principles, FRS 5, the PFI expenditure will remain off balance sheet) between 2007/8 and 2010/2011 and details of the programme are provided in the 2008 Capital Strategy document.

| 2007/8 | 2008/9 | 2009/2010 | 2010/1011 | Total |
|----------------|---------------|---------------|---------------|----------------|
| 124,525 | 74,566 | 81,232 | 84,507 | 364,830 |

Oldham's Overall Efficiency Savings Targets

The Council's Annual Efficiency Statement sets a target of £5.9M for 2008/9 with £2.95m required to be cashable.

Property assets have a significant role to play in generating these savings through disposals and other property-related recurrent cost savings, including the following:

- Reductions in total floor space and improved utilisation
- Reductions in backlog condition and functional suitability liabilities
- Reductions in running costs
- Sharing of facilities with partner organisations
- Reviewing and releasing non-operational property.

Property Condition and Suitability

Condition and Suitability

- The Council established a rolling programme of conditions surveys commencing in 1998. Action was taken to concentrate on schools due to the requirement to submit AMPs and condition survey information to the

DfES. Priority was also given to Adults and Community Services due to action taken by that directorate to review its service accommodation.

- The first cycle of condition surveys will be complete by March 2008 with the Environmental Services Directorate property stock to be the last in the cycle of surveys.
- Set out below are the findings of the condition survey work.

| Directorate or Property Category | Children Young People | Adults and Communities | Regeneration | Corporate | Environmental Services | Housing |
|----------------------------------|-----------------------|------------------------|--------------|-----------|------------------------|-------------|
| | £54,832,359 | £6,713,990 | 0 | 0 | £1,552,059 | £12,221,979 |

A review of a number of Environmental Services' properties will complete the cycle of inspections to establish the condition of the property stock. It is intended that 20% of the stock will be subject to survey on an annual basis from 2008 onwards

Maintenance Backlog

The above table shows that in February 2008, the Council had a £75.3m maintenance backlog. The adoption of a corporate approach to asset management has enabled the corporate backlog position to be established. Action was taken in March 2008 to report the backlog to Members to establish a recovery process. Prior to 2007, variable practices operated in directorates in respect of investing in the property-stock, which may have contributed to the maintenance backlog in some directorates.

Whilst the headline maintenance backlog amounted to £75.3m, this included schools and housing. However, this sum reduces to £10.65m if these portfolios are excluded. It is anticipated that £200m+ of Building Schools for the Future programme will support the recovery of the secondary schools stock and the Primary Capital programme will address the maintenance backlog in the primary sector. Spending on the housing stock is ring fenced and the recovery of housing stock condition is supported by PFI and other capital investment - the decent homes standard will be achieved by March 2008.

It is planned to recover the maintenance backlog position by:

- Disposing of properties not deemed to be suitable – where practicable
- Disposing of properties with high levels of maintenance backlog – where practicable
- Investing in a recovery programme over the next 5 to 10 years. The approach to be adopted to address the maintenance backlog will be resolved with a Cabinet decision in March 2008.

Suitability Assessment and Access

Since 1995 the Council has spent over £1m in adaptation works to its public buildings (excluding schools, which have been improved using the Schools Access Initiative funds) to improve accessibility for disabled people, as part of its objective to secure equality of service access to all and to improve community cohesion.

The majority of the borough's libraries, sports centres, swimming pools, synthetic pitches, countryside visitor centres, art gallery, crematorium, and major community centres are accessible to the public, as defined in BVPI 156.

The Council's residential and day care units are also compliant with BVPI 156 definitions.

The Council's five key primary office buildings are also accessible.

In the past 2 years, 11 buildings, which were not accessible in accordance with BVPI 156, have been closed.

Office Accommodation

- A review of the Council's office portfolio was completed in December 2007 and identified the potential to reduce floor space by at least 25% over the next five years.
- The report identifies a need for the Council to make an early decision on the Civic Centre and Queen Elizabeth Hall - to update and improve to make suitable for new ways of working or to seek to relocate to more suitable premises.
- Significant areas of the existing office portfolio are deemed not to be suitable for current purposes due to the physical environment and configuration of the current portfolio to support new ways of working supported by new technology.
- It is proposed that the Council pursue a strategy of dividing the portfolio into primary and secondary offices with the larger primary offices making up the core estate.
- It is anticipated that the secondary office estate should be targeted to secure reductions in floor areas leading to the disposal of complete buildings. Action will be taken to invest in the primary estate to facilitate new ways of working and optimisation of space.
- A report outlining the Council's office strategy will be considered by the Cabinet in April / May 2008.
- An option appraisal of the Civic Centre Complex was commissioned in February 2008.



The Civic Centre stands over 200 feet (61 m) high and will be subject to a key decision in 2008/9 to retain and improve or to be released for potential redevelopment.

Data Management

Asset Management Information

The Council has an established asset register based within the Information Section of the Corporate Property Group – the Property Information System. However, property performance management information is fragmented and held in the individual directorate teams. Action was taken in 2006 to acquire an integrated property records system and Technology Forge were selected as the preferred system supplier. However, as the Council was entering into a strategic partnership with Mouchel in 2007 the purchase decision was delayed as Mouchel use the Atrium system as their project management platform and this also has an asset management capability.

In late 2007, action was taken by the CPG to explore the adoption of the Atrium technology or to use Technology Forge linked to Atrium. A final decision on the preferred option will be taken by March 2008.

It is anticipated that a fully integrated property management and records system will be operational by December 2008 or at the latest March 2009.

Asset Register – Property Information Systems

Core, intermediate and some transient property data is held on information systems maintained by the CPG within Environmental Services. Data collected, stored and maintained includes:

- Title details of the Council's land and property ownership.
- Occupation details, including tenants, rents, rent reviews, lease renewals.
- Property description, including, operational category, property type and use.
- Site/floor areas.
- The Council's managing directorate.
- Asset Valuation.

- Outstanding or programmed tasks and caseload allocation.

The screen prints below illustrate some of the data fields held on the Property Services Management System - PSMS.

PSM001 - O.M.B.C. Property Services Management System

| | | |
|---|--|--|
| Asset No: 1 <input type="button" value="End"/> | View attributes of current asset | |
| Managing Department: ADULT & COMMUNITY SERVICES | Merges Qwner Approp Disposal Splits Task Occup RIB | |
| Property Name: MARION WALKER HOUSE | | |
| Contact: <input type="text"/> | | |
| Telephone: <input type="text"/> <input type="checkbox"/> Listed Building | | |
| Address: FREDERICK STREET | | |
| Location: WERNETH | | |
| Post Code: OLDHAM | | |
| Map Reference: SD9103NE | | |
| Property Type: 87 PROPERTY DECLARED SURPLUS | Capital Value: 550000 Value Date: 26/03/2004 Officer: NWB | |
| Property Use: OFFICES | Asset Rent: 33000 Value Date: 26/03/2004 Officer: NWB | |
| File No: 007/000/178 | Insurance Valuation: 1070000 Value Date: 26/03/2004 Officer: PMG | |
| Locality: MD-ED | Method of valuation: <input type="text"/> | |
| Interest: LEASEHOLD | Basis of valuation: <input type="text"/> | |
| Operational/Non-operational No: 5 NON OPERATIONAL - SURPLUS | Floor Area: 13002.8 in feet 1208 in metres G.E.A. Basis of measurement | |
| Est repair cost: 10000 | Site Area: 0.34 in hectares 0.841 in acres 3402 in metres | |
| Estimate date: 10/12/1998 | Previous Asset reg entry: 475000 As at 31/03/2003 | |
| Life Expectancy: <input type="text"/> MORE THAN 40 YEARS | Reason for revaluation: REVIEW Rateable value: <input type="text"/> NOT APPLICABLE | |
| | Rating List Date: <input type="text"/> | |
| BUILDING TOGETHER WITH TORAYON (ASSET 25) & ASHLEIGH (ASSET 18) NOW BEING MARKETED FOR SALE 2008 PKH DEALING. NOV 2007 58 | | |

O.M.B.C.

PSMS Asset Screen

PSM006 - Property Services Management System - Browse Owner

Asset Approp Displ LPO

TPS No: 1987 End

TPS Type: ACQUISITION

Part/Whole: PART

Historical address: HOLTS - PLOT OF LAND KNOWN AS BIRCH LEA
 OLDHAM

Vendor: MR ALBERT BANKS JOWETT

Deed/Agmt No: D 3129

Land Reg. Cert.:

Interest: FREEHOLD Acquisition Date: 28/08/1953

Purchasing Committee: HOUSING

Consideration: AMOUNT 890 Land Value:

File Ref. Legal File Ref.:

Statutory power of acquisition: NOT KNOWN

Covenants: NO

Notes:

Update Delete Break Links

Add Img View Img

Print Close

O. M. B. C.

PSMS Title Deed Screen

The approach taken by the Council is asset-based - all the properties owned by the Council are identified and recorded by defined assets, rather than by the traditional ownership-based terrier system. All the Council's assets have been separately identified and recorded in textual form on the Land and Property Services Management System - PSMS, which is the Council's property Asset Register. Each asset is assigned a unique property reference number (UPRN).

Each asset is also defined geographically on a digital mapping system, which has direct and dynamic links with the PSMS, allowing users to access both mapping and textual information on each asset.

The textual database is currently at the latter stages of its development; improvements have enhanced the Council's capacity for data storage and retrieval. Minor amendments are ongoing, mostly designed to improve the database's capabilities and functionality in view of the requirements of Asset Management Planning and performance indicators.

Procedures are in place to ensure that the information systems are amended accurately and promptly when changes are required through property transactions and the collection of up to date data. Reports are taken from the data as a matter of routine. The systems are also kept under review and development to ensure their continued relevance to service need.

Corporate Property Data Management

Property-related data is held in over 20 independent systems across the Council. The major data weakness is that all property information is not held against its Unique Property Reference Number (UPRN) to enable data held in different sources to be pulled together to produce comprehensive data pictures and inform Property Performance Indicators (PPIs).

The Council is addressing this weakness through the development and use of a Local Land and Property Gazetteer (LLPG). The LLPG provides the Council with:

- a) a definitive Unique Property Reference Number (UPRN) system, which will be used to co-ordinate the data available for Asset Management Planning; and
- b) the means by which property management data can be integrated with other sources, including financial information.

The establishment of the CPG and the centralisation of maintenance budgets also assist to secure the establishment of comprehensive corporate property performance data.

The Council has published the LLPG address and GIS data on the Intranet for the use of all staff, thus providing internal access to the Council's LLPG and GIS data. The Borough's Internet also uses LLPG addresses on the external GIS website.

This work was co-ordinated within the context of the Council's corporate e-government initiatives and the Council was able to make available a composite data picture of all the Council's assets from the Property Services Management System. Appropriate elements of that data picture were then made available to all service directorates in the council.

ICT: Future Developments

The Council is actively taking action to establish a unified property database and it will make a final decision by March 2008 whether to utilise the Unity Partnership Atrium system or whether to purchase an alternative such as Technology Forge, which can interface with Atrium.

A unified property database will provide the Council with performance management information and will support benchmarking reviews.

A key development for the PSMS will be its link with the LLPG. A link to the LLPG has been made by the system used by Planners and Land Charges (Acolaid) and this system can now receive regular updates. The FLARE and Mayrise systems also use the LLPG addresses and the update facility for these systems is being pursued. Also the Council Tax system stores the UPRN from the LLPG and it is planned that the link to this system will also be pursued as soon as possible. Creating the links between the LLPG and other databases is also being pursued.

Performance Monitoring and Measurement

For the 2008 CAMP the Council has adopted the Institute of Public Finance national and local property indicators, which have replaced the indicators provided by the DCLG.

The indicators fall into the following categories:

- PM1 Condition and required maintenance
- PM2 Environmental indicators
- PM3 Suitability surveys
- PM4 Building accessibility surveys
- PM5 Sufficiency in terms of capacity and utilisation of the office portfolio
- PM6 Property spending

| Performance Indicator | Details of Indicator | Oldham | North Warwickshire |
|-----------------------|--|---|--|
| PM1 | Condition and required maintenance | | |
| 1A | % Gross internal floor space in condition categories A - D | Information to be inserted by end of March 2008 | Cat A 12% Cat B 31% Cat C 52% Cat D 5% |
| 1B | Required maintenance cost expressed as: <ul style="list-style-type: none"> • Total cost – priority 1 – 3 • % in priority 1 – 3 • Overall cost per sq. m. gross internal floor area | Overall cost per sq.m.gross internal floor area £190.84 | Priority 1 1 £1.2m 10% Priority 2 2 £2.5m 19% Priority 3 3 £9.4m 71% Overall £740.82 |
| 1C | Annual % change to total required maintenance figure over previous year. | Information to be inserted by end of March 2008. | |
| 1D | <ul style="list-style-type: none"> • Total spend on maintenance in 2006/7 • Total spend on maintenance per sq.m. GIA • % split of total spend on maintenance between planned and reactive | Information to be inserted by end of March 2008. | Total maintenance spend £320,620 Maintenance spend per sq. m £18 Planned 63% Responsive 37% |

| | | | |
|--------------|---|--|---|
| PM2 | Environmental Indicators | | |
| 2A | Energy costs/consumption by property category in £m2 GIA and kWh per m2 GIA | Information to be inserted by end of March 2008. | Information to be inserted by end of March 2008. |
| 2B | Water costs/consumption by property category in £spend/m2 GIA and volume per m2 GIA | Information to be inserted by end of March 2008. | Information to be inserted by end of March 2008. |
| 2C | CO2 emissions by property category in tonnes of carbon dioxide per m2 GIA | Information to be inserted by end of March 2008. | Information to be inserted by end of March 2008. |
| PMI 3 | Suitability Surveys. | | |
| 3A | % of portfolio by GIA – m2 for which suitability surveys have been undertaken over the last 5 years | 69% surveyed. | <i>Suitability surveys carried out at 64% (GIA) of property</i> |
| 3B | Number of properties for which a suitability survey has been undertaken over the last 5 years. | 212 | <i>17 properties</i> |
| PMI4 | Building Accessibility | | |
| 4A | % of portfolio by GIA m2 for which an access audit has been undertaken by a competent person | 65% | <i>Access audit carried out at 68% (GIA) of property</i> |
| 4B | Number of properties for which an access audit has been undertaken by a competent person | 199 | <i>19 properties</i> |
| 4C | % of portfolio by GIA m2 for which there is an accessibility plan in place | 100% | |
| 4D | Number of properties for which there is an accessibility plan in place | 308 | |
| | | | |

| | | | |
|--------------|---|--|---|
| PMI 5 | Sufficiency (Capacity and Utilisation) of the office portfolio | | |
| 5A.1 | <ul style="list-style-type: none"> Operational office property as a % of the total portfolio Office space per head of population | Information to be inserted by end of March 2008. | Operational office property is 21.5% of total portfolio Office space per head of population is 0.06m2 |
| 5A.2 | Office space as a % of total floor space in operational office buildings | Information to be inserted by end of March 2008. | Office space is 72.3% of operational office buildings |
| 5A.3 | <ul style="list-style-type: none"> Number of offices or operational buildings shared with other public agencies The % of office or operational buildings shared with other public sector agencies | Information to be inserted by end of March 2008. | 3 buildings shared with other public sector agencies (2 offices and a sports centre) 13% of operational buildings are shared with other public sector agencies |
| 5B. 1 | Average office floor space per number of staff in office based teams | Information to be inserted by end of March 2008. | 11.38m2 floor space per member of staff |
| 5B. 2 | Average floor space per workstation | Information to be inserted by end of March 2008. | 11.38m2 floor space per workstation |
| 5B. 3 | Annual property cost per workstation | Information to be inserted by end of March 2008. | £1,325 per workstation |
| PMI 6 | Property Spend | | |
| 6.A | Gross property costs of the operational estate as a % of the gross revenue budget | Information to be inserted by end of March 2008. | Property costs in 2006-07 were 0.89% of the gross budgeted revenue spend |
| 6. B | Gross property costs per m2 GIA by CIPFA categories/types. | Information to be inserted by end of March 2008. | Operational - £23.76m2 Non Operational - £7.73m2 |

Benchmarking

Oldham recognises the need to benchmark property performance both within the Council and with other local authorities.

It is the Council's intention to review best practice elsewhere to ensure the property estate is fully optimised.

Sustainability

All new Council buildings are required to achieve a BREEAM rating of at least good. When buildings are to be remodelled, or significantly extended, or significant planned maintenance is undertaken, measures will be considered to improve the building's environmental and overall performance; for example, by use of increased insulation, more fuel efficient boilers, and improved engineering systems controls, where such measures are cost effective. Passive measures such as maximising natural ventilation and daylight, use of thermal mass to aid heat retention, grey water recycling, shall be considered in the design of new facilities. Whole life costing will be used to inform decisions about sustainability.

Oldham has invested recently in a range of environmentally sensitive buildings – such as its major new central Library and the Lyndhurst Springbrook Primary School. The new Failsworth and Radclyffe secondary schools (opened February 2008) are heated by biomass boilers. All have been built to achieve a Building Research Establishment Environmental Assessment Method (BREEAM) rating of Very Good, thus helping reduce the buildings' running costs proportionately and the overall impact of the scheme over its lifetime. Actual energy comparisons on performance have not yet been fully undertaken but will be done in the near future.

This commitment is now supported by a formal requirement to meet a minimum BREEAM rating of good for our new buildings as detailed in the Council's latest Corporate Property Strategy, and is enshrined in the partnership agreement with Unity Partnership, the council's strategic partner.

Two years ago the council introduced a policy requiring 10% on-site renewables in major new developments (Development size of over 10 Houses and 1000m² non domestic). Over 70 development sites have been conditioned to meet this requirement. Oldham is the only authority to include this policy within its land-use planning document across Greater Manchester.



The Lyceum and Life Long Learning Building – proposed to relocate other users into both buildings to enable other under-utilised properties in Union Street to be released for sale.

Development of a borough wide Affordable Warmth Strategy and action plan

The Local Authority and its partners have reported to DEFRA that the target to improve energy efficiency in the housing stock by 30% by 2010 has been achieved two years ahead of schedule. The Council's 11TH Home Energy Conservation Act (HECA) submission shows that during 2006/07 alone some 1291 householders benefited from home insulation improvements and new heating systems (value to the borough of £2.2m). During the last 11 years it has been reported for the HECA that a total of £81.2m has been spent on implementation measures to improve the overall energy efficiency of the borough's total housing stock.

Property Reviews

With the establishment of a centralised corporate property function from July 2007, the following reviews have been undertaken:

- Review of non-operational stock – report to Cabinet November 2007
- Review of office accommodation – report to Cabinet April/May 2008
- Area property reviews – commenced in Royton Area in January 2008
- Review of libraries in 2007.
- Review of primary schools as part of Primary Capital Programme.
- Review of Premises used by Youth Service
- Review of premises utilised by Community Groups in line with Quirk Report
- Review of Oldham Town Centre – Regeneration January 2008.

Significant Projects

Set out below are significant projects that are currently in progress in respect of the Council's property portfolio.

- Oldham Town Centre Study – proposals to regenerate the town and involves the use of key assets including:
 - Old Town Hall
 - Tommyfield Market
 - Sites in Council ownership in the West End
 - Leisure centre
- Disposal of Council owned property in the Cultural Quarter of the town on the basis of a design led tender – Cabinet report February 2008.
- Building Schools for the Future programme commencing in 2009
- Primary Schools Capital programme commencing in 2009
- Key capital projects include:
 - Royton New Primary School
 - Cockcroft Hall Childrens Centre
 - Blackshaw Lane Childrens Centre
 - Heathcot Childrens Centre
 - St Thomas Childrens Centre
 - Bare Trees Childrens Centre
 - St Luke's Children Centre
 - Holts Community Centre / Childrens Centre
 - Greenhill School New Community Room
 - Chadderton Town Hall Registrars Office
 - Lees Library Extension & Refurbishment
- Key capital maintenance projects:
 - Failsworth Learning Centre - Renewal of Roof Covering
 - Yew Tree Community School - Renewal of Roof covering to Kitchen
 - Alexandra Park Conservatory - Refurbishment Work

Statement of Existing Portfolio

Operational Portfolio

OMBC currently delivers services from 1137 assets, which comprise the following:

- 918 direct service operational properties
- 194 indirect service operational properties
- 25 office and administrative buildings

The total book value of the operational portfolio stands at £1.167 billion. However, approximately 99% of this value relates to direct service operational properties. The following tables break down the operational portfolio by type of asset and associated book value.

N.B Where a property type has both operational and non-operational services, the smallest number of properties/land has been added to the largest. The exception to this approach is where both values are significant and may affect the data, in this case they were kept divided.

The following table sets out the make-up of OMBC's operational portfolio:

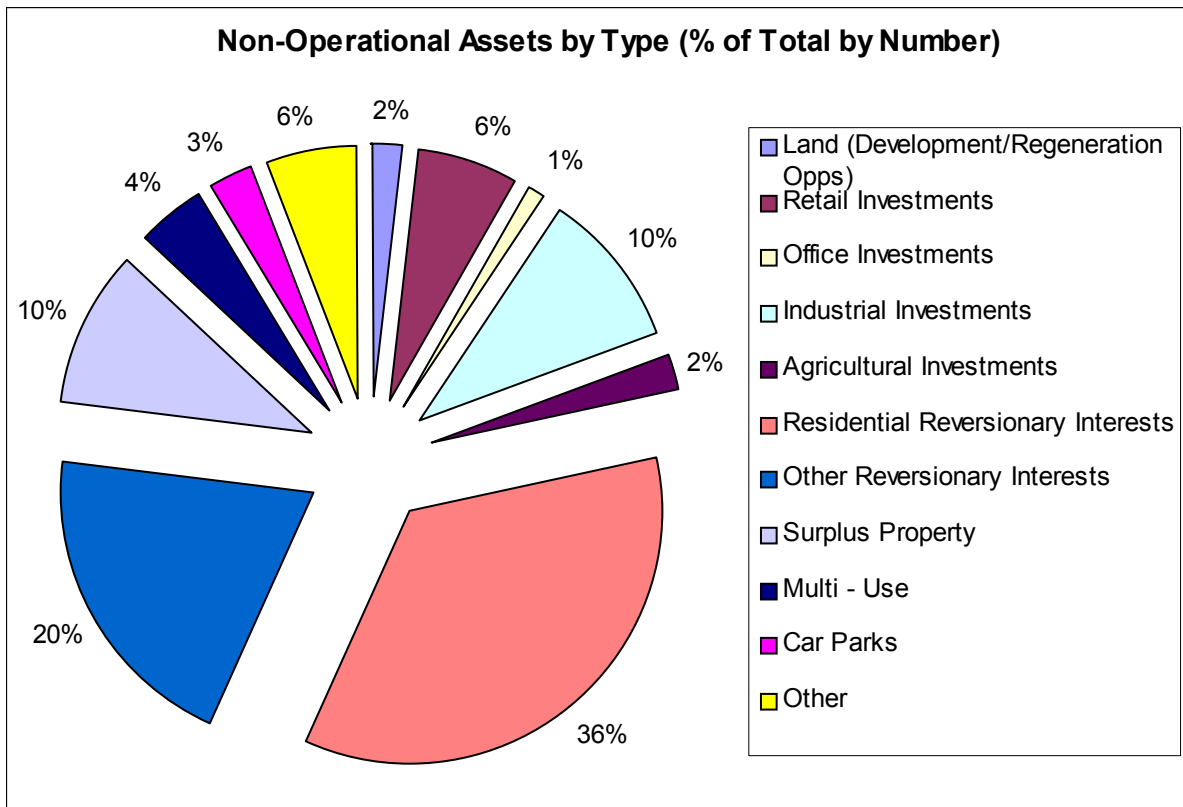
| Fixed Assets By Type | | | | |
|--|-----------------------------------|--------------------------|---|--------------------------|
| Operational - Direct Service Property | Total Number of Properties | % of Total Number | Total Asset Value (Net book Valuation £) | % of total by NBV |
| Schools | 70 | 6.16 | £182,286,700.00 | 15.61 |
| Voluntary Aided School Playing Fields | 29 | 2.55 | £927,132.00 | 0.08 |
| Parks & Playing Fields (Playing Fields/Play Areas, Landscaped Land, Parks) | 386 | 33.95 | £3,683,151.00 | 0.32 |
| Libraries | 13 | 1.14 | £4,550,501.00 | 0.39 |
| Sports Facilities (Sports Centres and pools, other sports Facilities) | 10 | 0.88 | £18,622,300.00 | 1.59 |
| Residential Homes & Day Centres | 36 | 3.17 | £19,987,491.00 | 1.71 |
| Community Centres | 19 | 1.67 | £3,710,351.00 | 0.32 |
| Museums & Galleries | 3 | 0.26 | £9,815,000.00 | 0.84 |
| Visitor Centres | 4 | 0.35 | £815,000.00 | 0.07 |
| Youth Centres | 11 | 0.97 | £2,408,000.00 | 0.21 |
| Other Resource Centres | 14 | 1.23 | £10,505,000.00 | 0.90 |
| Other Land & Buildings (Crematoria, Cemeteries, War Memorials, Other) | 108 | 9.50 | £2,303,782.00 | 0.20 |
| Council Houses | 211 | 18.56 | £892,805,002.00 | 76.45 |
| Other Housing HRA Property | 4 | 0.35 | £532,000.00 | 0.05 |
| Sub-Total | 918 | 80.74 | £1,152,951,410.00 | 98.73 |

| Operational - Indirect Service Property | Total Number of Properties | % of Total Number | Total Asset Value (Net book Valuation £) | % of total by NBV |
|--|-----------------------------------|--------------------------|---|--------------------------|
| Depots | 3 | 0.26 | £2,180,000.00 | 0.19 |
| Car Parks | 81 | 7.12 | £4,788,587.00 | 0.41 |
| Allotments | 20 | 1.76 | £92,850.00 | 0.01 |
| Supplementary Highway Land | 88 | 7.74 | £14,483.00 | 0.00 |
| Disused Burial Ground | 1 | 0.09 | £500.00 | 0.00 |
| Other | 1 | 0.09 | £0.00 | 0.00 |
| Sub-Total | 194 | 17.06 | £7,076,420.00 | 0.61 |

| Office and Administrative Buildings | Total Number of Properties | % of Total Number | Total Asset Value (Net book Valuation £) | % of total by NBV |
|-------------------------------------|----------------------------|-------------------|--|-------------------|
| Office/Admin | 25 | 2.20 | £7,733,407.00 | 0.66 |
| Sub-Total | 25 | 2.20 | £7,733,407.00 | 0.66 |
| | | | | |
| Total Operational Assets | 1137 | 100.00 | £1,167,761,237.00 | 100.00 |

Non-Operational Portfolio

OMBC has a portfolio of 797 non-operational assets, with a total associated book value of £79.41 million. The make-up of the non-operational portfolio by number is as set out below.



Comparing by value identifies the following as the highest value areas within the non-operational portfolio:

- Retail investments (£18 million)
- Multi-Use (17.6 million)
- Land (Development / regeneration opportunities, £16.6 million)
- Industrial investments (£14.4 million)

- Surplus Property (£7.6 million)

The following table sets out the make-up of OMBC's non-operational portfolio:

| Non-Operational / Investment Assets by Type | | | | |
|--|-----------------------------------|--------------------------|---|--------------------------|
| Asset Category | Total Number of Properties | % of Total Number | Total Asset Value (Net book Valuation £) | % of total by NBV |
| Land (development/Regeneration Ops) | 15 | 1.88 | £16,616,100.00 | 20.92 |
| Retail Investments | 51 | 6.40 | £18,001,164.50 | 22.67 |
| Office Investments | 10 | 1.25 | £587,501.00 | 0.74 |
| Industrial Investments | 80 | 10.04 | £14,417,302.00 | 18.15 |
| Agricultural Investments | 17 | 2.13 | £185,812.00 | 0.23 |
| Residential Reversionary Interests | 279 | 35.01 | £457,564.60 | 0.58 |
| Other Reversionary Interests | 162 | 20.33 | £3,334,785.50 | 4.20 |
| Surplus Property | 80 | 10.04 | £7,657,014.00 | 9.64 |
| Multi - Use | 34 | 4.27 | £17,621,343.00 | 22.19 |
| Car Parks | 22 | 2.76 | £534,651.00 | 0.67 |
| Other | 47 | 5.90 | £3,333.00 | 0.00 |
| Total | 797 | 100.00 | £79,416,570.60 | 100.00 |