

**Central Bedfordshire Council**

**Medium Term Property Strategy**  
**2009/12**

## 1 Property-a strategic resource

Property is Central Bedfordshire Council's largest capital asset comprising property types including offices, schools, libraries, elderly persons' homes, and farms.

This document outlines the first strategy for property within Central Bedfordshire Council (CBC). This strategy defines the approach that will be taken by the council in driving forward and achieving its objectives relating to and realised by the management of its property assets.

The property strategy is an integral part of delivering the council's vision. This is articulated through documents such as the Community Strategy, Local Area Agreement, Strategic Plan, Directorate and Service Plans, and adopted corporate strategies and policies of the council. It is enabled by robust control and planning in areas such as finance, procurement and the deployment of staff and contracted partners.

The council inherits from the previous councils sound foundations from which an effective corporate property function will be developed and maintained. These characteristics include:

- Strong contract management
- Good focus and prioritisation of resources
- Clarity of direction, authority and governance
- Engagement with stakeholders including service areas
- Improving performance from the property service areas (including the property service delivery partnership)
- Improving feedback from customers

There is still work to be done however. The way in which the council manages its property assets will need to be undertaken so that it is very clear how successful property management supports the achievement of the Central Bedfordshire vision.

## Our aims

Our intention is to use only property that supports and sustain excellent service delivery.

Our aims are therefore to:

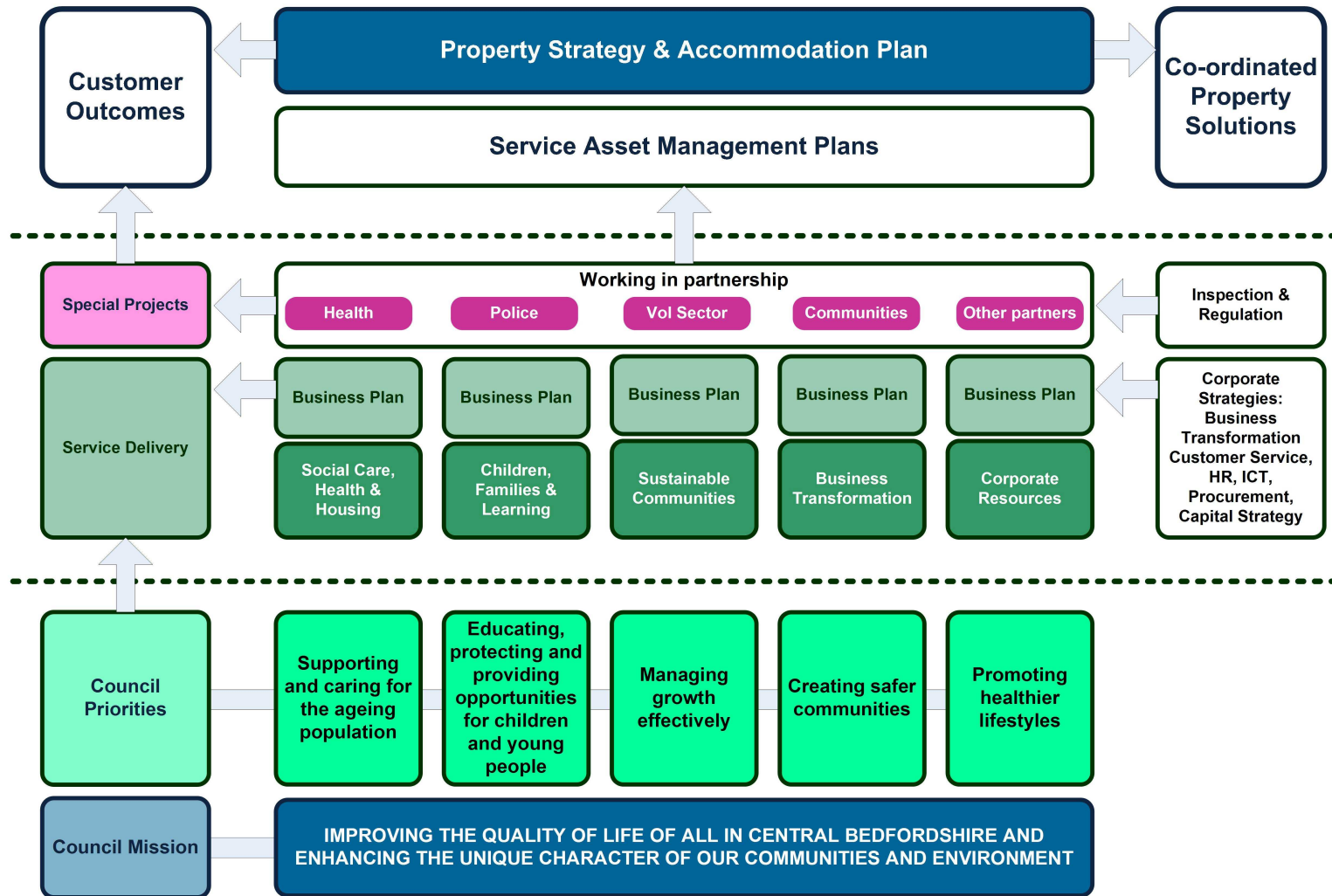
- Ensure our property assets continually support the development and improvement of service delivery.
- Ensure that the management of, and investment in property maximises value for money.
- Ensure that all Central Bedfordshire properties maximise their potential for benefiting customer outcomes.
- Ensure that the property services supply chain is high performing and cost effective at all levels.

The following guiding principles will inform the ways in which we manage our property portfolio and related services:

- **Customer focus** – We will ensure that asset management strategies and plans for our properties support our community leadership role and directly benefit our customers.
- **Value for money** – We will continually review the costs of the property portfolio ensuring value for money is achieved. The design and location of our buildings will contribute to the achievement of our sustainable development policies and environmental goals.
- **Working corporately** – We will make decisions on property consistent with the council's vision, objectives and priorities, and manage our property assets as a central resource.
- **Efficiency** – We will maximise asset use and encourage flexible working (including sharing of work-stations, home-working and other innovative solutions) combining proven property and technology solutions.
- **Collaboration** – We will actively work with partner providers, the voluntary sector and other agencies, to wherever possible offer public services from consolidated locations.

The context for the overall strategy and direction for property related activity is outlined below:

Asset Management within Central Bedfordshire Council



## 2 Governance

Decisions related to the council's property portfolio are taken by a number of key groups and individuals:

**Executive** - Elected councillors make sure that significant property decisions are discussed openly and are clearly supporting the council's vision and strategic objectives. The cabinet member with specific responsibility for property is the Portfolio Holder for Corporate Resources.

**Overview & Scrutiny** - Overview and scrutiny processes review significant decisions, policies and procedures and challenge the council to make the best use of public money.

**Management Team** - Comprising the Chief Executive and Directors, Management Team ensure that the council's vision and strategic objectives are achieved through the management and use of agreed resources. The Director for Corporate Resources has specific responsibility for property matters.

**Head of Property & Facilities Management** - Reporting to the Director for Corporate Resources, and responsible for the management of the property portfolio and leading the corporate property function. The role also includes responsibility for operational management of the property supply chain including the property service delivery partner, Mouchel.

Other roles undertaken in respect of property management include:

**Corporate Asset Management Group (CAMG)** - The Council's senior officer steering group and forum for considering all strategic level asset management issues formulating policy in relation to the management of assets.

Responsibilities also include:

- Overseeing the development, monitoring and review of the Property Strategy and property related Corporate Asset Management Plan (AMP).
- Co-ordinating, making and reporting recommendations on all corporate asset management matters for the Council's consideration through the Executive
- Co-ordination of Capital and Revenue budget supporting property solutions to meet the aims and priorities of the council.
- Monitoring and reporting to councillors, reviewing property solutions and projects against agreed targets.
- Reviewing the effectiveness of the corporate property function and providing direction on activities through the Head of Property.
- Considering and recommending proposals for the future use of land and property for disposal.

**Asset Management Working Group (AMWG)** – Chaired by the Corporate Property Officer, responsibilities include:

- Developing and implementing the Council's future property strategies and Corporate AMPs under the strategic direction of the CAMG
- Practical development and delivery of asset management practices and procedures,
- Promoting and supporting good asset management practice across the council
- Operational property management considering cross service issues and opportunities

Whilst the Council retains strategic control and management of its property resources, many of the operational property services are delivered by others in the property supply chain including the council's service delivery partner, Mouchel. This contract remains a significant element in the successful management and maintenance of the Council's property portfolio.

**Service Delivery Partner - Mouchel** - Working in partnership with the corporate property function to provide professional services related to the active management of the property portfolio. This includes:

- Supporting the strategic management of the estate, including supporting policy development
- Planning and delivery of land and property management, maintenance and development
- Monitoring the effectiveness of the assets in delivering to the performance standards required for service delivery
- Improving efficiency in delivery of property solutions
- Specifying, letting, monitoring and reviewing the property contracts
- Providing performance management arrangements for all property related activity

## Risk Management

The management of risk related to property matters is closely linked with the governance and controls described above.

A comprehensive risk register for property is maintained by the Corporate Property Function. The risks which have been identified and are managed on an ongoing basis are:

<b>PSR01</b>	<b>The Council's property assets are not used in an optimum way, resulting in:</b>	<ul style="list-style-type: none"> <li>• Poor asset management score in CPA/CAA</li> <li>• Poor asset management audit results</li> <li>• High running costs</li> <li>• Capital receipts not realised in line with plan</li> <li>• Poor customer experience &amp; Council profile</li> <li>• Poor working environment</li> <li>• Delivery of Council's objective is hampered</li> </ul>
<b>PSR02</b>	<b>The corporate property function does not meet the current needs of the Council resulting in:</b>	<ul style="list-style-type: none"> <li>• Non-compliance with legislation</li> <li>• Poor property decisions leading to financial and reputation issues</li> <li>• Contracts not adequately managed (see risks PSR04 &amp; PSR07)</li> <li>• Additional revenue and capital costs incurred by services</li> <li>• Poor service for external customers</li> <li>• Increased pressure on current staff and churn</li> <li>• Duplication of property skills in services to meet short/medium-term needs</li> </ul>
<b>PSR03</b>	<b>Inadequate control, monitoring and guidance relating to property issues, resulting in:</b>	<ul style="list-style-type: none"> <li>• Uncoordinated and/or poor property decisions</li> <li>• Unforeseen costs and liabilities realised</li> <li>• Opportunities to achieve value for money across Council not identified</li> <li>• Inability to demonstrate good practice for CPA/CAA</li> <li>• Additional staff time required to develop procedure for each project/transaction</li> </ul>
<b>PSR04</b>	<b>The Council's relationship with its property service delivery partner is not effective, leading to:</b>	<ul style="list-style-type: none"> <li>• Failure to meet user/service needs</li> <li>• Impact on front-line service delivery where project not delivered</li> <li>• Failure to achieve value for money</li> <li>• Damage to Council's reputation</li> <li>• Poor data impacting on decision making</li> </ul>
<b>PSR05</b>	<b>Property transactions do not provide the right long-term solution for the Council, resulting in:</b>	<ul style="list-style-type: none"> <li>• On-going financial liabilities</li> <li>• Legal obligations to third parties</li> <li>• Unforeseen management and revenue costs</li> <li>• Failure to achieve best consideration in disposals</li> <li>• Poor reputation</li> <li>• Acquisition of property interests that do not support an optimum portfolio</li> </ul>
<b>PSR06</b>	<b>Delivery of property related projects do not:</b>	<ul style="list-style-type: none"> <li>• Meet service needs</li> <li>• Support Council objectives</li> <li>• Ensure value for money in delivery</li> <li>• Ensure value for money in whole-life cost</li> <li>• Meet required timeline</li> </ul>

### 3 Communication

The provision of a professional property function is the responsibility of the Director of Corporate Resources and is discharged through the Head of Property.

Delivery of the service is supported by the partnership with Mouchel. The Head of Property and Facilities Management leads the Corporate Property Function to fulfil the client side obligations and the management of the contract, performance and service outcomes.

The delivery of effective asset management requires the support and integration of Service Groupings. The Asset Management Working Group (AMWG) has membership from all services and Mouchel. The AMWG reports directly to the CAMG.

The successful achievement of four goals relies on effective and consistent communication across the organisation. The corporate asset management planning framework provides the reporting and decision-making infrastructure for planning and managing the Council's assets. It also provides the means for developing the communication and consultation processes needed at strategic and operational levels and between the Council and its partners.

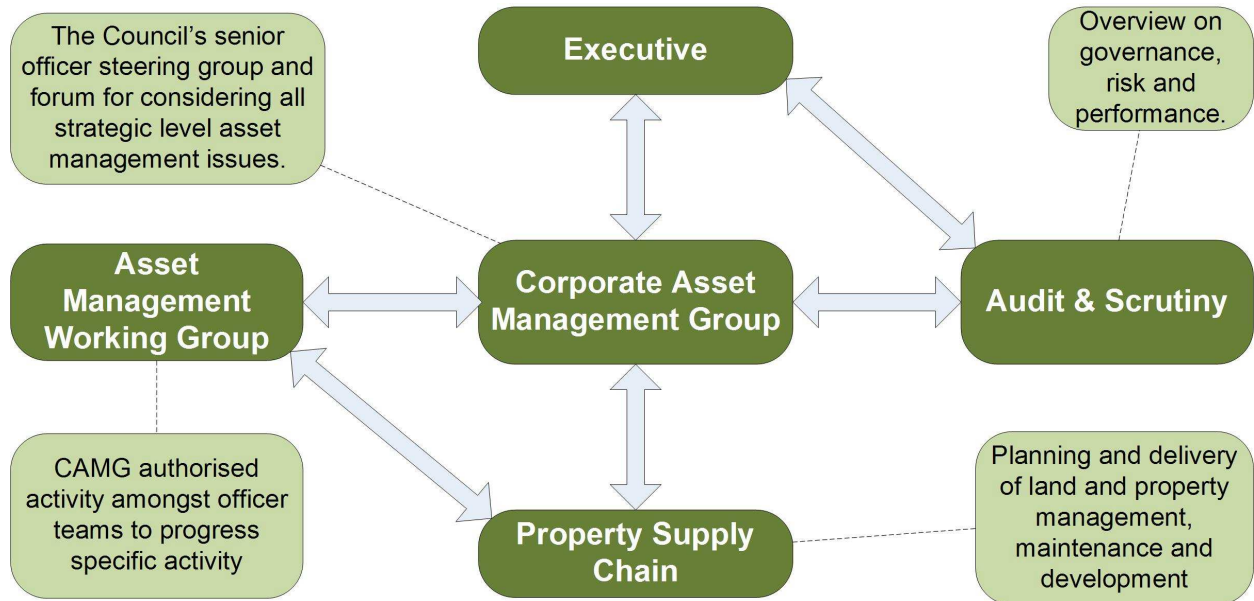
Members are fully informed of property issues with structured regular briefings from the Director and Corporate Property Officer.

The communication and consultation arrangements include routine customer and users surveys. The corporate asset management planning practices will continue to be integrated within the annual planning and budgeting cycles of the Council.

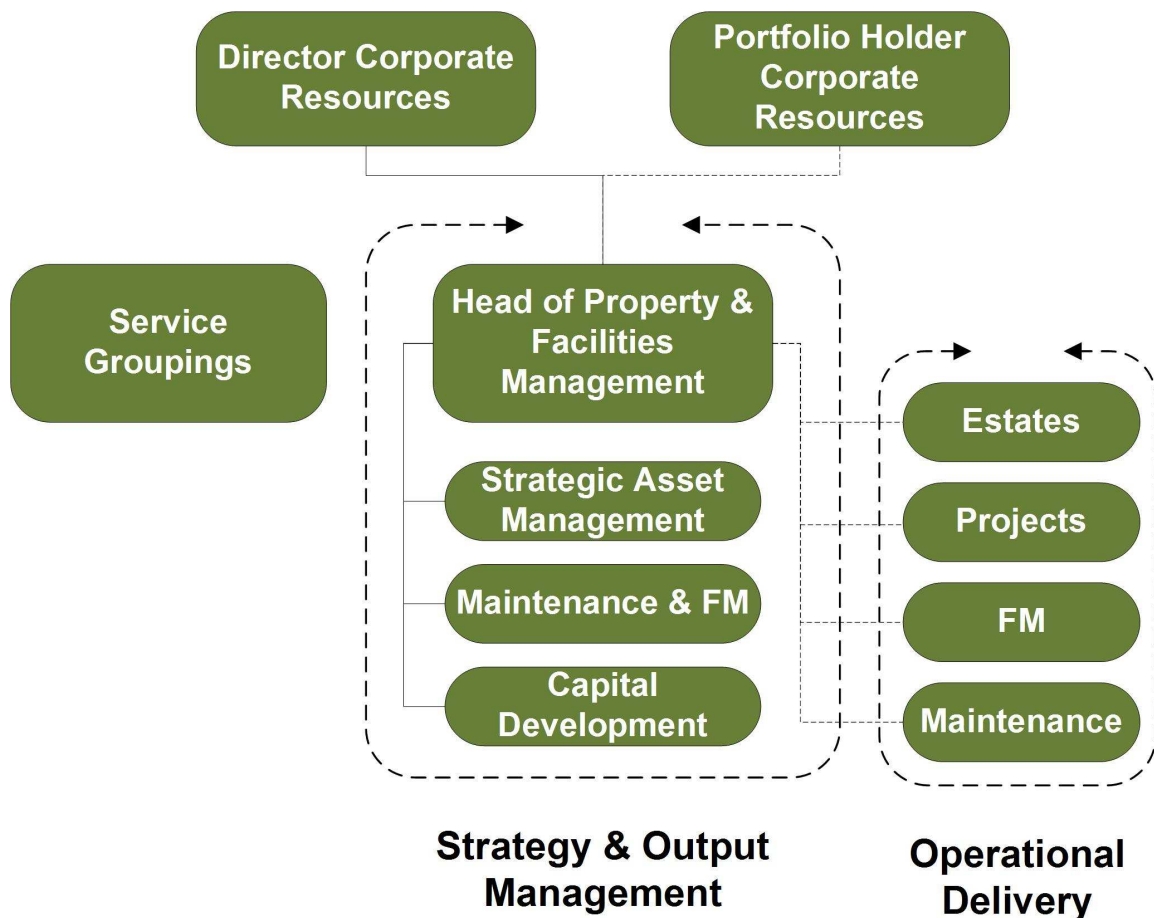
The roles and responsibilities of the respective groups are outlined below (Roles and Responsibilities). The groups (dark boxes) fulfil the functions described (light boxes).



**Roles and responsibilities**



**Governance for Property Projects**



## 4 Goals and actions

Our objectives and outcomes will be achieved by undertaking the following tasks. The measures and targets will be undertaken to enable full measurement and monitoring by the end of FY09/10 through a structured performance management approach with specific targets as described in section 5.

ertaking the following tasks. The measures and targets will be undertaken to enable full measurement and monitoring by the end of FY09/10 through a structured performance management approach with

### Objective 1 - Ensure our property portfolio continues to support the development and improvement of services delivery.

Ref	Outcome	Tasks	Performance measure/target	Target date
PSA01	Corporate standards and benchmarks are developed and implemented to enhance service delivery to our customers.	Undertake survey of customers attending corporately managed buildings.	Satisfaction survey for visitors to corporately managed buildings complete.	31 <sup>st</sup> August 2009
PSA02	Ensure that our customers' experiences of interacting with the council are enhanced by modern, fit for purpose environments.	Develop priority workplans for public areas within publicly accessed corporately managed buildings.	Workplans agreed and in place.	31 <sup>st</sup> August 2009
PSA03	Employees are enabled to provide excellent customer service by operating out of modern, fit for purpose working environments.	Develop priority workplans for corporately managed buildings.	Workplans agreed and in place.	31 <sup>st</sup> August 2009

#### Priority actions in support of this objective

- Under the direction of the Director for Corporate Resources implement the Medium Term Accommodation Plan.
- Implement new ways of working to include new guidance on space utilisation within corporate buildings.
- Undertake customer satisfaction survey for product and service elements to include visitors to corporate buildings.

**Objective 2 - Ensure that the management of, and investment in property maximises value for money**

Ref	Outcome	Tasks	Performance measure/target	Target date
PSA04	Funding from external sources for property investment is used to assist the achievement of the council's goals and priorities.	Produce a register of major projects and funding sources where external funding may be commercially viable	Establishment of a register with responsibility invested in a named person.	31 <sup>st</sup> May 2009
PSA05	Properties that obstruct excellent service delivery, are unsuitable, cannot be improved economically, or cannot generate capital receipts or revenue are replaced or disposed of.	Prepare and maintain a disposals programme and targets for capital receipts and/or additional revenue generation.	Existing disposals programme reviewed to consider any additional opportunities for capital or revenue income.	31 <sup>st</sup> March 2009
PSA06	Governance and control for major projects and programmes (capital and revenue) is in place.	Establish consistent project management methodology including gateway approval process for major projects.	Procedures and methodology agreed and ready for rollout across the council.	31 <sup>st</sup> March 2009
PSA07	Progress on operational and strategic property matters is in line with expectations and decisions of the council.	Monitor the Property Strategy Action Plan, reporting through the performance mgmt process.	Documentation and monitoring in place.	31 <sup>st</sup> March 2009
PSA08	Council resources are optimised and demonstrate value for money by an option appraisal approach to commissioning property related work.	Ensure that procurement complies with best practice, demonstrating due consideration to sustainability and other such factors.	Audit trail in place for procurement processes and selection of providers, when procured by 3 <sup>rd</sup> parties on behalf of the council.	31 <sup>st</sup> March 2009

**Priority actions in support of this objective**

- Establish/affirm policies and procedures related to property and asset management and ensure compliance
- Establish and maintain performance management to consistently and continually review service levels and outputs.

**Objective 3 – Ensure our operational properties are used to their maximum potential**

Ref	Outcome	Tasks	Performance measure/target	Target date
PSA09	The council's property portfolio performs effectively in support of the council's vision.	Develop and implement performance indicators for the management of the operational portfolio.	PI's and benchmarking in place.	31 <sup>st</sup> March 2009
PSA10	The council's operational properties are managed in line with service needs.	Adopt asset review criteria for corporate properties.	Schedule agreed and work plan implemented.	31 <sup>st</sup> August 2009
PSA11	Operational properties are, within agreed budgets, maintained & improved ensuring fitness for purpose and accessibility to all.	Annual work plans prepared and monitored in conjunction with services.	Work plans for 2009/10 agreed and in place ready to implement.	30 <sup>th</sup> April 2009
PSA12	The numbers of council properties are rationalised to maximise the use of property related resources.	Area Asset Reviews identifying consolidation opportunities and potentially surplus properties to take place.	2009/10 Area Asset Review programme agreed and in place.	30 <sup>th</sup> September 2009
PSA13	The use of property assets directly supports the council's strategic plans and priorities.	Produce Service Asset Management Plans directly linking to the Council's other strategic plans.	Service AMP's signed off by Directors.	30 <sup>th</sup> September 2009

**Priority actions in support of this objective**

- Formalise Service Asset Management Plans as part of the Service Planning process
- Undertake area based asset reviews to inform decision making on property asset management
- Undertake strategic reviews according to asset type to inform the council's disposals programme
- Explore with service delivery partners opportunities to exploit joint working/co-location.

**Objective 4 - Ensure that the property services supply chain is high performing and cost effective at all levels including the council's corporate property function and its property service delivery partner.**

Ref	Outcome	Tasks	Performance measure/target	Target date
PSA14	Programmes of work, funded by either capital or revenue, deliver planned outcomes.	Monitor (with services) agreed Property Work Plans on a regular frequency to ensure that these are achieved.	Monitoring meetings schedule agreed and in place for 2009/10.	31 <sup>st</sup> May 2009
PSA15	Clarity of roles and responsibilities for all property related matters is in place.	Clarify and agree roles and responsibilities through Service Level Agreements.	2009/10 Service Level Agreements in place.	31 <sup>st</sup> May 2009
PSA16	The council's property supply chain, including the service delivery partner, contractors, sub-contractors and suppliers demonstrates excellent value for money and support for the local economy.	Review the supply chain for property related services, clearly establishing with providers the range, scope, duration, and value of services to be provided to the council.	Relevant and timely contracts in place with external providers.	30 <sup>th</sup> September 2009

#### **Priority actions in support of this objective**

- Undertake Property category review including Supply Chain review
- Continue to build/establish the Corporate Property Function
- Strengthen project management and contract management for property related matters including the property service delivery partner

## 5 Measuring our success

We will monitor the following Key Performance Indicators to measure and monitor our progress.

Performance area	Performance measure	Target	Target Date	Ref
<b>Balanced Scorecard: Customers</b>				
Customer satisfaction	Satisfaction with property services (service delivery partner)	70% of our customers "extremely satisfied" with the service	31 <sup>st</sup> March 10	PPI01
	Satisfaction with property outcomes/ product (service delivery partner)	70% of our customers "extremely satisfied" with the property outcomes/ product	31 <sup>st</sup> March 10	PPI02
	Satisfaction with property services (in-house team)	70% of our customers "very satisfied" with the service	31 <sup>st</sup> March 10	PPI03
	Satisfaction with property outcomes/ product (in-house team)	70% of our customers "very satisfied" with the property outcomes/ product	31 <sup>st</sup> March 10	PPI04
Access to services (DDA compliance)	% of buildings open to the public in which areas are suitable and accessible to the public	100%	31 <sup>st</sup> March 10	PPI05
<b>Balanced Scorecard: Finance</b>				
Cost predictability	% of projects final account within 5% of tender sum	90%	31 <sup>st</sup> March 10	PPI06
Value for money	Level of capital receipts received by the council	Meeting or exceeding agreed target for FY09/10	31 <sup>st</sup> March 10	PPI07
	Level of revenue income generated by the property portfolio	Meeting or exceeding agreed target for FY09/10	31 <sup>st</sup> March 10	PPI08
Required maintenance for the property portfolio	Overall maintenance backlog cost (all council buildings)	Reduced cost when compared with 08/09 (net reduction)	31 <sup>st</sup> March 10	PPI09
Portfolio revenue costs	% change year on year	Less than or equal to 08/09 figures	31 <sup>st</sup> March 10	PPI10

Performance area	Performance measure	Target	Target Date	Ref
<b>Balanced Scorecard: Processes</b>				
Time predictability	% of projects delivered within 5% of estimated programme	90%	31 <sup>st</sup> March 10	PPI11
	Number of properties sold within target period	90%	31 <sup>st</sup> March 10	PPI12
Responsiveness of service	Retrieval and issue of asset records information on request.	2 working days	31 <sup>st</sup> March 10	PPI13
	Property helpdesk calls resolved to customer satisfaction.	80% within 3 working days	31 <sup>st</sup> March 10	PPI14
Valuations advice	Speed of response	80% within 3 working days	31 <sup>st</sup> March 10	PPI15
<b>Balanced Scorecard: People &amp; Learning</b>				
Knowledge management	Data accuracy for the property portfolio.	90% data accuracy	31 <sup>st</sup> March 10	PPI16
Capability of staff	% of staff commissioning property related services to be professionally qualified in an appropriate discipline	100%	31 <sup>st</sup> March 10	PPI17
Safety	Number of reportable accidents on council construction sites.	<5 pa	31 <sup>st</sup> March 10	PPI18

**Property Strategy Action Plan**

Item Ref	Item Type	Summary Description	Action Date MM/YY	Action Owner
PSA01	Property Strategy Actions	Standards and Benchmarking	08/09	CPO
PSA02		Public areas	08/09	CPO
PSA03		Working environment	08/09	CPO
PSA04		External funding	05/09	CPO
PSA05		Unsuitable properties	03/09	CPO
PSA06		Governance and control	03/09	CPO
PSA07		Progress monitoring	03/09	CPO
PSA08		Optimising procurement	03/09	CPO
PSA09		Effective portfolio	03/09	CPO
PSA10		Operational management	08/09	CPO
PSA11		Repairs and maintenance	04/09	CPO
PSA12		Property rationalisation	09/09	CPO
PSA13		Service Asset Mgt Plans	09/09	CPO
PSA14		Work programmes	05/09	CPO
PSA15		Service levels	05/09	CPO
PSA16		Property supply chain	09/09	CPO
PPI01	Property Strategy Performance Indicator	Customer satisfaction-product	03/10	CPO
PPI02		Customer satisfaction-service	03/10	CPO
PPI03		Customer satisfaction-product	03/10	CPO
PPI04		Customer satisfaction-service	03/10	CPO
PPI05		Accessibility	03/10	CPO
PPI06		Cost predictability	03/10	CPO
PPI07		Value for money	03/10	CPO
PPI08		Increased revenue	03/10	CPO
PPI09		Maintenance backlog	03/10	CPO
PPI10		Operational running costs	03/10	CPO
PPI11		Time predictability	03/10	CPO
PPI12		Disposal times	03/10	CPO
PPI13		Asset records-response	03/10	CPO
PPI14		Property helpdesk	03/10	CPO
PPI15		Valuations	03/10	CPO
PPI16		Asset records-accuracy	03/10	CPO
PPI17		Staff capability	03/10	CPO
PPI18		Safety	03/10	CPO
PSR01	Property Service Risk	Property asset use	03/09	CPO
PSR02		Corporate property function	03/09	CPO
PSR03		Inadequate controls	03/09	CPO
PSR04		Property service delivery partner	03/09	CPO
PSR05		Property transactions	03/09	CPO
PSR06		Delivery of projects	03/09	CPO

Abbreviation	Role	Post Title
CPO	Corporate Property Officer	Head of Property & Facilities Management