



## REPORT TO EXECUTIVE (SPECIAL)

### PORTFOLIO AREA: FINANCE & RESOURCES

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Date of Meeting: 12 August 2002

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Public

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Key Decision: Yes

Recorded in Forward Plan: No

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Inside Policy Framework Yes

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**Title:** CAPITAL STRATEGY & ASSET MANAGEMENT PLAN  
**Report of:** DIRECTOR OF ENVIRONMENT & DEVELOPMENT &  
CITY TREASURER  
**Report reference:** EN 086/02 & Financial Memo 2002/03 No 33

#### Summary:

This report attaches the revised documents following useful feedback from Overview and Scrutiny Committee.

**Recommendations:** It is recommended that:

Both documents be approved by the Executive for consideration by full Council.

**Contact Officer:** David Atkinson

**Ext:** 7420

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**EXCERPT FROM THE MINUTES OF THE  
CORPORATE RESOURCES  
OVERVIEW AND SCRUTINY COMMITTEE  
HELD ON 1 AUGUST 2002**

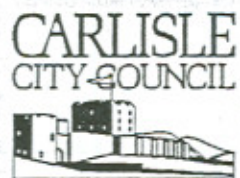
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CROS.99/02    CAPITAL STRATEGY AND ASSET MANAGEMENT PLAN

The Director of Environment and Development and the City Treasurer reported (EN.85/02, Financial Memo 2002/03 No 33) on the Council's Capital Strategy and Asset Management Plan. He informed Members that once the documents had been approved, they would then be submitted to the Government Office North-West and would form an important part of the Council's Comprehensive Performance Assessment.

Members, in considering the document, amended the details concerning the political structure of the Authority, questioned the percentages contained in the Chart of Asset Management in relation to the Council's Portfolios and the targets in the Performance Indicator Information ODPM1 relating to the Disposal of Properties in Category D by 2003/04. The Director of Environment and Development agreed to make appropriate amendments to the final document.

RESOLVED - That subject to the minor amendments suggested by Members relating to the political composition of the Authority and the percentage figures in the Chart on Page 4, the Capital Strategy and Asset Management Plan be endorsed.



*Managing Capital as a Resource for the City*

## CAPITAL STRATEGY

*Asset Management Group*

JULY 2002



INVESTOR IN PEOPLE



## Carlisle City Council Capital Strategy

### **1. The Capital Strategy Objectives**

#### **1.1 The objectives of the Capital Strategy are to:**

- set out the corporate objectives that will determine the Council's priorities and approach to capital investment in support of City Vision;
- inform the bidding for capital resources;
- ensure that capital resources contribute to the achievement of the Council's corporate objectives;
- pull together and determine the strategic capital priorities emerging from service unit business planning and ensure opportunity for crosscutting and joined up investment is maximised;
- manage performance management and decision-making procedures that will help achieve the best use of capital resources;
- monitor the capital spending on projects and schemes to ensure that the City's money is spent wisely.

#### **1.2 The Capital Strategy is considered and developed by the Asset Management Officer Group, consisting of senior officers from corporate services including Finance, Property, Economic Development and Corporate Policy. Corporate Management Team finalises it at the same time as the Asset Management Plan, before recommending both to Members of the Executive, Overview and Scrutiny Committee and full Council.**

### **2. Carlisle City Council Services**

#### **2.1 The main service priorities during 2002/2003 are: Planning and Economic Development; Recreation and Tourism; Environmental Health; Refuse Collection/Street Cleaning; Housing and Central Services. The estimated Gross expenditure on these services is £62million. Of this, £18.5m is met from Grants and Receipts, £29.2m from fees and charges (which includes £3.8m of property income), and £1.1m from the Council's Reserves, leaving a net budget requirement to be financed from Council Tax of £5.1m and Government Grants of £8.1m. The Council employs approximately 964 (full time equivalent) staff.**

### **3. Community Planning and Consultation**

#### **3.1 The Capital Strategy contributes to the delivery of the City's community plan, *Carlisle City Vision*, through the *Corporate and Best Value Plan 2002-2005*.**

#### **3.2 The Carlisle City Vision Partnership first met in October 2000 to develop a community plan for Carlisle. It has received national recognition from Local Government Minister Nick Raynsford in 2002 for its comprehensive community consultation and engagement process. It feeds into the broader Carlisle and Eden District Local Strategic Partnership, which is currently focussed upon the economic recovery of the area following the 2001 Foot and Mouth crisis.**

#### **3.3 The City Vision, which was published in March 2002, identifies five themes:**

- Communities
- Economic Prosperity
- Health and Well Being
- Infrastructure, Environment and Transport
- Celebrating Carlisle

## Carlisle City Council Capital Strategy

- 3.4 Each theme has a number of priorities for action that will be delivered by the multi-agency City Vision Partnership. The Council's contribution to delivering these priorities is detailed in its own Corporate Plan 2002-2005, which was published in June 2002. The objectives in the corporate plan are divided into two sections: Council quality of life objectives (those related to delivering the community plan) and Council management objectives (those related to how effectively the Council is managed).

### 4. Capital Strategy priorities for the next three years

- 4.1 From City Vision, the Council's corporate plan has informed the development of the Capital Strategy by identifying potential future key capital projects. In turn, the Asset Management Plan, is driving the better use of assets to deliver services and in identifying opportunities for capital receipts and partnership working to maximise outcomes from the capital programme. Examples of future capital schemes in the Corporate Plan, to be considered through the Capital Strategy are:

CITY VISION THEME	CORPORATE PLAN OBJECTIVES	POTENTIAL CAPITAL STRATEGY PRIORITY
Communities Objectives	CO 1 Encourage community participation and inclusion.	Review the accommodation for the shopmobility scheme.
	CO 2 Reduce crime and the fear of crime within our communities.	Pursue funding to install CCTV at all Neighbourhood shopping parades.
	CO 3 Tackle poverty & deprivation by ensuring regeneration is focused in areas of greatest need.	Raffles SRB. Target unfit private properties on an area basis (using the newly completed Housing Condition Survey).
Economic Prosperity Objectives	EP 1 In partnership, develop, support and modernise the local economy.	Establish an asset investment fund for economic assets
Health & Well Being Objectives	HW 1 Promote healthy living & lifestyles.	Improve provision of recreational pitches including football, cricket and rugby pitches
		Provide and continuously improve Playgrounds  Invest in improvement to facilities for mourners at the crematorium.
Infrastructure Environment & Transport Objectives	IET 1 Promote and maintain a sustainable environment.	To increase recycling rates to meet the government's targets in the waste Strategy 2000
	IET 2 Promote good access and transportation in and around the City area	Improve the cycle path network in Carlisle.
Celebrating Carlisle Objectives	CC 2 Have cultural and educational facilities of a high standard.	Review in Partnership the creation of a dedicated theatre and art facility in the Carlisle area.  Improve the Sheepmount to provide a regionally important facility for athletics football and other outdoor sports.



## Carlisle City Council Capital Strategy

### 5. Council Management Objectives

- 5.1 The Council has agreed 8 new management objectives. In relation to the Capital Strategy, these are summarised in the table below.

Council Management Objective	Priorities for Action	Year 1 Targets	Year 2/3 Targets	Responsibility
<b>CM5</b> To ensure our services are focussed on our customers' needs.	Provide a centralised attractive one-stop shop for all services.		One stop shop completed Summer 2003.  4 out of 10 enquiries to be answered at first point of contact by Summer 2003.  6 out of 10 enquiries answered at first point of contact by March.	Customer and Information Services
	Provide electronic access for all services.			Customer and Information Services
<b>CM7</b> To effectively manage our resources strategically through 3 year financial planning.	Develop a 3-year financial strategy reviewing expenditure across the Authority to seek and reduce areas of regular over-budgeting.	Complete review by December 2002.	Change the financial ledger to provide more flexible financial information by 1 April 2004.	Financial Services.
	Review spend per head on leisure provision to ensure economy, effectiveness and efficiency and to seek alternative methods of provision and improvement in the services.	Full report on options available will be presented to the Council Meeting between August and December 2002.		Corporate Management Team
	Instigate capital investment to ensure the sustainability of assets for both the Council and business stakeholders.		Obtain capital receipts from surplus sites, 50% of which to be directed into reinvestment.	Property Services.
	Raise capital receipts to support Capital Strategy.	£500,000	£500,000	Property Services
<b>CM8</b> To ensure our services can be accessed electronically by 2005.	Produce an updated IEG statement in order to trigger year two funds.	Complete by Sept 2002		Customer and Information Services
	Review the use of Geographical Information Systems in the Council.	Report due Summer 2002		Strategy and Performance Services
	Payment collection by the Council to be modernised.	Complete by December 2002		Revenues and Benefits Services

## Carlisle City Council Capital Strategy

### **6. Best Value**

- 6.1 The Corporate Plan is annually updated to incorporate the Best Value Performance Plan (BVPP). The BVPP uses these corporate objectives as the basis for priority setting and performance management. Best Value Fundamental Performance Reviews are organised on a thematic basis and the outcomes recommend capital needs for the Capital Strategy to address.

### **7. Partnership Working**

- 7.1 The Council's capital and asset value contributions are used to pump prime other sources of funding to achieve maximum outcomes. Recent examples are:
- Housing Stock Transfer. The Council has selected Riverside Housing Association to be its partner for the potential transfer of 7200 houses, which will result in £43m of reinvestment in the Housing Stock in the first five years.
  - Leisuretime. The Council is externalising the assets of the Sands Leisure Centre, City Pools and Outdoor Recreation facilities to a partnership. This will provide capital investment in the facilities, as recommended in the Best Value Review of Leisuretime.
  - Sheepmount. The Council is currently in Round 2 of the bid to Sport England to provide improved facilities at the outdoor athletics facility. If successful, the bid will bring £1.35m from Sports England and will require £725,000 of investment from the City.
  - Lanes Development. This award winning development is the City Council's main shopping centre and has achieved a further 11 retailers in 2002, enhancing capital value and rental income.
  - Kingmoor Park Development. This multi-million pound project to develop the only regional strategic employment site north of Lancaster has seen £400,000 of City capital invested in a company partnership with the County, private sector, English Partnerships combined to European monies (KONVER) grant funding.

### **8. Capital Programme 2002/03 to 2005/06**

- 8.1 **Council's approach to PPP/PFI and other external funding** - Funding for Capital projects is sought from all sources including emphasis on the attraction of external and competitive funding regimes, considered by the Council's External Funding Officer, appointed in 2001. In respect of PFI, the Council is working with the County Council regarding the proposed Carlisle Northern Development Route. As a sole enabler, the City has not yet made use of PFI funding - but it will be explored as part of the review of assets.



## Carlisle City Council Capital Strategy

8.2 A summary of the funding of capital schemes is shown below:

Expenditure:	2002/3 Revised £	2003/4 Illustrative £	2004/5 Illustrative £	2005/6 Illustrative £
General Fund	1,707,000	1,272,000	300,000	300,000
HRA	7,156,000	0	0	0
Housing GF	994,000	475,000	400,000	400,000
Vehicle, Plant & Equip	1,023,000	955,000	632,000	391,000
	10,880,000	2,702,000	1,332,000	1,091,000
<b>Funded By:</b>				
Capital Receipts	2,516,000	338,000	*200,000	*200,000
HRA Major Rep Allowance	4,897,000	0	0	0
Disabled Facilities Grant	156,000	150,000	150,000	150,000
Loan	1,140,000	325,000	350,000	350,000
Revenue Contributions	543,000	0	0	0
Capital Projects Fund	1,212,000	0	0	0
Reserve Funds	1,023,000	955,000	632,000	391,000
Grants	327,000	0	0	0
Resources b/f	0	934,000	0	0
	11,814,000	2,702,000	1,332,000	1,091,000
Gross Revenue Budget	£62,000,000			
Net Revenue Budget	£14,300,000			

\* NB – A recent decision was made by the Council to increase the target for capital receipts to £500,000 pa. The 3-year capital programme will be updated during the budget process to reflect this decision.

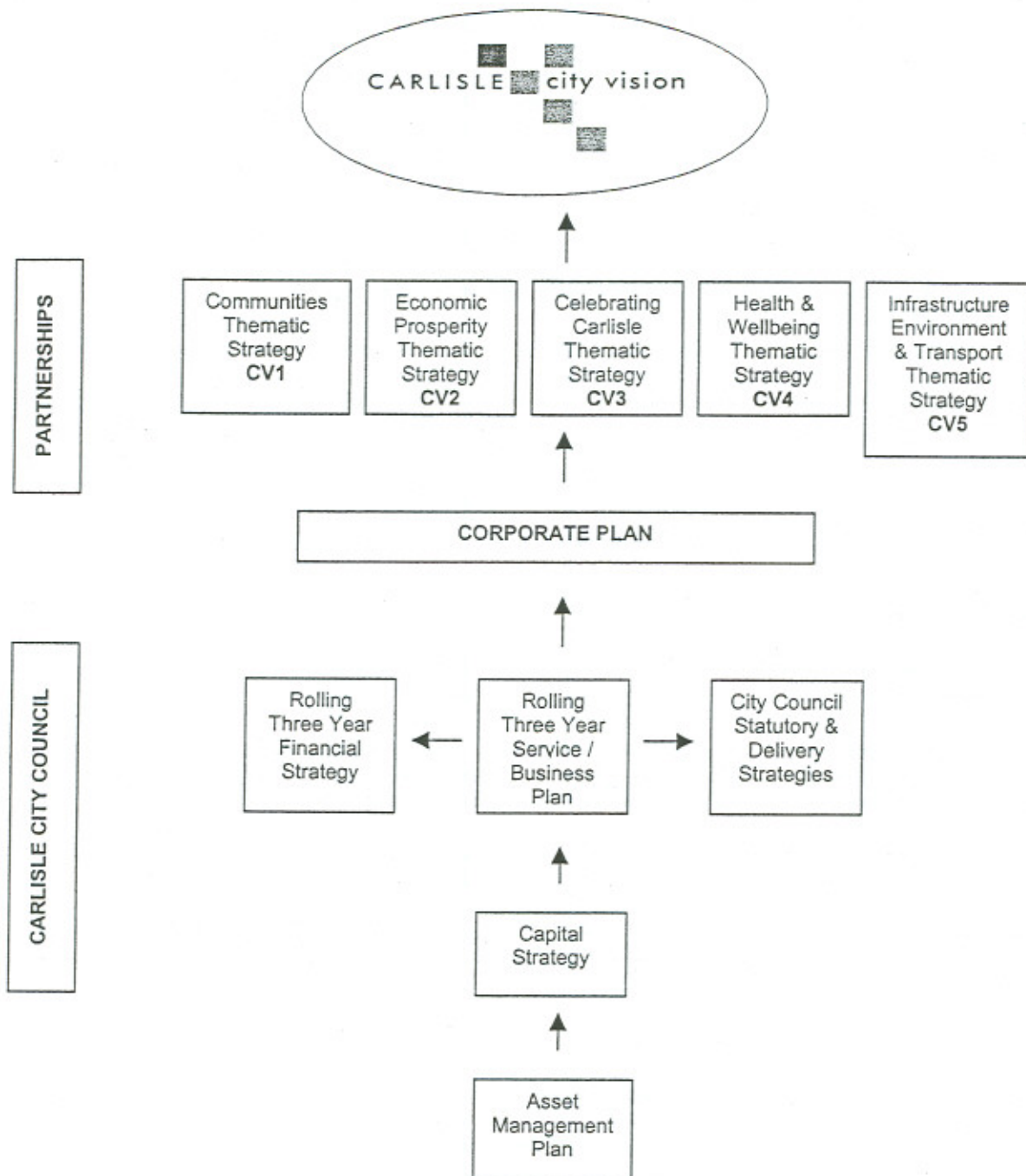
8.3 The programme is forecast to reduce over the next three years due to the proposed transfer of the Housing Stock, on which the bulk of the expenditure is spent. Capital receipts from Right to Buy Council House Sales, which currently funds a substantial proportion of the General Fund capital programme, will reduce. A surplus land disposal strategy, with a SMART target of achieving a minimum of £500,000 per year of new receipts, has recently been introduced through the Asset Management Officer Group to help bridge the gap.

## 9. Links to Other Relevant Strategies and Plans

9.1 The Capital Strategy is cross cutting. It impacts on every Service Plan and strategy of the Council. The Corporate Planning framework provides a mechanism for the prioritisation of investment, with its close links to the Housing Strategy, Economic Prosperity Strategy, Cultural Strategy, Asset Management Plan, and the Regeneration Strategy – the latter emerging from the Best Value review on Regeneration. Each Service Plan for Business Units must include capital, revenue and property asset requirements, which are closely monitored by the Asset Management Group. The linkage can be shown as follows:



## Carlisle City Council Capital Strategy



## Carlisle City Council Capital Strategy

### **10. Approach to Prioritisation of Investment**

- 10.1 The Council's rolling three-year budget cycle starts early in each Municipal year and addresses the prioritisation of both its revenue budget and capital programme.
- 10.2 As part of the annual budget process, services, put forward capital bids arising from their strategy documents, service plans and Best Value reviews. A formal system of project appraisal to score and assess capital project applications against set criteria is now used to assess schemes for inclusion in the capital programme.
- 10.3 As part of the appraisal, a ranking score is accorded to each of the bids by the Asset Management Officer Group and reported to the Corporate Management Team. The scoring system is based on:
- Linkage to the Councils key corporate objectives and the City Vision
  - Contractual and Legal commitments
  - Financial Implications – including the availability of external funding/partnership working.
- 10.4 Critical within the project appraisal process is the inclusion of both Capital and Revenue implications to identify entire scheme costs.
- 10.5 The objective of the ranking score is to assist the Council to assess the bids against the community's priorities in City Vision in relation to Council wide resources. Corporate Management Team includes their recommendations in a report on the total scheme bids, which is then considered by Portfolio Holders of the Executive as part of the budget process.

### **11. Monitoring and Evaluation**

- 11.1 A risk assessed project plan is established for each project. This is subject to regular monitoring against milestones by the nominated project officer for each scheme.
- 11.2 The Capital Programme is monitored and reviewed by the Asset Management Officer Group. Quarterly reports are made to the Corporate Management Team, the Executive and critically examined by the Council's Overview and Scrutiny Committees, which considers risk management issues.
- 11.3 Changes in budget positions, scheme costs and removal or inclusion of schemes is reported to the full Council for approval, together with any remedial action necessary.
- 11.4 The monitoring and control of capital schemes also reviews the effectiveness of completed schemes in achieving Council objectives and recommends, where appropriate, changes to procedures to improve delivery.

### **12. Performance Measurement and Innovation**

- 12.1 The Council's corporate planning process, incorporating results and lessons from Best Value Reviews, is used to drive a system of local performance indicators to monitor the effectiveness of service delivery and capital utilisation. The Office of the Deputy Prime Minister (ODPM) series of Performance Indicators contributes towards monitoring of assets to identify targets for additional investment.
- 12.2 Each capital project incorporates measures for monitoring. This methodology, along with the utilisation of the ODPM indicator 5 for capital projects, provides the framework.
- 12.3 In relation to Asset Management a series of 15 indicators have been formulated. In particular, 5 ODPM indicators, include the monitoring of capital expenditure (through what is known as the Egan indices).
- 12.4 There is a SMART target for the achievement of capital receipts. Further details about the Council's corporate approach and evidence of plan development and implementation is outlined in the Asset Management Plan.



Carlisle City Council  
CAPITAL STRATEGY & ASSET MANAGEMENT PLAN

CONTEXT SHEET – JULY 2002

ANALYSIS OF ASSETS

SERVICE	ASSET	NO OF ASSETS	GIA(M <sup>2</sup> ) (Bldgs)	VALUE	MAINTENANCE BACKLOG
Corporate Centre	Civic Centre	1	5825	3,500,000	742,300
Non-operational	Aggregate Figure	34	Not fully assessed	48,000,000	158,800
Operational	Leisure	35	30484	20,700,000	2,205,400
	Environment	31	1261	2,000,000	230,100
	Housing	57	Not yet assessed	130,000,000	N/A
	Surplus	38	N/A	5,800,000	N/A
<b>TOTAL</b>		<b>196</b>	<b>37570 (ex Hsg)</b>	<b>210,000,000</b>	<b>3,336,600</b>

SUMMARY CAPITAL PROGRAMME

Expenditure:	2002/3 Revised £	2003/4 Illustrative £	2004/5 Illustrative £	2005/6 Illustrative £
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Gross Revenue Budget	<b>£62,000,000</b>			
Net Revenue Budget	<b>£14,300,000</b>			

BRIEF BACKGROUND ON AREA, POPULATION AND CHARACTERISTICS OF THE AUTHORITY

ITEM	STATISTIC	POLITICAL STRUCTURE	
Area	1040 sq km	PARTY	No of Councillors
Population:	103,000	Conservative	27
Net Revenue	11,500,000	Labour	18
No of City Council Employees:	1,000	Liberal Democrats / Independent	7



## PROPERTY SERVICES

*Managing Property as a resource for the City*

## ASSET MANAGEMENT PLAN

2002 - 2005

*ASSET MANAGEMENT GROUP*

*JULY 2002*



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## EXECUTIVE SUMMARY

The Asset Management Plan has been written in partnership with the Capital Strategy by the Council's corporate Asset Management Group. The process forms a crucial part of the new Corporate Plan, the Authority's statement about how it will use its capital and asset resources to contribute towards fulfilling the themes set out in City Vision.

The Council has a substantial asset base. It is directing the implementation of Asset Planning at a strategic level, using its asset this base as a foundation to attract the maximum public / private Capital Strategy investment through partnership working.

	Operational assets	Non operational assets	Surplus assets	Housing	TOTAL
No. of asset lots	67	34	38	57	196
Total income	£50,000 pa	£3.8 million pa	£50,000 pa	£16m pa	£19.8m pa
Total value	£26.2 million	£48 million	£5.8 million	£130m	£210m

This plan sets out to demonstrate evidence of the following progress:

1. The community of Carlisle has developed a new 10-year strategy for the City – City Vision – through consultation with 36 external partners.
2. New Corporate Plan objectives are agreed to target City Vision themes.
3. Consultation has taken place with business stakeholders.
4. The Asset Management Group of senior corporate colleagues has set out the Capital Strategy in partnership with the Asset Management Plan to show how capital spending will help achieve corporate themes.
5. The Development Advisory Group of colleagues meets monthly to focus strategic thinking and direction between Members and Officers.
6. The Asset Management Officer Group meets monthly to forward and monitor Capital Strategy and Asset Plan operational priorities.
7. The Asset Management Plan sets out how major improvements aim to raise capital receipts and reduce revenue expenditure to fund the Capital Strategy.
8. A surplus land review has identified £5.8 million of assets available with a SMART £500,000 minimum target per year to achieve.
9. An Asset Investment Fund has been established as a first principle to be resourced from the receipts.
10. The Best Value Inspectors' recommendations for the Property Service and, through cross cutting work, those of Economic Development, are being implemented.
11. A business-managed approach is enabling the release of resources to implement proactive asset management, including £180,000 to upgrade operational buildings to comply with the Disability Discrimination Act.
12. Partnership working continues with the transfer of Kingmoor Park to 90% private sector control, 11 new shops let in the Lanes, and the establishment of new partners for the Market Hall and Raffles.
13. Commissioned research and benchmarking has taken place into asset management databases, with a view to purchase and implementation in early 2003.
14. A corporate research paper into the economy of Carlisle and how this may mould future economic development, planning and property policy is being commissioned to inform Members.

The 2002/05 Asset Management Plan sets further targets which flow from this work.

*Managing Property as a Resource for the City*

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**1.0 ORGANISATIONAL ARRANGEMENTS FOR CORPORATE ASSET MANAGEMENT**

**1.1 Main Events 2001 – 2002**

- 1.1.1 The Audit Commission inspected and reported on Property Services through the Best Value Inspectorate.
- 1.1.2 The Inspectors' report was accepted by the Council in April 2002 through the Overview and Scrutiny Committee approving a new Best Value action plan, the recommendations being fully transcribed into this plan.
- 1.1.3 The Property Service has had significant additional resources added to its budget, resulting in the appointment of key asset development staff and the establishment of an Asset Investment Fund.

**1.2 Redefined strategic remit**

- 1.2.1 Property Service functions have been redefined in accordance with the new Corporate Plan and City Vision.

**PS1 Strategic Property Advice and Management**

- 1.1 Provision of strategic advice about the role of property in the Carlisle economy;
- 1.2 Accounting for all Council property in a corporate way;
- 1.3 Setting the standards for consultation with stakeholders.

**PS2 Asset Management**

- 2.1 Providing policy advice on the utilisation of the operational portfolio in order to ensure efficient and effective service delivery;
- 2.2 Development of the City's non-operational portfolio to achieve a balanced combination of return yields, inward investment and regeneration appropriate to the Carlisle property market;
- 2.3 Efficient identification and disposal of surplus assets;
- 2.4 Asset Valuations in accordance with CIPFA regulations.

**PS3 Estate Management**

- 3.1 Best practice property management of the corporate estate;
- 3.2 Management of the operational portfolio to ensure optimum rent and rates levels appropriate to the Carlisle property market;

**PS4 Facilities Management**

- 4.1 Strategic overview of the property portfolio to ensure service delivery from high quality suitable accommodation.

**1.3 The Golden Thread**

- 1.3.1 The City Vision partnership of 36 stakeholders formed last year presented the vision to the residents of Carlisle as their own statement for the development of the City over the next 10 years.
- 1.3.2 The Council's corporate objectives are contained in the new Corporate Plan to be reviewed annually to ensure that it is able to meet its contribution to the vision. The strategic direction of the Capital Strategy and Asset Management Plan have been reviewed to thread the new themes together.
- 1.3.3 Asset management team objectives have been agreed to support this process – to manage Property as a resource for the City.
- 1.3.4 This golden thread is set out on the following page.

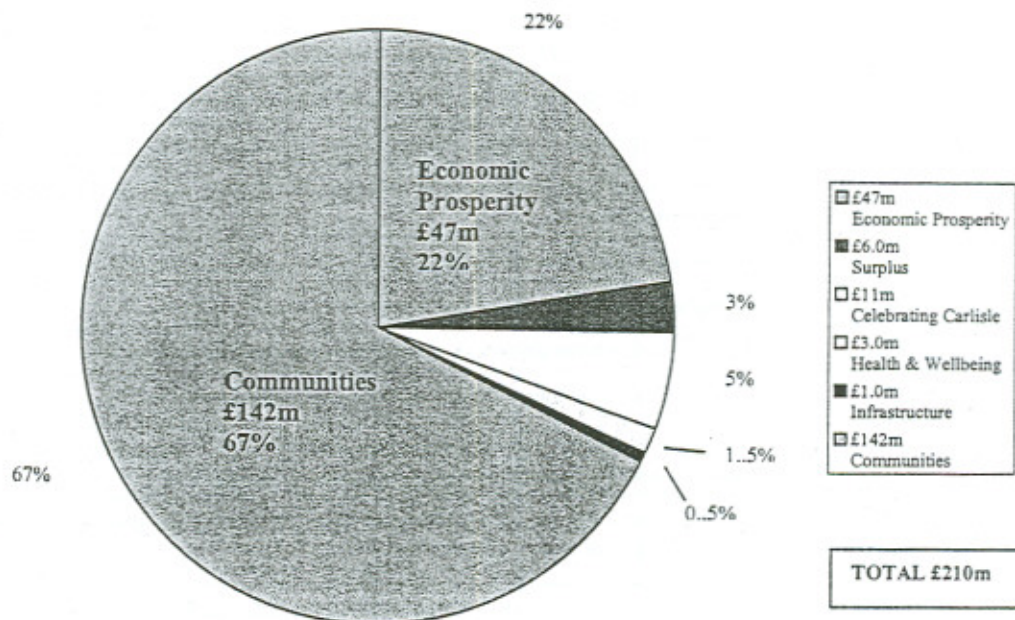




- 1.5 Asset Management Plan Objectives have been reviewed and are recorded in the new Corporate Plan taking the lead from the City Vision process outlined in 1.4:

Theme	Objective	Asset Management Objectives in the Corporate Plan:
City Vision	Asset Management	
CV1	AM1	Encourage community participation and inclusion in the Carlisle area
CV1	AM1	Consult with users in the planning and design stages of new buildings.
CV3	AM2	Have cultural and educational facilities of a high standard.
CV4	AM2	Ensure Council facilities comply with the standards set out in the Disability Discrimination Act.
CV2	AM3	In partnership, develop, support and modernise the local economy.
CV2	AM3	Complete property reviews for the whole urban area.
CV2	AM5	Develop criteria for decisions on whether to dispose of property.
CV2	AM3	Establish an Asset Investment Fund for economic assets.
CV2	AM3	Establish whether the Council's land ownership policies support the demand, and therefore encourage inward investment.
CV1-CV5	AM5	Review the Council's economic and financial aims for property in one consistent policy expression
CV1	AM1	Investigate with partners the creation of a shared location for agency advice.
CV2	AM3	Investigate and develop new medium and long-term development opportunities, particularly where private sector is not confident in investing alone.
CV4	AM4	Make best use of our heritage and natural surroundings.
CV4	AM4	Reduce the number of locations susceptible to criminal activity by reducing the amount of surplus land and property in the Council's ownership.
CV1 – CV5	AM5	To effectively manage our resources strategically through 3 year financial planning priorities.
CV2	AM5	Comply with District Audit requirements for asset valuations.
CV1 – CV5	AM5	Continue to develop and implement the Capital Strategy and Asset Management Plan.
CV1 – CV5	AM5	Ensure all Council property is assessed for suitability and efficiency.
CV1 – CV5	AM5	Ensure the Council is not paying any more Uniform Business Rate than it needs to through appeal and negotiation.
CV1 – CV5	AM5	Instigate capital investment to ensure the sustainability of assets for both the Council and business stakeholders.
CV2	AM3	Maintain and improve the Council's rental income according to the sensibilities of the Carlisle property market.
CV2	AM3	Maintain the fabric and worth of the City's property assets through a programme of asset maintenance.
CV1 – CV5	AM5	Raise capital receipts to support Capital Strategy.
CV5	AM5	Maximise the income potential of the space available in the Civic Centre, should space become available in the next 3 years.

- 1.6 The Council's Asset Portfolio as at 1 April 2002 and the links with Corporate and Asset Plan Objectives have been re-analysed to continue the golden thread:



Corporate Plan Theme	Communities		Infrastructure, Environment & Transport		TOTALS
	Celebrating Carlisle Health & Wellbeing		Economic Prosperity		
Asset Type	Operational	Housing	Non-Operational	Surplus	
Asset Lots	67	57	34	38	196
Income (£)	£50K pa	£16M pa	£3.8M pa	£50K pa	£19.81M pa
Value (£)	£26.2M	£130M	£48M	£5.8M	£210M
Asset Management Objectives	AM1	AM3	AM2	AM5	
	AM2		AM3		
	AM4				



**1.7 The Corporate Property Officer**

- 1.7.1 The structure of the Asset Management decision making process has been governed by the aims of City Vision and the Corporate Plan. As the plan last year informed, the identification of a Corporate Property Officer with associated specific roles and responsibilities is defined as the Head of Property – the primary author of this plan. The responsibilities of the Corporate Property Officer have been widely published through the Council's Best Value Organisational Review and at management briefings.

**1.8 Cross-cutting issues under Best Value**

- 1.8.1 The Council has adopted a themed approach to Best Value.

- 1.8.2 The Overview and Scrutiny Committee approved a new Best Value Action Plan for Property in April, following the Inspectors' report. This Asset Management Plan fully incorporates the recommendations.

- 1.8.3 The Corporate Property Officer is involved in the three 2002/03 themed Best Value reviews:

- Regeneration
- Customer contact
- Organisational Review

**1.9 Strategic Co-ordination - Development Advisory Group**

- 1.9.1 The Corporate Property Officer reports to the Development Advisory Group after monthly briefings with the Member responsible for Property (the Financial Resources Portfolio Holder); then to the Corporate Management Team; and then to the Executive. The Group, its terms of reference and the Corporate Property Officer's role in it have been communicated throughout the Council.

- 1.9.2 The Development Advisory Group is chaired by the Director of Environment and Development – the Director responsible for Asset Management – and includes the relevant portfolio holder and officers tasked with strategic co-ordination.

- 1.9.3 Its terms of reference were agreed at its first meeting in February 2001.

- 1.9.4 The Group meets bi-monthly.

- 1.9.5 It is a crosscutting vehicle for integrating strategic asset management issues, economic development and surplus land combined to co-ordinating development issues for the City.

- 1.9.6 It has been given the authority to undertake all required action to ensure that the corporate use of assets can be fully achieved.

- 1.9.7 It is able to refer to representatives of stakeholders to act as the consultation and contact point, acting as the forum to consult by inviting business stakeholders.

**1.10 Operational Advice - Asset Management Officer Group**

- 1.10.1 In February 2002, the Asset Management Officer Group was formed, chaired by the Corporate Property Officer.

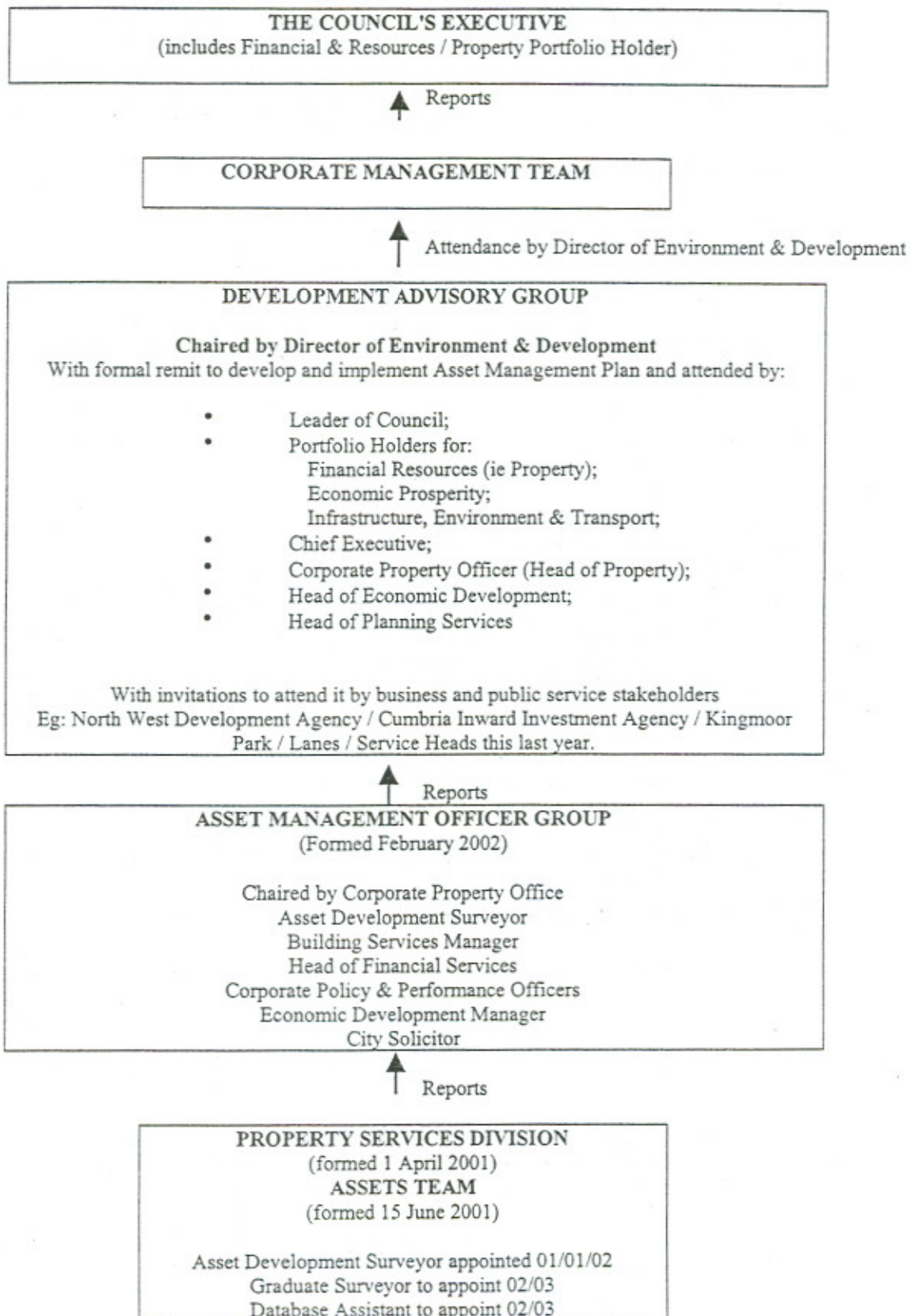
- 1.10.2 This Group meets monthly and is responsible for the assessment of operational requirements for property assets, how they support the objectives of the Corporate Plan, the monitoring of the capital programme and development of the Capital Strategy and Asset Management Plan.

- 1.10.3 The Group includes corporate policy officers, including one charged with the Authority's performance management. This ensures that Service Plans will include both a capital and property asset dimensions, particularly to enable changes to be anticipated.

**1.11 Organisational Chart.**

- 1.11.1 A chart demonstrates this overleaf, and includes those who represent both groups.

1.12 Organisational chart





### 1.13 Housing Policy

- 1.13.1 Approximately 7,400 dwellings may be transferred through Large Scale Voluntary Transfer. The consultation process with tenants ended at the ballot deadline of 26 July 2002 and the outcome was that 2761 voted yes (52%) and 2547 voted no (48%).

### 1.14 Consultation

- 1.14.1 The City Vision process is leading an open approach at Carlisle. Consultation about the Asset Management Plan is linked into this process to ensure that the Council uses its assets to help the authority meet its support to City Vision and the needs of the community.

CONSULTATION		
	Method	Examples
Progress So Far	<u>Internal</u> <ul style="list-style-type: none"> <li>Development Advisory Group – 8 meetings, 3 with external partners.</li> <li>Asset Management Officer Group – 10 meetings.</li> </ul> <u>External</u> <ul style="list-style-type: none"> <li>Carlisle Chartered Surveyors Forum – 1 meeting.</li> <li>Historic Cities Guild – 2 meetings</li> <li>Asset Management Launch →</li> <li>Kingstown / Kingmoor liaison</li> <li>Database benchmarking</li> </ul>	<ul style="list-style-type: none"> <li>Business Asset Management Launch at Conference Centre.</li> <li>120 Business / property representatives / Councillors attended.</li> <li>Presentations from Portfolio Holder, Corporate Property Officer, Kingmoor and Lanes partners.</li> </ul>
Future Targets	<u>Internal</u> <ul style="list-style-type: none"> <li>Development Advisory Group to meet bi-monthly →</li> <li>Asset Management Officer Group to meet monthly</li> </ul> <u>External:</u> <ul style="list-style-type: none"> <li>New Asset Investment Focus Group to be established.</li> <li>New operational Property Focus Group to be established.</li> </ul>	<ul style="list-style-type: none"> <li>Cumbria Inward Investment Agency attended</li> <li>The Lanes (Morley) partners attended.</li> <li>Northwest Development Agency attended.</li> </ul>
Cross-Cutting Forums	<ul style="list-style-type: none"> <li>Historic Cities Property Guild</li> <li>Market Hall Board</li> <li>Kingmoor Park Property Board</li> <li>Historic Land Use Group</li> <li>Regeneration Team</li> <li>GIS Group</li> <li>Estate Management Officer Group</li> <li>LSVT Property Working Group</li> <li>Leisuretime Externalisation Group</li> <li>Cumbria Property Services Benchmarking</li> <li>Association of Chief Estates Surveyors (ACES)</li> <li>Institute of Public Finance (IAF)</li> </ul>	<ul style="list-style-type: none"> <li>Market Hall Board meet 3 times per year.</li> <li>Kingmoor Board meet monthly.</li> <li>Historic Cities Property conference meets annually for 2 days in Carlisle</li> <li>Regular attendance at IPF Seminars</li> <li>Participation at DTLR seminar in Northallerton.</li> <li>Participation in database design workshops.</li> </ul>

1.15 Organisational Arrangements – Checklist & Forward Plan

RECOMMENDATION	COMMENTS	TARGET DATE
Property assets should be considered as a strategic resource.	Achieved - All property held or used by the Council is a corporate resource and is managed on a central and strategic basis.	26/11/01
The Council needs to develop a detailed project plan for preparing its Asset Management Plan.	Achieved –DTLR awarded 01/02 Plan "good" with a commendation of approach.	31/07/02
Consider the level of property holding the Council needs to deliver its vision.	Achieved - Criteria approved by Executive.	10/05/02
Review the budgetary delegation arrangements.	Target - Introduce ring-fenced budgets and incentivisation system.	01/03/05
Develop space standards.	Target - National guidelines to be used for space allocation.	01/03/04
Review the resources.	Achieved - Trading Account system established.  The base budget for Property Management resources is increased by 2002/03 - £57,000; 2003/4 - £117,000; 2004/5 - £177,000	04/04/01
Review the current arrangements for reporting to Members.	Achieved - A protocol for communications and the effective briefing for the portfolio holder with specific responsibility for the Asset Management Plan / Property (Finance and Resources) has been agreed.	26/11/01
Ensure that all property related issues will be covered within a Best Value review.	Achieved - Overview & Scrutiny Committee agreed Action Plan.	10/04/02
Challenge the competitiveness.	Achieved – Market test. Demonstrated in-house service is the most cost effective.	04/04/01
Develop a set of clear property policy objectives	Target - Asset strategy to be considered by the Executive.	31/07/03
Ensure that the Best Value review process is ongoing	Achieved.	04/08/02
Ensure property issues are included in the Council's programme of consultation with views of occupiers taken into account.	Target - Agreed to establish 2 customer forums. Customer satisfaction surveys will be strengthened to ensure a minimum of one formal survey per property per year.	1/12/02



## 2.0 DATA MANAGEMENT – CHECK LIST AND FORWARD PLAN

2.1 This District Audit study of 2000 into asset management at Carlisle and the Best Value Review recommended that a new database be introduced.

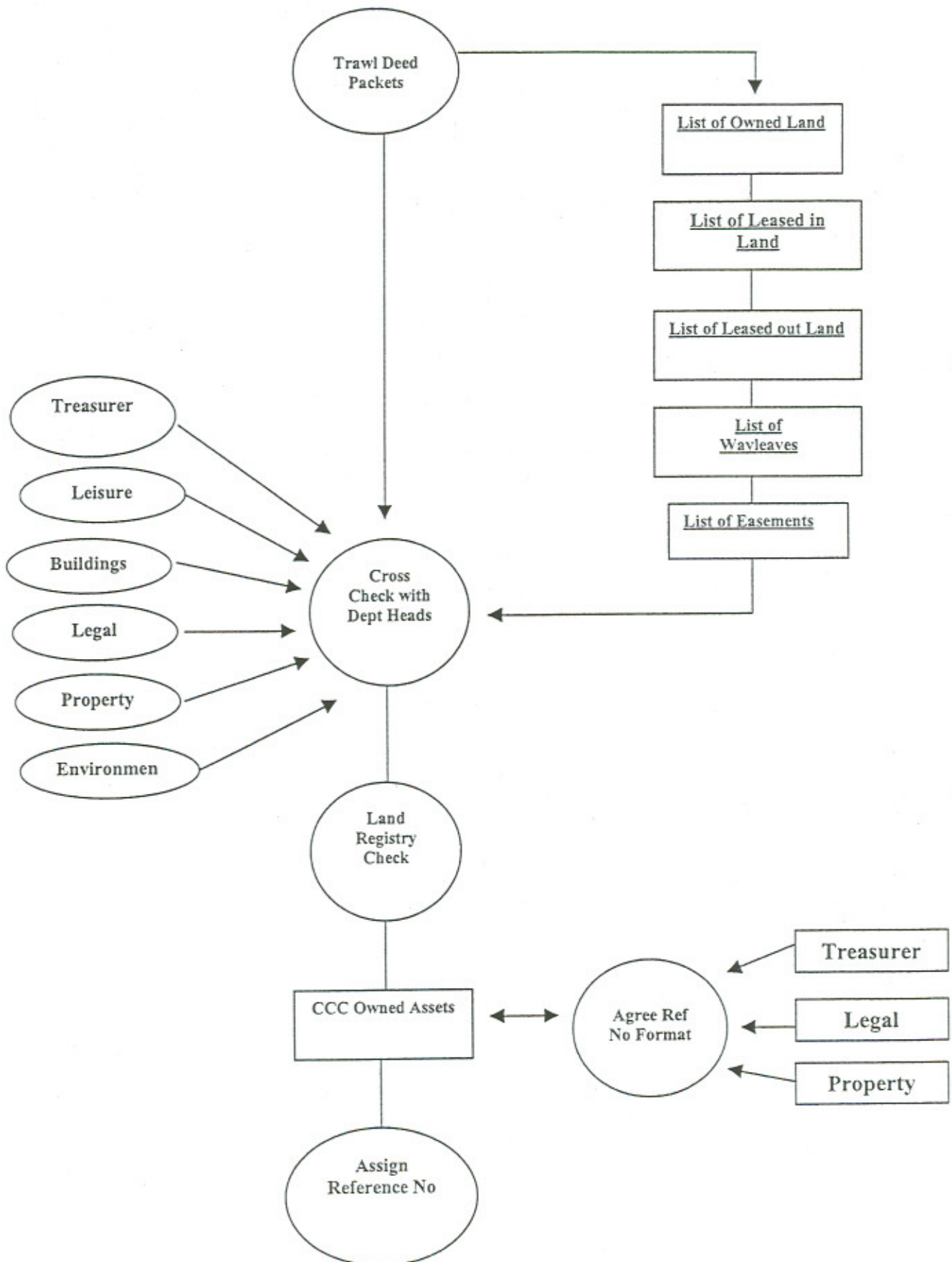
2.2 A capital allocation of £100,000 is set out in the Council's budget to acquire it.

2.3 The action plan is as follows:

PRIORITY	ACTIONS	COMMENTS	DATE OF ACTION
Consultation	<ul style="list-style-type: none"> <li>➤ Benchmarking with other authorities to obtain feedback on systems.</li> <li>➤ Site visits to software houses</li> <li>➤ Asset Management Officer Group established.</li> <li>➤ Benchmarking with Historic Cities Group</li> <li>➤ Service Head interviews to ensure corporate approach.</li> </ul>	District Audit recommendations accepted and Best Value Action Plan approved	10/4/02
Identify Requirements	<ul style="list-style-type: none"> <li>➤ Comprehensive electronic records are in place for all property assets – including UPRN core data but system needs to be corporate. With paper terrier back-up.</li> <li>➤ District Audit verified.</li> </ul>	£100,000 approved for database procurement.	4/4/02
	<ul style="list-style-type: none"> <li>➤ Specification drawn up for future IT requirement, together with Data Capture Strategy, and comprehensive forward plan. Includes resource implications.</li> </ul>	Specification and data capture strategy approved.	10/05/02
	<ul style="list-style-type: none"> <li>➤ Training required for staff.</li> <li>➤ Through consultation, a shortlist of companies has been selected for tendering.</li> </ul>	Tenders to go to 5 firms	01/06/02
Proposed Programme	<ul style="list-style-type: none"> <li>➤ Housing surveys prior to LSVT - 2002</li> <li>➤ Training needs for users of system 02/03.</li> <li>➤ Leisuretime building surveys – 2002.</li> <li>➤ Finalisation of Specification July 02.</li> <li>➤ Confirmation of Forward Plan</li> </ul>	Tender process from August 02	30/08/02
Reality Checks	<ul style="list-style-type: none"> <li>➤ Site visits</li> <li>➤ Audit</li> <li>➤ Cross service area checks of common data such as floor areas (see 2.5, page 10).</li> </ul>	District Audit invited back to investigate 04 Internal Audit programme 04	31/03/04
Comments	<ul style="list-style-type: none"> <li>➤ Installation of system after tendering data capture involving cross-cutting talks.</li> </ul>	Asset Management Officer Group	Monthly
	<ul style="list-style-type: none"> <li>➤ System implementation. Regular audit of data input.</li> </ul>	Corporate Property Officer	Monthly

2.4 The process adopted by the Asset Management Officer Group is set out on the chart overleaf.

2.5 Chart showing data collection process.





### 3.0 PERFORMANCE MEASUREMENT AND MONITORING INFORMATION

#### 3.1 Best Value and Property Performance Indicators

3.1.1 The Corporate Property Officer submits, on a quarterly basis to Members and Chief Officers, a corporate report on the performance of the property estate.

3.1.2 A rigorous system of Property Performance Indicators has been put in place to incorporate the Office of the Deputy Prime Minister's recommendations, indicators agreed through benchmarking, together with a set of local indicators designed to support asset management objectives under the Corporate Plan. This is reported to Council on an annual basis.

3.1.3 Best Value Performance Plan Indicators reported quarterly are as follows:

No.	Description	Apr – Jun 2001	Apr – Jun 2002	2002/03 Target	2003/4 Target
LP131	% of properties in Condition categories A-D, Where A is good and D is poor.	A – 16.9% B – 18.3% C – 24.7% D – 40.1%	A – 3.6% B – 49.3% C – 37.9% D – 9.2%	A – 10% B – 60% C – 25% D – 5%	A – 15% B – 65% C – 20% D – 0%
	Tonnes of CO2 per square metre produced by operational property.	N/A	0.162	0.15	0.14
LP57	Number of let units as a % of total units available to let.	91.15%	91.85%	93%	95%

#### 3.2 Historic Cities Property Guild - Benchmarking

3.2.1 The Corporate Property Officer leads the Historic Cities Property Guild. The guild has undertaken Best Value reviews and is in the third year of statistical analysis. 10 performance indicators (including the 5 Central Government indicators) have been established and are becoming more sophisticated as experience grows. A 2 year target programme has been established and the District Auditor is being requested to assist for 2002/03.

3.2.2 The latest Performance Indicators as at 31 March 2002 are:

ITEM	INDICATOR	AGREED DEFINITION	CY	CARLISLE	CM	CR	LN	YK
HCG1	Capital Receipts	% of receipts achieved	174%	100%	N/A	N/A	100%	132%
HCG2	Rate of return	% of rent against capital value	8.14%	9.10%	11.33%	3.70%	10.54%	7.50%
HCG3	Empty units	% of empty units	2.79%	7.80%	4.70%	2.85%	2.00%	3.65%
HCG4	Rent collection	% of income received in a quarter	96.60%	91%	N/A	10.86%	90.83%	94.13%
HCG5	Repair costs	% of maintenance budget	4.86%	2.80%	5.03%	21.70%	9.67%	2.25%

#### 3.3 Future Targets

3.3.1 The graphs in 3.5 (page 13) illustrate the key performance data analysed to date with financial targets set for the following years. These targets will be analysed against actual figures for the 03/04 Asset Management Plan.

3.3.2 The Asset Management Officer Group will review procurement of services, economic research and energy efficiency policy in 02/03.

## 3.4 Performance Indicator Information

PI ref	Description	Last Year	Current	Targets	
		2000/1 as at 1/4/01	2001/2 as at 1/4/02	2002/3	2003/4
ODPM 1	A - % GIA in Cond. Cats A-D	16.9%	3.6%	10%	15%
	A	18.3%	49.3%	60%	65%
	B	24.7%	37.9%	25%	20%
	C	40.1%	9.2%	5%	0%
	D	-	£3,337,000	£3M	£2.5M
	B - Backlog of maintenance: Total	-			
	% in priority levels 1 – 4:				
	1		£307,000	£150,000	£0
	2	-	£1,645,000	£750K	£500,000
	3	-	£1,265,000	£1.8M	£1.625M
	4	-	£120,000	£300,000	£375,000
ODPM 2	A - IRR for Industrial Property		9.03%	10%	11%
	B - IRR for Retail Property		13.56%	14%	15%
	C - IRR for Agricultural		N/A	N/A	N/A
ODPM 3	A - Mgt costs / sq m - Op Prop	N/A	£1.66	£2.50	£3.00
	B - Mgt costs / sq m - Non- Prop	N/A	£107,193	£160,000	£193,000
ODPM 4	A - R & M costs /sq m – Op Prop	N/A	£26.27	£25	£24
	B - Energy & utility cost / sq m – Op Prop	N/A	£7.15	£7	£6.90
	C - Water costs / sq m – Op Prop	N/A	£3.61	£3.55	£3.50
	D - CO <sub>2</sub> emissions in T /sq m – Op Prop	N/A	0.162	0.15	0.14
ODPM 5	A - % capital projects +/- 5% outturn	100%	100%	100%	100%
	B - % capital projects +5% timescale	100%	100%	100%	100%
HCG 1	Performance of disposals against target	100%	100%	95%	95%
HCG 2	Performance of investment portfolio	9.1%	9.1%	9%	9%
HCG 3	No of lettable void units as % of whole	8.85%	8.15%	7%	5%
HCG 4	Efficiency of income collection	90%	91%	92%	93%
HCG 5	Total maint budget as % of Rev	1.7%	1.6%	1.85%	2.1%
Local 1	Ratio of surplus land to non-surplus	-	8.7%	8.5%	8%
Local 2	RRs completed within 1 yr as % of all	-	68.7%	70%	75%
Local 3	LRs completed within 1 yr as % of all	-	27.3%	30%	35%
Local 4	DDA reqs compliance % of No of prop	-	23.2	50%	80%
Local 5	Space utilisation / sq m / person	-	13.5	13	12

ODPM Office of Deputy Prime Minister indicators – national

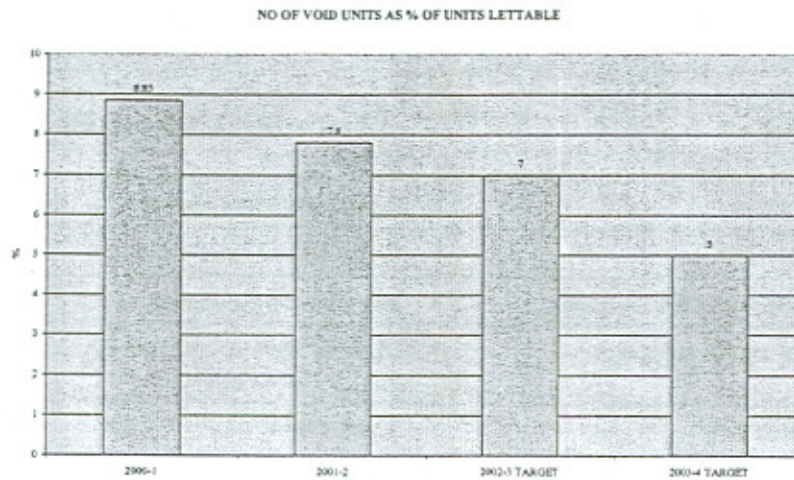
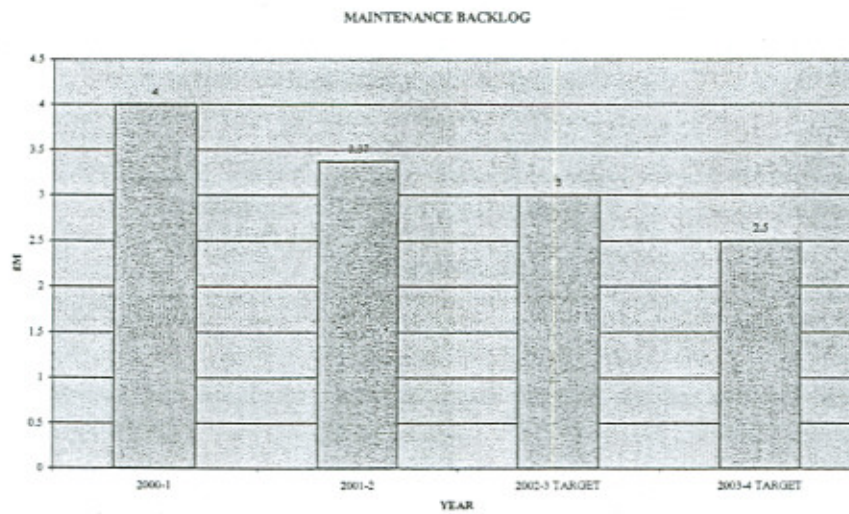
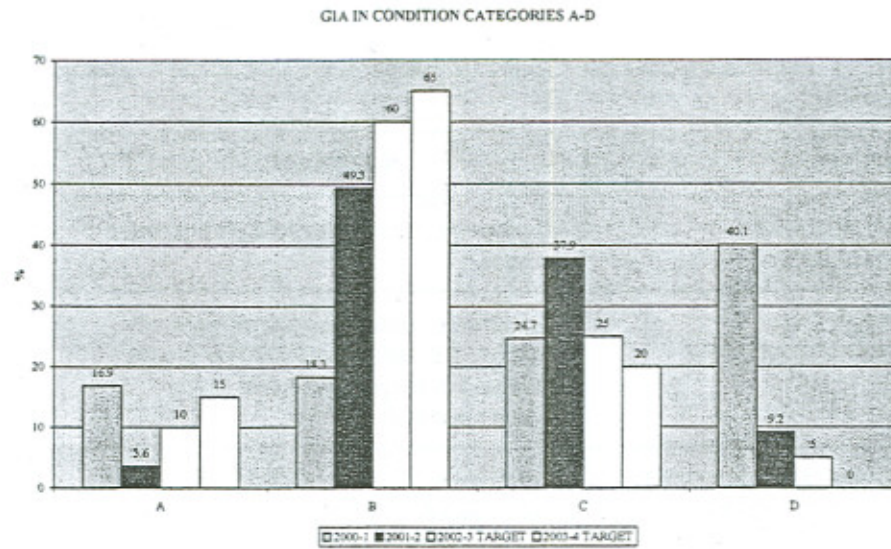
HCG Historic Cities Guild – regional

Carlisle Property Performance - local

ODPM Local indicators not assessed in 2000/1



### 3.5 Graphic Representations and Future Targets for Performance Indicators



#### 4.0 PROGRAMME, PLAN DEVELOPMENT & IMPLEMENTATION

##### 4.1 The Council's property related requirements

- 4.1.1 Property requirements have been reviewed following the Best Value Inspectors' recommendations. These are:

THEME	PRINCIPLE	DECISION
CORPORATE RESOURCE	All property is treated as a single corporate resource.	26/11/01
ASSET REINVESTMENT	That 50% of capital receipts within total range of £100,000 to £500,000 pa should be applied to support the Asset Management Plan.	18/4/02
OPERATIONAL ASSET IMPROVEMENTS	In addition to the 70% / 30% District Audit recommended split for planned and reactive maintenance, £180,000 has been allocated to comply buildings with the Disabled Discrimination Act.	18/4/02
SURPLUS LAND	A review of all property has identified £5.8 million of assets, to be sold at a rate of £500,000 per year, governed by new land disposal procedures.	27/5/02
ECONOMY	Economic Research for consultation to inform new policy thinking about the non-operational portfolio.	8/7/02

##### 4.2 Option Appraisal Process

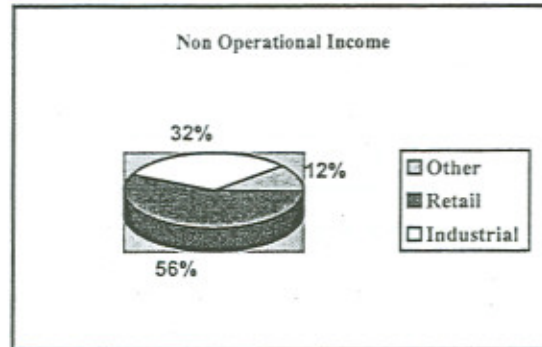
- 4.2.1 The Capital Strategy and this plan are being developed, monitored and reviewed within the new executive arrangements - subject to a scrutiny regime – by the Asset Management Officer Group.
- 4.2.2 Each asset is to be appraised in accordance with the following criteria.

OPERATIONAL	NON-OPERATIONAL
▪ Sufficiency and suitability.	▪ Opportunity for partnership working.
▪ Space utilisation and strategic acquisition.	▪ Rental income growth within the confines of the Carlisle property market.
▪ Fit for purpose	▪ Capital valuation growth
▪ Cost in use	▪ Appraisal and monitoring
▪ Shared use with other agencies.	▪ Image and environment.
▪ Appraisal and monitoring	▪ Disposal receipts and income fund for reinstatement
▪ Sustainability	▪ Sustainability



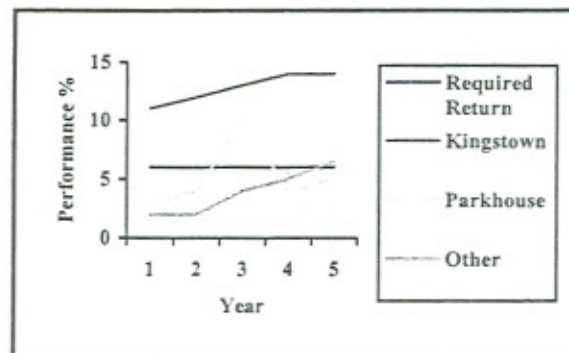
#### 4.3 Evaluation

- 4.3.1 The City Council owns more property than any other district north of Manchester and York.
- 4.3.2 The levels of rental income from its non-operational investment portfolio are similar to revenue from Council tax.
- 4.3.3 The Asset Management Officer Group has recognised the need to urgently review the non-operational portfolio to ensure it is still a relevant service to aid economic prosperity.
- 4.3.4 The current income profile of the main investment property portfolio is:-



- 4.3.5 Once the new database is introduced, each property shall be analysed further and a programme of investment and disposals proposed with benchmarking.
- 4.3.6 In the meantime, a corporate research paper is being commissioned to ascertain the potential future needs of the Carlisle economy to inform options for economic development, property and planning policy.
- 4.3.7 Where recommendations are made for the retention of assets, targets are to be set taking into consideration the following:
- Maintain and enhance the sustainability of income flow over 10 years.
  - Reinvest excess income and capital receipts to improve the local economy and environment.

Each of the core non-operational properties shall be set a performance target. The properties at Kingstown and Parkhouse shall be expected to show profiles as illustrated below:



- 4.3.8 For operational property, each property shall be analysed and benchmarked as part of the themed Best Value reviews and after consultation with services.
- 4.3.9 The workload is significant and will require private sector expertise to assist the in-house service. The Council has adopted a new Procurement Policy. In 2002/03, the Corporate Property Officer is tasked with a new property strategy to deliver professional services in a partnership working format.

#### 4.4 UNDER-USE AND DISPOSAL

- 4.4.1 A systematic property review commenced in 1996, looking at properties and land held north of the River Eden. Following evaluation, £3.5 million has been realised, including the sale of Carlisle Airport.
- 4.4.2 This process has been revisited and a further £5.8 million of surplus assets are identified using the new City Vision themed criteria approved by the Executive in May 2002.
- 4.4.3 A SMART minimum of £500,000 of receipts has been set by the Executive to finance a new Asset Investment Fund - established in 2002 – as a major outcome of the Best Value Review – to be recommended through the Capital Strategy.
- 4.4.4 A practical example of the new criteria is as follows:

#### PRACTICAL EXAMPLE

##### SURPLUS PROPERTY DESIGNATION MATRIX

ASSET ADDRESS: Land at Howard Street, Carlisle

ASSET DESCRIPTION: Cleared site to rear of houses

QUESTION	YES / NO
1. Is the asset currently being used for direct service delivery?	NO
2. Is the asset likely to be required for direct service delivery in the next 10 years?	NO
3. Is the asset likely to be required to assist supporting the City Vision partners in relation to:	
* Health and wellbeing.	NO
* Communities.	NO
* Economic prosperity.	NO
* Infrastructure, environment and transport.	NO
* Celebrating Carlisle.	NO
PROPERTY SERVICES ANALYSIS	
1. Current use value	£NIL
2. Alternative use value	£45,000
3. Current rental income	£NIL
4. Potential future rental income	£NIL
5. Current management costs	£1,000
6. Likely disposal fees	£2,250
7. Estimated net capital receipts	£42,750
8. Date when receipt expected	31/03/03
CONCLUSIONS	
Is this asset recommended for disposal?	YES

#### COMMENTS

The land has been vacant and causes management costs.

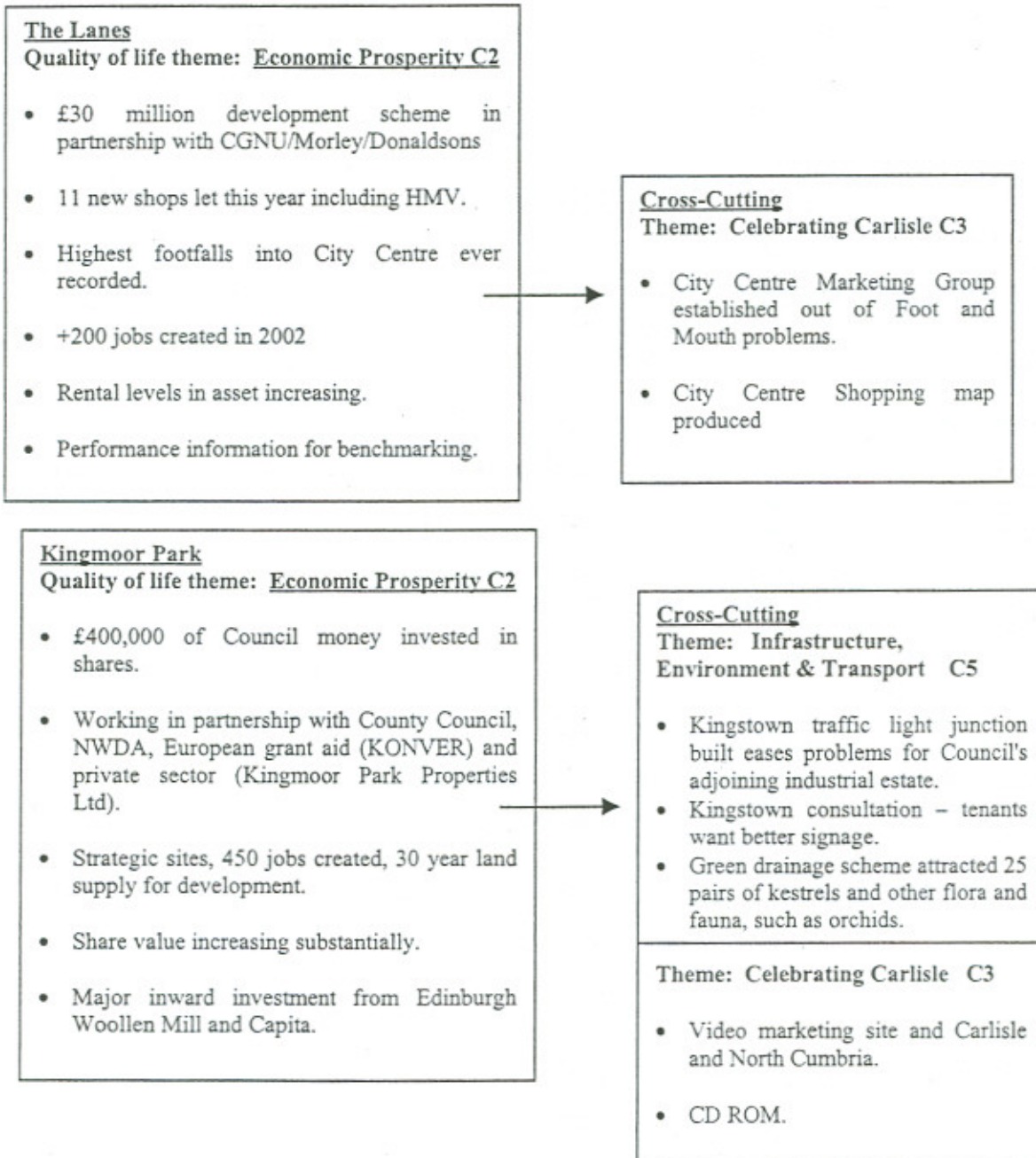


#### 4.5 Cross cutting issues and partnership working

4.5.1 As stated in the Capital Strategy, Carlisle has a successful track record with partnership working, particularly in relation to property assets.

4.5.2 This approach not only maximises capital expenditure and minimises revenue costs, there is added value through private sector benchmarking and cross cutting into other City Vision themes.

4.5.3 This can be demonstrated as follows:-



#### 4.6 Programme priorities and output / outcome targets

4.6.1 The methodology outlined in this chapter is focusing officers to advise the Development Advisory Group about intended priorities.

## 5.0 STRATEGIC ACTION

- 5.1 The Asset Management Plan for 2001/02 has been analysed in a cross check with the Best Value Inspectors' report of March 2002. And the revised Best Value Action Plan that was approved by the City Council.
- 5.2 This is considered to be a thorough investigation of the gaps between future requirements and the current provision and performance of the Authority's property assets.
- 5.3 The Corporate Property Officer has identified and appraised options for closing the gaps and the following strategic action plan is the result.
- 5.4 This Action Plan is approved by the Development Advisory Group, Executive, Overview and Scrutiny Committee and full Council. It sets out the strategy for the Council's assets for the period 2002 – 2005.
- 5.5 It is set out as the conclusions to this Asset Management Plan.

### STRATEGIC ACTION PLAN

Asset Management Objective 1		
Encourage Community Participation in strategic property thinking		
AIM	TARGET	DATE
<ul style="list-style-type: none"> <li>Ensure property issues are included in the Council's programme of consultation so that services consult with the users of their buildings on issues such as quality and access.</li> <li>Ensure that the views of occupiers and staff are consistently identified and properly taken into account in operational property matters.</li> </ul>	Executive agreed to establish 3 customer forums to inform strategy and provide a platform for meaningful consultation and involvement of customers. Carlisle Chartered Surveyors forum already meet quarterly.	26/11/02
	Economic research to identify future business needs for Carlisle.	29/07/02
	Customer satisfaction surveys will be strengthened to ensure a minimum of one formal survey per property per year.	1/03/05
Asset Management Objective 2		
Have cultural and educational facilities of a high standard		
AIM	TARGET	DATE
<ul style="list-style-type: none"> <li>Conduct a corporate review.</li> </ul>	Ensure all Council property is assessed for suitability and efficiency.	31/03/05
	Maintain the fabric and worth of the City's property assets through a programme of asset maintenance.	31/03/03
Asset Management Objective 3		
In partnership, develop, support and modernise the local economy.		
AIM	TARGET	DATE
<ul style="list-style-type: none"> <li>Conduct a corporate review</li> </ul>	Complete property review for the whole urban area.	31/03/04
	Establish an Asset Investment Fund for economic assets.	31/03/03



**Carlisle City Council – Asset Management Plan 2002-2005**

<ul style="list-style-type: none"> <li>Maintain the fabric and worth of the community's property assets through a programme of asset maintenance.</li> </ul>	Establish whether the Council's land ownership policies support the demand, and therefore encourage inward investment.	31/12/02
	Review the Council's economic and financial aims for property in one consistent policy expression.	01/07/03
	Investigate and develop new medium and long-term development opportunities particularly where private sector is not confident in investing alone.	31/07/05
<b>Asset Management Objective 4</b> Make best use of our heritage and natural surroundings.		
<b>AIM</b>	<b>TARGET</b>	<b>DATE</b>
<ul style="list-style-type: none"> <li>Conduct a corporate review</li> </ul>	Reduce the number of locations susceptible to criminal activity by reducing the amount of surplus land and property in the Council's ownership.	Year on year to 31/03/05
<b>Asset Management Objective 5</b> Manage our resources strategically through 3-year financial planning processes.		
<b>AIM</b>	<b>TARGET</b>	<b>DATE</b>
<ul style="list-style-type: none"> <li>The Council's energy efficiency policy should be integrated into the Asset Management Plan.</li> <li>Review the Council's existing asset information and develop a database ensuring that all of the information required for the Asset Management Plan is easily accessible across the Council.</li> <li>Introduce performance indicators and benchmarking for property costs, based on adopting and customising the DTLR suite of Performance Indicators, and regularly report these to the Management team and Members.</li> <li>Review the budgetary delegation arrangements, to ensure that it provides effective incentives for minimising energy usage.</li> <li>Develop space standards for the Council so that there are clear guidelines covering space usage for all groups of staff. To be linked to Performance Indicators.</li> <li>Comply with District Audit requirements for asset valuations</li> </ul>	Internal team established to achieve this as part of Asset Management Officer Group.	01/03/05
	£100,000 allocated for database to be acquired. Corporate Officer Group established – with Property leading.	01/01/04
	All DTLR Performance Indicators incorporated into strategy for 2002 Asset Management Plan now targeted into outputs.	31/07/02
	It is proposed to introduce ring-fenced budgets for energy per property with underspends available for use by the building user for improvements to the fabric.	01/03/05
	Civic Centre asset review to encompass space utilisation in its project.	01/03/04
	20% of assets to be valued.	31/03/03 and annually.

Carlisle City Council – Asset Management Plan 2002-2005

<ul style="list-style-type: none"> <li>• Ensure the Council is not paying anymore Uniform Business Rate than it needs to.</li> </ul>	20% of appeals to be negotiated.	Annually.
<ul style="list-style-type: none"> <li>• Maintain and improve the Council's rental income according to the sensibilities of the Carlisle Property market.</li> </ul>	70% Rent Reviews to be completed within 9 months of due date.	Annually
<ul style="list-style-type: none"> <li>• Raise capital receipts to support the Capital Strategy to be directed into Asset Investment.</li> </ul>	£500,000 SMART	Year on year

ASSET MANAGEMENT GROUP

31 JULY 2002



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**EXCERPT FROM THE MINUTES OF  
EXECUTIVE  
HELD ON 12 AUGUST 2002**

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**EX.237/02 CAPITAL STRATEGY AND ASSET MANAGEMENT PLAN  
(Key Decision)**

(With the consent of the Chairman, and in accordance with Rule 15 of the Access to Information Procedure Rules, this item had been included on the Agenda as a Key Decision although not in the Forward Plan.)

**Portfolio** Finance and Resources

**Subject Matter**

To consider a joint report from the Director of Environment and Development and the City Treasurer (EN.86/02 - Financial Memo 2002/03 No.33) enclosing a copy of the Capital Strategy and Asset Management Plan amended to take account of the feedback from the Corporate Resources Overview and Scrutiny Committee of 1 August 2002.

A copy of Minute CROS.99/02 of the Corporate Resources Overview and Scrutiny Committee was submitted.

**Summary of options rejected**

None

**DECISION**

That the Capital Strategy and Asset Management Plan, as submitted, be recommended to the City Council for approval.

**Reasons for Decision**

To consider the feedback from the Corporate Resources Overview and Scrutiny Committee and refer the Capital Strategy and Asset Management Plan document to the City Council for approval.