



**Oxford City Council**

**Asset Management Plan 2009**

**Main Document**

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# 1) THE ASSET MANAGEMENT PLAN 2009 "ON-A-PAGE"





## 2) THE PURPOSE OF THE COUNCIL'S ASSET MANAGEMENT PLAN

- i) This Asset Management Plan (AMP) is the latest AMP produced by the Council. The last one was produced in 2006.
- ii) This AMP develops and carries forward many of the elements of the previous plan and it focuses on the action that the Council will take in the future, regarding the use and deployment of its property and its approach to each different category of its property. It also builds upon the asset management actions and initiatives that the Council has taken in recent years.
- iii) Therefore its purpose is to:
  - Give an overview of the Council's strategic direction and objectives and the implications this has for its property;
  - Describe the Council's vision and objectives for its property in the future;
  - Explain the Council's strategy for each category of its property;
  - Record action to be taken in the short term (2/3 years);
  - Provide a clear statement of direction for the Council internally, and for other stakeholders externally.
- iv) The Council now considers property as a corporate resource and as such it is integrating property decision making into its corporate processes and has taken steps to ensure that property is used to overall corporate benefit and consequently, community benefit. The Plan therefore provides a framework for corporate decision-making on property.
- v) The AMP does not cover all the Council's assets. It covers the Council's land and buildings excluding its dwellings.
- vi) In some respects property is dissimilar to other strategic resources (finance, ICT and human resources).
  - It has long lead-in times, which mean that planning is essential to success and that the Council will need to be both patient and determined in improving the overall performance of its property portfolio.
  - Current economic conditions affect values, rents and trading in property and the immediate future is likely to be challenging for the property market, but because of the long lead-in times, the Council needs to clarify its strategy for all parts of its property portfolio so as to be ready as economic conditions change.
  - Public sector finances are likely to be very stretched for a numbers of years into the future and this will mean that property will need to play its full part in meeting service and corporate objectives, as effectively and efficiently as possible.

### 3) THE COUNCIL'S CORE AIMS AND OBJECTIVES

#### a) COUNCIL CORPORATE POLICY

- i) Three main strands of Council strategy provide the context for Council decision making on its property;

- **The Council's Corporate Plan;**
- **The Council Transformation Programme;**
- **The Medium Term Financial Strategy.**

These reflect the strategy of the:

- **Oxford Strategic Partnership;** and
- **Oxfordshire Partnership** (i.e. those aspects of which impact the City Council's functions).

This Council's strategy background is described in more detail in Appendix 1.

There is also the **Service Transformation Plan for Property & Facilities Management** which links closely with this Asset Management Plan.

- ii) In addition, there are a number of wider public policies and initiatives that impact on the way the Council manages its property assets. These wider public policies and initiatives are reflected in the Council's Corporate Plan and Transformation Programme. Examples of these policies and initiatives are:

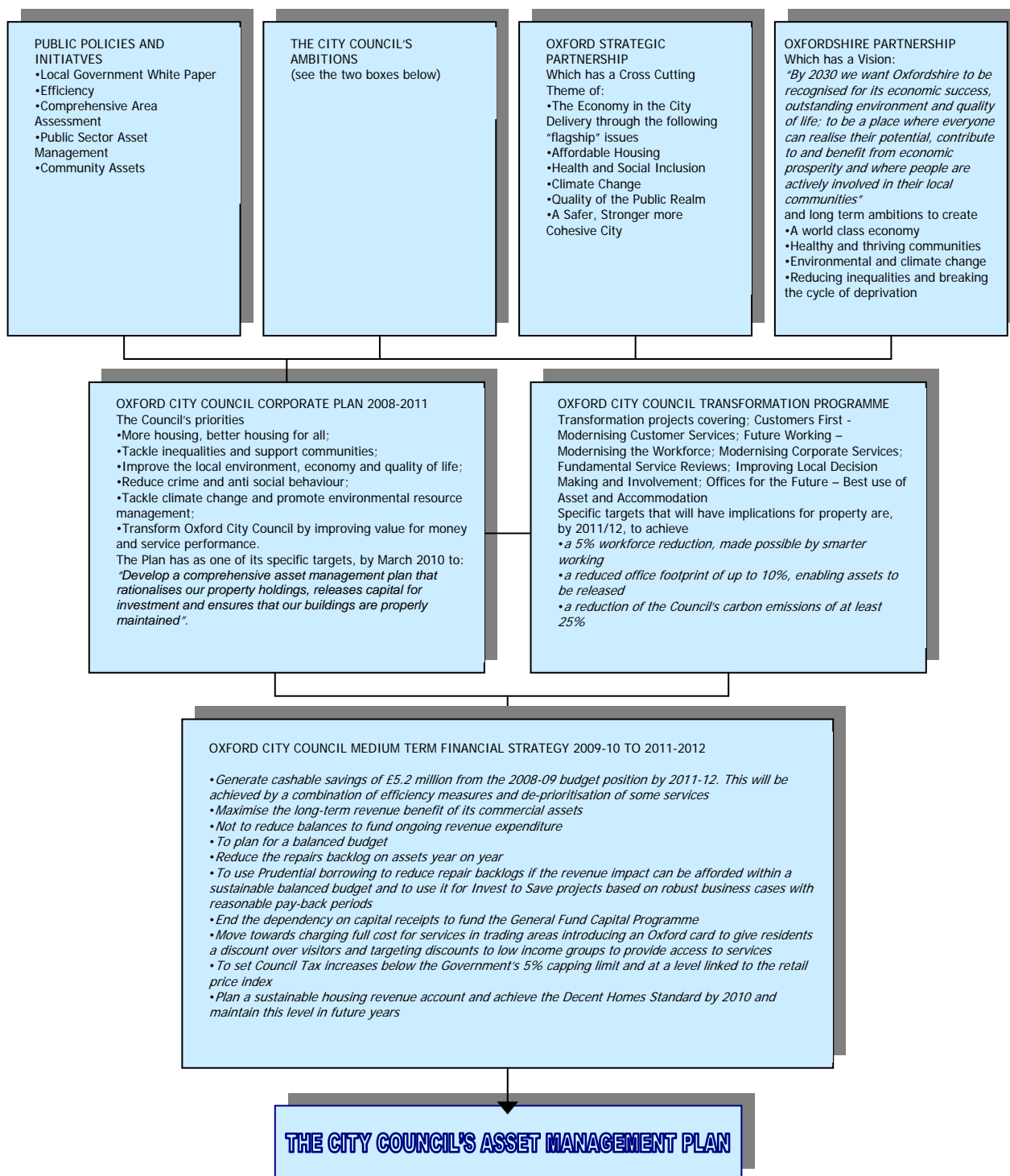
- **Strong and Prosperous Communities** – The Government White Paper on Local Government and the various statutory and non-statutory guidance that has followed it;
- The Government's **Efficiency** requirements for Local Government;
- The Audit Commission's **Comprehensive Area Assessment** and its report to the Council in August 2008, "**Asset Management Review - Oxford City Council**";
- The Government's drive for better **asset management** in the public sector;
- "**Community Transfer**" and the "Quirk Report".

More detail on these policies and initiatives can be found in Appendix 2.

- iii) The relationship of these plans, programmes, strategies, public policies and initiatives with the Council's Asset Management Plan is shown in the diagram below.
- iv) They give a guide to the way in which the Council's property should be used in the future and in particular they give emphasis to the need for the Council's property to support:
- The economy of the City;
  - Creation of stronger and more inclusive communities;
  - Improvement in the quality and quantity of housing generally and particularly affordable housing;

- Tackling climate change and the reduction of the carbon footprint;
- The need for financial prudence and improved value for money;
- Within the context of the above, to support service delivery;
- Improvement of building utilisation and reduction of the amount of property used by the Council;
- Increasing revenue and total returns from investment property;
- Reducing the property maintenance backlog.

**The Council's Overall Aims and Objectives and the Asset Management Plan**



## b) THE PROPERTY IMPLICATIONS

Drawing on the content of these plans, programmes, strategies, public policies and initiatives, it is clear that the Council's property will need to make a specific contribution to:

- **Housing, Regeneration and Environment**
  - Increasing the supply of housing;
  - Social and economic regeneration by using Council property to facilitate regeneration;
  - Improving the local environment, reducing the Council's carbon footprint from its buildings and making sure the Council's buildings are better prepared for future climate change.
- **Customers**
  - Facilitating working with our partners to deliver improved public services;
  - Facilitating improvement of services to the Council's customers and the way the Council interacts with its customers;
  - Where possible, to encouraging community development
  - Contributing to the improvement in residents health and wellbeing through the improvement of leisure facilities and parks and open spaces in the city.
- **Efficiency**
  - Improving the working environment for the office workforce whilst at the same time reducing the Council's office floorspace by 10% by 2011/12;
  - Cost and efficiency savings necessary to meet the Council's budget objectives primarily through the more efficient use of buildings over all of their life and by improved procurement;
  - Continuing to produce capital receipts from property;
  - Maintaining and if possible enhancing the Council's income from property investments;
  - Reducing the property maintenance backlog year on year.
- **Asset Management**
  - Establishing and continuing good practice in property asset management

## 4) THE COUNCIL'S PROPERTY PORTFOLIO

### a) AN OVERVIEW OF THE EXISTING PROPERTY PORTFOLIO

- (1) The Council's main property interests (excluding Housing Revenue Account Properties) are valued (2007) at some £225m. (Housing Revenue Account Properties amounted to some £575m). The "headlines" of the Council's property ownership (2008) are noted below and greater detail can be found in Appendix 3.

- **Operational Property**
  - 14 Office Buildings
  - 22 Community Centres
  - 13 Sports Centres and Pools
  - Buildings
  - 2 Main Depots and 8 Other Depot Properties
  - 2 Museums and Galleries
  - 21 Park and Cemetery Buildings
  - 19 Public Toilets
  - 19 Car Parks
  - (8000 Dwellings - HRA)
- **Community Assets**
  - 31 Allotments
  - 117 Parks and Open Spaces
- **Investment Properties**
  - 69 Shops and 3 Shopping Centres (Covered Market, Westgate, Templars Square)
  - 16 Offices
  - 24 Agricultural Properties
  - 21 Restaurants and Public Houses
  - 2 Theatres and Cinemas
  - (68 Shops on Housing Estates – HRA)

- (2) In 2007/08 Council property provided gross rent income to the Council of some £7.4m per annum representing well over 10% of the Council's gross revenue budget.

### b) CURRENT PERFORMANCE AGAINST THE COUNCIL'S CORE AIMS AND OBJECTIVES

- (1) The Headlines of the performance of the portfolio are briefly listed below. Greater detail is given in Appendix 4.

#### i) Housing, Regeneration and Environment

- (1) **Housing and Regeneration**
- There was a review of older persons' accommodation 2005;
  - There was a review of HRA tower blocks 2007;
  - There is ongoing Decent Homes work;
  - There are a number of regeneration initiatives in the City Centre and in housing areas.

(2) **Environment**

- A Council commitment to significant reduction in carbon footprint including from property;
- The Council is working with the Carbon Trust;
- Salix funding is being utilised.

#### ii) Customers

**(1) Co-location with, and working with, Partners**

Examples of working with partners are:

- The Partnerships in the provision of Park and Ride facilities and Leisure Centres;
- Partnership with University's Colleges to enable community access to open space;
- The West End Partnership to secure City Centre Regeneration;
- Community centre partnerships with community groups;
- A homelessness initiative at The Old Fire Station;
- Co-location in offices;
- Transfer of interests to Oxford City Football Club and partnership on sports and community facilities;
- Land/green spaces transfer to community groups;
- Allotment sites asset transfer and self-management.

**(2) Customer service**

- There is a primary face-to-face outlet in the City Centre; a face to face outlet in Temple Cowley; and a call centre at St Aldates Chambers;
- The Council wishes to improve the offer from its customer service shops in terms of breadth of services offered and the quality of service/facilities.

**(3) Community Development and Health**

The main areas (but not the only areas) where the Council's non-dwellings land and property impacts on community development are its Community Centres and its Leisure Properties.

***Community Centres –***

- The Council has 22 Community centres;
- It is encouraging centres to move towards "VISIBLE" accreditation (2 centres accredited so far);
- There is a pilot project with the Development Trust Association on development and asset transfer;
- The centres are of varying condition and suitability;
- There have been grants of short term leases from the Council to community associations.
- Cowley Centre was closed in 2008;

The Council's Community Centres are listed in Appendix 5. Their locations are also shown in Appendix 5.

***Leisure Centres –***

- The centres are in varying condition and suitability;
- They are managed by the Council's partner, Fusion Lifestyles;
- The Council retains some maintenance and improvement obligations;
- The Council is no longer involved with the public use of Peers School leisure facilities.

The Council's Leisure Centres are listed in Appendix 6. Their locations are shown in Appendix 6.

***Cemeteries –***

- The Council has 4 Cemeteries;
- There is a potential shortage of burial space in the medium and longer term.

**iii) Efficiency****(1) Efficient offices**

- There is now under-utilisation as the Council has gradually needed less space;
- Six office rationalisation options are currently under consideration;
- Two options have been selected for more detailed investigation;
- Flexible working policies are being developed;

- A floorspace reduction of 10% is proposed for 2009/10.

Information on the Council's office accommodation is given in Appendix 7 (i) and (ii).

#### **Other buildings –**

- The improved utilisation of other land and buildings will also need to be considered as the drive for better value for money and better efficiency continues.

#### **(2) Running cost efficiency –**

- Efficiency of running costs of Council buildings is monitored;
- Increased efficiency will be sought.

#### **(3) Capital receipts –**

- Significant support for the capital programme has been provided in the past;
- Future receipts are likely to come from either rationalisation or development disposals.

#### **(4) Income from investment property –**

- An extensive portfolio providing £7.4m in income to the Council;
- It is mainly located in the city centre;
- The majority of the portfolio is retail property;
- In the past the Council has generally retained its ownerships with occasional "opportunity sales".

Information on the Council's Investment Property is given in Appendix 8).

#### **(5) Maintenance –**

- There is a substantial maintenance backlog of £9.06m (see Appendix 9);
- The backlog has been relative static in recent years;
- There is an increase in expenditure in 2009/10 of £700,000 (2008/09 was £530,000) and this will be sustained until the end of the current financial planning period (2013/14);
- Some of the additional monies (£300,000) has been allocated to Leisure Centres in 2009/10.

#### **(6) Procurement -** The Council has already embarked on projects to:

- Reduce costs through a more effective corporate approach to the commissioning of repairs and maintenance;
- Market-test contractor repairs and maintenance activities.

### **iv) Property Asset Management**

- Previously there was fragmented property management across the Council;
- There has been a recent integration of property and facilities management into one service;
- Asset management resourcing has now been agreed by the Council;
- At present there is an interim manager in post as Head of Property & Facilities Management and appointments have been made to the newly created posts of Corporate Asset Manager and Major Projects and Disposals Manager;
- Restructuring and implementation of the new service is underway and will be completed in 2009.

## 5) PROPERTY OBJECTIVES

### a) OUR OBJECTIVES FOR THE FUTURE OF OUR PROPERTY PORTFOLIO

Drawing on the overall context described in the previous sections of this plan the Council's Objectives for its property are as follows:

- Objective 1**                    *Within the next 5 years, we want our operational property to be "lean", that is, we only want to own and/or occupy the minimum amount of operational property that is needed to fulfil the objectives of the services we provide. We want this occupational property to be fit for purpose and in good condition and if there is a choice to be made, we would rather have less property which is fit for purpose and in good condition, than more property that is not.*
- Objective 2**                    *We want all of our Property to support our service objectives in regeneration, housing, environmental, community, customer and customer service terms, as appropriate.*
- Objective 3**                    *We want our investment property to make the greatest possible financial contribution to the Council within the context of good estates management and good investment management, thereby protecting where possible enhancing asset value.*
- Objective 4**                    *We want all of our property to be well-managed and efficient with, as appropriate, efficient running costs, efficient income generation and recovery and optimal utilisation.*
- Objective 5**                    *We want to maximise synergies working in partnership with other service providers / landowners where appropriate*

### b) CRITERIA AGAINST WHICH THE FUTURE PERFORMANCE OF PROPERTY SHOULD BE JUDGED

#### i) Operational Property

- (1) In terms of the specific performance of our Operational Properties there are two questions to be asked:

*"Have we the right property, in the right place, at the right price?"* (I.e. the effectiveness of property in contributing to the Council's overall aspirations). In assessing property under this heading, the Council will use the following criteria:

- The service need for this type of service, City wide;
- The geographic/demographic and social need for the service in the locality concerned;
- Alternative facilities currently provided (or planned) in the locality;

- Suitability of current provision;
- Usage of current provision;
- Non property costs to the Council;
- The need for, and benefits and costs of, alternative provision.

*“How efficiently do our buildings run and how well are we managing them?”* (i.e. effectiveness in the way we operate and manage our buildings). In assessing property under this heading, the Council will use the following criteria:

- Current and likely future property running costs;
- Maintenance backlog;
- Management costs and commitment;
- Opportunity cost of site.

(2) This will enable the Council to categorise its operational property into the following “status” categories:

- A. Core** Properties that will be required in the foreseeable future, which meet current and future defined requirements well and at acceptable cost.  
In these properties, over time, the Council will endeavour to:
- significantly reduce any maintenance backlog (and if possible eradicate it) and
  - invest in effective planned maintenance and in making improvements.
- B. Core-Flex** Properties that meet current and future defined requirements but where the costs are likely to be unacceptably high for long-term retention. These properties will be retained unless and until a better alternative is available.  
In these properties, over time, the Council will endeavour to:
- reduce any maintenance backlog, as appropriate
  - invest in effective planned maintenance
- C. Non-Core** Properties that do not meet future defined requirements but where the costs are acceptable for short term retention. These may either be retained or moved to the “surplus” category.  
In these properties, the Council will:
- maintain at minimum maintenance levels (i.e. H&S / Watertight / Legislative / Contractual requirements)
- D. Surplus** Properties that will not be required in the future.  
If these properties are temporarily occupied, the Council will:
- maintain at minimum maintenance levels (i.e. H&S / Watertight / Legislative / Contractual requirements) but only consistent with their expected occupied life
- When these properties are vacated, the Council will:
- keep them secure and undertake minimum work on them to meet legal requirements and to preserve their value, if appropriate.

(3) It should be noted here that the Council is a member of the IPF Asset Management Network and has previously supplied data as part of its benchmarking activities. The Strategic Asset

Management Plan and Property & Facilities Management Service Transformation Plan both contain measures against which performance of the operational and non-operational portfolios (and service delivery) will be measured. During 2009/10 and 2010/11, the Council will progressively move towards adoption of the National Property Performance Management Initiative (NaPPMI) suite of indicators, and will consider a proposal to benchmark activities with neighbouring District Councils.

## **ii) Investment and Development Property**

- (1) In terms of Investment Property there are four questions to ask:

*“Is holding all or part of our investment property the most appropriate way of using capital and revenue, to maximise benefits to the Council (and in turn to the community)?”*

*“Do we have an investment property portfolio with an appropriate balance between risk, income and potential future capital and/or revenue growth?”*

*“How does its performance benchmark against other similar property?”*

*“Are we maximising our income and minimising our expenditure, in terms of good estates management?”*

Our investment property will be reviewed from these perspectives and decisions made on future holdings on this basis.

- (2) In terms of Development Property the questions are:

*“Is the development reasoning why the Council is holding this land still valid?”*

*“Is the land meeting, or could the land meet, any other Council/Community objectives whilst awaiting development?”*

*“Is development likely to take place in the reasonable future?”*

*“Will there be a substantial uplift in value (capital or rental) when it does?”*

*“Is there any appropriate action that should be taken in the interim to maximise future value?”*

*“Are we appropriately maximising income and minimising expenditure in the meantime?”*

The Council will decide on the future of its development land on this basis.

## 6) CORPORATE ASSET STRATEGY - OVERVIEW OF PROPERTY POLICIES AND PROJECTS

### a) TYPES OF PROPERTY POLICIES AND PROJECTS

(1) It is important to be clear on how the Council's intentions for its property portfolio will be manifested in terms of its overall approach to its property portfolio, (i.e. its property policies).

Therefore the following property policies are grouped under two headings:

- **“Property Themes”** which are general in nature and which will be applicable to at least two property categories and often applicable to the entire property portfolio.
- **“Property Categories”** which cover each of the main types of property that the Council owns and describes how the Council will approach and manage that type of property in the future.

Each of these policies may have a specific project(s) associated with them and these are mentioned below and then listed in the Action Plan in Section 9.

### b) THE PROPERTY THEMES

**Co-location and working with partners.**

The Council is committed to improving customers and users experience of the services delivered from its properties by making them as joined up as possible, with other public and third sector provision. It also sees this as a way of bringing greater efficiency to its property. It will therefore continue its policy of “joining-up” with its partners in relation to the use of property. In providing new facilities or changing existing provision, co-location opportunities will be considered by all of the Council's services and sole use will only be permissible if it provides a better business solution than co-location, or if timing means that co-location is not feasible.

**Community Groups and Assets**

The Council is mindful of the content the “Quirk Report” (CLG 2007) and the Government’s response “Opening the Transfer Window” (CLG 2007). The Council considers that this will be mainly relevant to its Community Centres. The Council already leases community centres to Community Organisations in appropriate case, and it will, during 2009/10, review the way in which this operates and develop a policy and criteria against which any future proposals for granting property interests to community groups, will be judged.

**Council Property as a Catalyst for**

The Council will continue to use its property to promote and facilitate regeneration. Much, but not all, of this is recorded in the publication *Oxford*

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**Regeneration and  
Development**

*New Growth Point Programme of Development - September 2008.*

There will be four main headings under which the Council will do this:

- Bringing forward land for housing and associated holistic regeneration (where appropriate, working in partnership with the Homes and Communities Agency);
- West End and other City Centre regeneration (in concert with the West End Partnership);
- The use of public property in housing areas;
- Improvement to the public realm.

The Council is mindful that it will be important to carry out preparatory work on development and regeneration schemes during the current economic downturn so that it is prepared to capitalise on opportunities as the economy recovers.

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**Equalities**

The Council has an Equalities Action Plan and it will ensure that all actions taken under the AMP support this action plan. In the delivery of the projects we will ensure that Equality Impact Assessments are undertaken.

The Council will continue its work on Disability Discrimination Act access to public buildings where it has already succeeded to meeting access requirements in most of its buildings. Wherever appropriate it will also support equalities initiatives in property management and construction.

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**Heritage and  
Environment**

The Council has significant land and building holdings in key parts of the City Centre and elsewhere in the City. In some cases this property not only supports the Council in delivering its services or supporting its budgets but also, incidentally, it contributes to the historic and/or environmental fabric of the City. In managing and reviewing its property holdings the Council will be mindful of this, and where it considers that the historic or environmental fabric of the City may be prejudiced unless it continues its ownership, it will retain ownership.

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**Internal Organisation  
for Asset Management**

The new integrated Service is currently subject to restructuring to make it able to meet the Council's requirements better in the future. Property policies and action plans are being developed as part of this plan and property processes are being more integrated into the Council's wider business processes in 09/10. Property procedures will also be developed, as necessary, in 09/10. This is covered more fully in Section 7 of this AMP.

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**Maintenance and  
Repair**

The Council has allocated additional funding for maintenance and repair in 09/10 and subsequent years. Whilst this will not allow the entire backlog to be eradicated in that period it will make significant progress in reducing the backlog. In 09/10 the additional expenditure has been prioritised and this

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will also need to be prioritised in later years using the A to D categorisation in paragraph 5) b) i) (2) above and taking into account the Council's contractual commitments.

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#### **Procurement**

There are two particularly areas where the Council will review its procurement arrangements in the future:

- Compliance with Standing Orders and the need for any review of Standing Orders.
  - Gaining improved value for money from property and facilities related procurement.
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#### **"Property subsidisation" approach**

The Council is empowered, in certain circumstances, to grant interests in property at less than best consideration. However this often disguises the actual costs of property in any particular project. In 2010/2011 onwards the Council will move towards charging full rental value in all cases and then, in appropriate cases, giving a grant to support the tenant in meeting property costs. This will make the service costs of the Council's property transparent. Any other arrangements will be by exception and subject to the Council's express approval.

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#### **Property and Climate Change/Carbon Footprint**

The Council will continue its current policies of:

- Property making a proper contribution to the target of a 25% reduction in carbon emissions by 2011/12.
- All major property projects being considered by Carbon Management Board
- Working with the Carbon Trust

It will, during 09/10, develop its specific policies with regard to property and its climate change issues.

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#### **Property Review**

To allow the Council to consider its property portfolio comprehensively it, will gradually review its property holdings (together with the holdings of other relevant owners – particularly its partners). This will be done on both an area and a property category basis, in priority order.

Current "priority" Area Property Reviews are:

- Blackbird Leys
- Northway

Current "priority" property category reviews are:

- Council Offices
  - Council Leisure Centres
  - Council Cemeteries
  - Council Depots (City Works)
  - Council Investment Property
  - Off Street Public Car Parks
-

- 
- Categorisation by Services of all Council operational property using the A to D categorisation in paragraph 5) b) i) (2)
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**Workstyle and civic accommodation.**

In the future the Council will progressively adopt a "flexible working" approach for its office workforce. The Council's aims are to improve productivity, recruitment and retention of its staff, to improve customer service consistent with a 21<sup>st</sup> century local authority and to reduce its office floorspace, which for historic reasons is now larger than it needs to be. This will require property, ICT and HR policies to support it.

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## c) THE PROPERTY CATEGORIES

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**Agricultural Property**

A review of the agricultural portfolio was undertaken by external consultants in 2005. The Report was used as supporting information to the Asset Management Plan 2006 and many of the recommendations were been subsequently acted upon although those regarding further development of some sites have generally not been pursued. Agricultural property will be reviewed in 09/10 as part of the Review of Investment Property (see below).

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**Allotments**

In recent years the Council has granted leases and the entered into of self-management arrangements on the Council's allotment sites. In the short term the Council will retain allotment sites and will pick up issues on specific sites in its programme of area reviews.

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**Cemeteries**

The Council now needs to make a decision on the way forward in tackling the future shortage of burial space. Any proposed new ground will need to be assessed by specialists and be the subject of public consultation and therefore the Council now needs to consider the way forward. This feasibility work will need to be undertaken in 2009/10, which is likely to involve significant property issues.

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**Community Centres**

The Council will develop its criteria for this type of community provision and then an assessment of community centre provision in the City Council's area can be made. However, it is not anticipated that there will be staff capacity to do this in 2009/2010.

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**Council Office Space**

The Council has considered the options for its offices in the light of its stated intention to reduce its office floorspace (from 2008/09 levels) by 10% (by

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2009/10) and 20% (by 2013/14), and to improve productivity, recruitment and retention of its staff and it will now undertake more detailed work on two of the options by September 2009 by which time it hopes that the Carlyle Group will have clarified its development timetable. At that time it will make a further decision its preferred option. The Council's intention is to reduce its average floorspace per member of staff from approx 12.5m<sup>2</sup> to 8.5m<sup>2</sup> and it will be vacating its Northway offices in 2009/10 (which may possibly be used for later housing development). This will reduce the Council's office floorspace by some 12.5%, together with associated savings in running and operating costs.

An interim progress report (Feb 2009) on the Council's office accommodation is set out in Appendix 10.

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**Council owned shops in Council owned housing estates**

These properties are part of the housing revenue account and are managed as investment property by Property and Facilities Management on behalf of Oxford City Homes. They are part of the Investment Portfolio and will be considered as part of the Review of Investment Property (see below)

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**Customer Service Shops**

The Council has a "face-to-face" Customer Service Shop in the City Centre and a smaller local shop in Temple Cowley. However, a review will be needed to develop a strategy for the Council's Customer Access Channels including its face-to-face Customer Service Shops, in line with the Council's aspiration to improve the interface it has with its customers. This will also include a review of all other types of customer interface (e.g. letter/post, call centre, internet, face to face). This is related to the Council's Office Accommodation Strategy Project, but will be a separate project for 2009/10.

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**City Work Depots**

In the immediate short term some relatively small changes will be made at Cowley Marsh (City Works) and Horspath Depots (Oxford City Homes) to accommodate changing service requirements and to accommodate staff relocated from elsewhere. The fundamental review of City Works to be undertaken by the Council in 2009/10 will be supported by the corporate property function providing property inputs as required, particularly at Cowley Marsh and other City Works depots.

The list of Council City Works Depots is given at Appendix 11.

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**Development Projects on Council Owned Land (including outside-of-City Council land ownerships)**

There are a number of potential development/refurbishment projects, involving Council owned land, the property aspects of which will be progressed in 09/10 onwards, as far as current property market conditions and other circumstances will allow:

- Land to the West of Barton
- Oxpens
- South Oxford Urban Extension

- 
- St Aldates/Queens Street (Carlyle)
  - St Clements Car Park
  - Westgate Shopping Centre

In the medium term, the Council will release the maximum possible amount of its residential land for development with the aim of maximising development of affordable housing for rent.

- On larger sites (above 30 units) the Council will expect the site to include units for market sale.
- On smaller sites the Council will seek to maximise the percentage for rent.

The sale price may include a discount, to be reinvested in the scheme, if it is necessary to achieve these objectives. Each scheme will be subject to a scheme appraisal designed to ensure a housing association partner maximises grant from Central Government whilst not unreasonably generating a surplus from the project, beyond the necessary reward to cover the risk involved in the project.

The Council will include HRA sites in this affordable housing programme unless the receipt is required to fund the deficit required for the Decent Homes programme. It should be noted that the capital receipt on any land and property sale will be first used to fund the cost of disposal and feasibility work and any enabling activity.

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### **Housing Areas**

In addition to a priority programme of reviews of non-housing Council property and other public property in Council housing estates (see also the "Property Review" Theme above), consideration needs to be given to land and property within Council housing estates from three perspectives:

- Release of land and property to generate capital receipts to fund housing improvements (including, if necessary, the Decent Homes standard).
- Improvements to the public realm
- Release of land for development to add to the stock of affordable housing.

Work will need to be done to achieve these aims in the short term with Blackbird Leys identified as a priority to be undertaken in 2009/10.

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### **Investment Property**

During 2009/10 the Council will endeavour to retain current levels of income in the present difficult economic conditions and thereafter increase income when economic circumstances improve. City Centre Investment Property will be retained to generate a revenue income stream unless there is a marriage value or opportunity, which means a receipt, if invested at ten-year interest rates, would generate greater revenue. The Council will consider whether any receipts should be reinvested in the portfolio to improve investment performance.

Continuing improvement in net income depends on more dynamic management of the portfolio:

- 
- Reducing costs by renegotiating maintenance responsibilities away from the Council, and identifying poorly performing properties (i.e. high maintenance/management input) for disposal to support reinvestment in the portfolio;
  - Increasing rents through improved management;
  - Improved record keeping to allow analysis of income and expenditure on a property-by-property basis and a change in accounting practice to ring fence the investment property budget to allow more robust investment planning;
  - Improving the timeliness of rent collection.

The Council will also, where appropriate, reduce the maintenance backlog of the most "at risk" properties.

During 2009/10 the Council will develop its investment property policy which will cover:

- Comparing property investment with other forms of investment;
  - The Weighting of our property investment portfolio between different types of property investment, including risk assessment;
  - Expected overall performance of the portfolio and the investment categories within it, including yield growth and capital growth;
  - The transference of maintenance obligations to tenants in appropriate cases.
  - Start the process of benchmarking investment performance against property industry databanks.
- 

#### **Leisure Centres**

A review of the Council leisure centre policy and the property issues will be undertaken in 2009/10 and a Leisure Centre Strategy will be adopted as soon as this review is completed. The Council has recently agreed to investigate further the provision of a new pool at Blackbird Leys which would supersede existing pools at Cowley and Blackbird Leys and detailed feasibility work is underway.

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#### **Off Street and Park and Ride car parks**

The transfer of Park & Ride activities to the County Council in October 2008, delivers significant financial benefits to the Council set in the context of corporately set financial targets, and will additionally deliver improvement to the physical assets over the life of the agreement (10 years). The Council's desire to increase the supply of affordable housing as well as the need to review its on going off street car park provision and value for money, makes a review of the Council's off street car parks desirable. Among others, options for retaining or not retaining car parking and developing above or on the land currently used for ground level parking need to be considered. The Council will undertake a corporate strategic review of its off street car parks in 2009/2010, running in parallel with, and informing the fundamental review of City Works.

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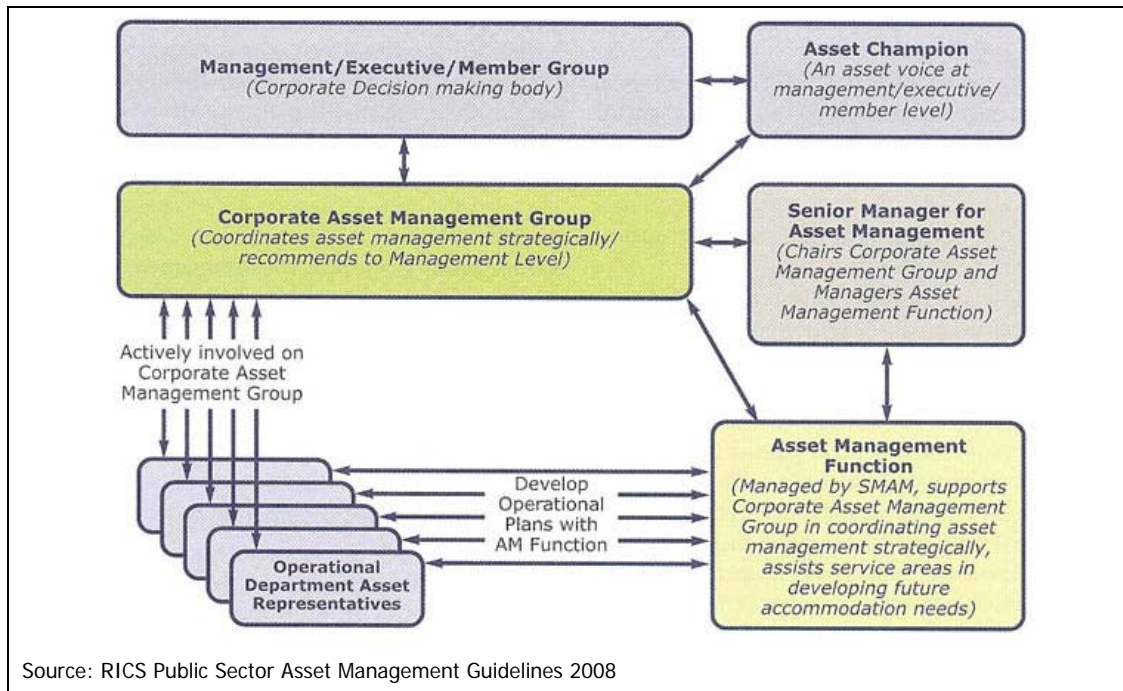
<b>Parks, parks pavilions and open spaces</b>	There is a Parks and Street Scene Review planned for 2009/10 and the Council will agree it's future policy for parks and the street scene in the light of this.
<b>Public Conveniences</b>	A review of Public Conveniences is planned for 2009/10 and a strategy will be agreed and implemented in the light of that review. A list of Council Public Conveniences is given in Appendix 12.
<b>Housing Revenue Account Properties</b>	<p>The Asset Management Plan 2009 is a framework document which provides an overview on all Council owned Tenanted Non-Residential Properties, which includes commercially let properties on housing estates. These assets together with circa 8000 dwellings make up the Housing Revenue Account (HRA), which although are generically included within the scope of the Plan, the management of residential tenanted properties is not considered by the Plan.</p> <p>The broader objectives for HRA properties (both commercial and residential) will be captured in the Property Category Reviews, Area Property Reviews, Development Site Reviews and where relevant Property Policy Reviews.</p> <p>Examples of this are:</p> <ul style="list-style-type: none"> <li>o <u>Investment Portfolio Review</u> Which will include detail on commercial "Estate Shops" premises - in so doing, it will develop policy, strategy and a management regime for the assets, and impose a performance management framework to measure the financial and non-financial outputs.</li> <li>o <u>Development Site Reviews</u> Sites in Barton, Oxpens and South Oxford Urban Extension will be brought forward for development and will have regard to new supply of housing and ancillary properties for the HRA.</li> <li>o <u>Capital Receipts</u> Disposal of surplus/rationalised assets will provide key capital to be reinvested where appropriate and on a prioritised basis back into HRA assets.</li> </ul> <p>In all cases, critical property decisions and policies will have regard to the HRA wider objectives for the assets, their management and their occupants and users.</p> <p>Going forward it may be appropriate to develop, as a subset of the Asset Management Plan, a HRA Business/Asset Plan which provides a further level of detail to supplement the over-riding Asset Management Plan.</p>

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## 7) CORPORATE PROPERTY MANAGEMENT, GOVERNANCE AND CORPORATE BUSINESS PROCESS

### a) CORPORATE ASSET MANAGEMENT

- (1) The Council has recognised the need to manage its asset base corporately by integrating the property and facilities management functions into one Service with the Regeneration Directorate. However this is only the first stage in the process of managing property assets strategically and corporately. Protocols, procedures and governance arrangements also needed to reflect this corporate approach.
- (2) **The over-riding principle is that all property is owned by the Council corporately and not by any individual part or service of the Council. All property issues will therefore be made centrally and referred to the Head of Property and Facilities Management, at the outset, who will make sure that, if appropriate, issues and decisions are given full corporate consideration prior to being made or recommended to the Council.** As well as the normal property and facilities management technical matters, this includes, for example, utilisation of offices, the creation of any arrangements for the occupation of Council property by third parties/partners or the occupation of third party/partners property by the Council, any intentions to create or dispose of any interest in property, early notification of any properties that may be surplus to service needs.
- (3) The principles of this type of approach are set out in the Royal Institution of Chartered Surveyors publication “Public Sector Asset Management Guidelines” (2008) and they are captured in a diagram in that document, which is reproduced below.



- (4) This shows the following roles/functions:

- Responsibility for the day to day asset management function
- Operational Departments role in asset management
- The asset management corporate forum
- Asset Champion
- Senior Manager responsible for asset management
- Officer decision making
- Member decision making

## b) PROTOCOLS

From the 1st April 2009, the following protocols will apply at Oxford City Council:

### i) Responsibility for the asset management function

- (1) The Head of Property and Facilities Management and his/her Department will manage all of the City Council's non-housing property corporately. All day-to-day decisions regarding property or land and its occupation will be his/her responsibility and the Head of Property and Facilities Management, in the role of the Corporate Property Officer, will take the lead on strategic property matters. Service departments will be responsible for the service activities within properties and on land, so long as they do not involve any change in property or land and its use, utilisation or occupancy. However the Head of Community Housing and Community Development has strategic responsibility for the Council's housing stock and Oxford City Homes will remain responsible for its day to day management.

### ii) The corporate asset management group and operational departments' role in asset management

- (1) A corporate asset management group will be responsible for *major strategic decisions* on the Council's Property. These will not be day to day decisions (see above) but major decision which consider the way the council deploys its property assets in furtherance of the Council core strategic aims objectives, which have been outlined in Section 3 and Appendix 1 of this Asset management Plan. All of the Council's services will be represented on this group.
- (2) The Asset Management and Capital Group will undertake this role in the future. (This Group is a steering group of the Strategy and Resources Board and therefore advises that Board). However its terms of reference and its membership will need to be reviewed at its first meeting in 2009/10. It will make recommendations to Strategy and Resources Board on all aspects of corporate asset management.
- (3) The Head of Property and Facilities Management will chair the group.

### iii) Asset champion

- (1) This will be a lead member of the Council specifically charged with pushing forward asset management initiatives and making sure that all major initiative and projects are progressed on timetable, that assets are managed and considered strategically and that asset targets are met.
- (2) The asset champion will be the City Executive Board Member with lead responsibility for asset and property management (at the time of writing this is Cllr Oscar Van Nooijen).

### iv) Senior manager for asset management

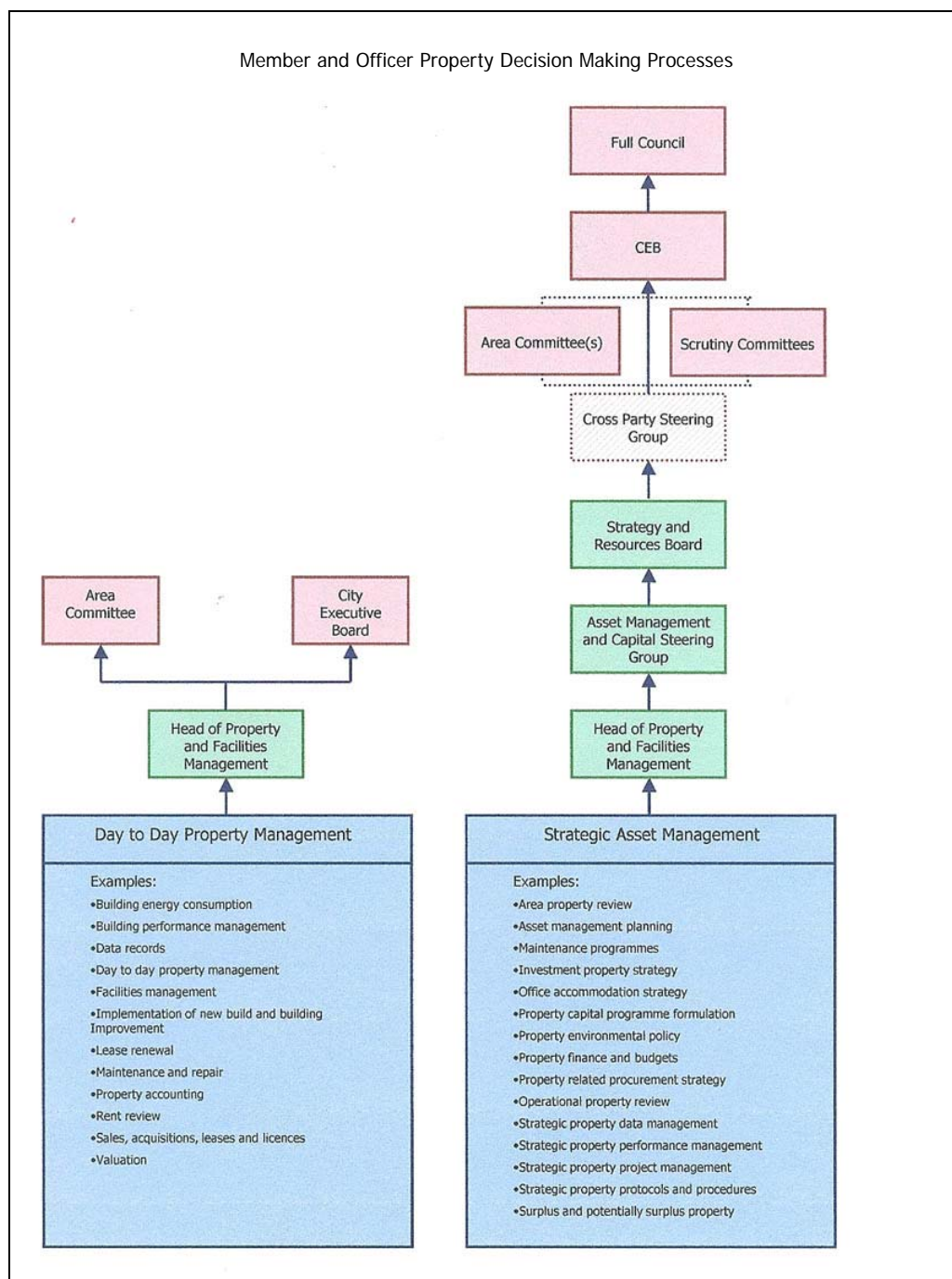
- (1) This role will be a similar role to the Asset Champion but at senior officer level. This person will work closely with the Asset Champion and the Head of Property and Facilities Management.
- (2) The senior manager with responsibility for asset management will be the Executive Director of City Regeneration.

## c) DECISION-MAKING PROCEDURES AND GOVERNANCE

### i) Member and officer decision-making

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(1) Member and officer decision-making is as shown in the diagram below. Whilst the full process is shown it should be noted that not all decisions would go through all the stages.



(2) Detailed responsibilities for decisions are set out in the Council's Constitution and in the Terms of Reference of Officer Groups. These are headlined in the table that follows. A more extensive summary is given in Appendix 13.

Body	Summary of Decision Making Responsibilities
Full Council	<ul style="list-style-type: none"> <li>• Overall property policy</li> </ul>
City Executive Board (CEB)	<ul style="list-style-type: none"> <li>• Recommending policy to Council; Major/significant acquisitions and disposals; Compulsory purchase orders.</li> </ul>
Area Committees	<ul style="list-style-type: none"> <li>• Strategic management and maintenance of local facilities.</li> </ul>

Leader/CEO Weekly	<ul style="list-style-type: none"> <li>Review of property matters and property programmes as determined by the Leader and Chief Executive.</li> </ul>
Strategy and Resources Board	<ul style="list-style-type: none"> <li>Recommending the asset strategy, asset management arrangements and value for money issues</li> </ul>
Asset Management and Capital Steering Group	<ul style="list-style-type: none"> <li>All strategic property matters</li> </ul>
Head of Property and Facilities Management	<ul style="list-style-type: none"> <li>Delegated property decision-making.</li> </ul>

## ii) Property Accounting

- (1) Currently the Council has not been able to quickly and easily calculate the expenditure and income of property on an individual establishment basis. This is essential for effective performance monitoring. In the short to medium term the Council will gradually re-organise its property accounting to allow this to happen.

## d) ASSET MANAGEMENT – RESOURCING

### Strategic Asset Management

A Strategic Asset Management function within an organisation may be provided by either:

- The formation of a separate specialist asset management team; or
- The allocation of the responsibility for asset management within an existing property management team.

It is accepted market best practice that this role needs to be a discrete and separated role within a property department, in order that the day to day management does not over-ride the more strategic objectives demanded of the discipline of Asset Management.

### Corporate Asset Management

Following the restructure of the Property and Facilities Management Department, a new work-stream has been created entitled Corporate Asset Management. This is outside the Property Management function, with a direct reporting line to the Head of Property and Facilities Management, and has an over-riding remit for development and application of property policies, strategies and alignment with Corporate objectives.

The creation of this work-stream has somewhat bridged the skills gap that was previously filled by consultants on an ad-hoc basis. It is considered that the Corporate Asset Management work-stream will need to have core competencies in the following areas:

- Strategic business planning
  - Business drivers and strategy thinking
  - Corporate asset strategy
  - Asset management plans
  - Risk management

- Project and programme management
- Sustainability
- Leadership
  - Building up capacity and capability
  - Manage strategic change
  - Manage strategic performance
  - Take responsibility for professional resources
  - Leadership/people management skills
- Asset performance management
  - Benchmarking of KPIs
  - Contract management and monitoring performance
  - Customer/stakeholder management
- Financial management
  - Resource accounting
  - Capital and revenue budgets
  - Whole life costing
  - Business cases and option appraisals
- Data management
  - The investment in, effective compilation and management of asset registers and the use of information and reports therefrom
  - Ensuring validity of data
  - Scope, storage and retrieval of data
  - Analysis of data

*\*Source – RICS Public Sector Asset Management Guidelines*

The budgets associated with the inception of this new department, have been in part funded by the Property and Facilities Management Department restructure, and in addition will utilise short term "Transformation" funds.

The Asset Management agenda within Oxford City Council commences from a low base, as has been highlighted by the Audit Commission Report – *Asset Management Review, August 2008*. There has been no adopted Asset Management Plan since 2006, and furthermore there is no benchmarking in place for operational and investment assets, which means performance measurement is not currently possible.

It is clear that there is an overwhelming business case for supporting this Corporate Asset Management agenda, and indeed a decision to not adopt such an approach would have a significantly adverse impact on the annual Comprehensive Area Assessment (CAA), undertaken by the Audit Commission.

In terms of financial and other non-financial benefits, these will be developed, once the current baseline performance is capable of assessment, which will inform strategic management of assets and effective management of risk.

## e) PROPERTY DATA

- (1) Having accurate data is key to effective asset and estates management and as part of the integration of property and facilities management, a new integrated property data system is

being introduced (UNIFORM). This system will supersede previous uneconomic and outdated property management systems. It will integrate with other data systems within the Council (e.g. property document management [IDOX] and the Geographical Information System [GIS]). It will also see the Council move to a system which is already used in several areas of the Council. This offers an economic solution with no large capital outlay that provides for integrated estates management and maintenance data and with other property based applications such as Planning and Building Control.

- (2) The Council is also seeking, on a voluntary basis, to get all currently unregistered property titles duly registered in the near future (2009/10).

## f) LINKS TO STRATEGIC PRIORITIES FROM CORPORATE PLAN

Effective asset management is central to the delivery of the key objectives set out in the Council's Corporate Plan 2008-2011. Examples of links to asset management are set out in the table below:

Strategic Priorities	Links to Asset Management Plan
More housing, better housing for all	<ul style="list-style-type: none"> <li>• Council Property as a catalyst for regeneration &amp; development</li> <li>• Council owned shops in Council owned housing estates</li> <li>• Customer Service Shop Strategy</li> <li>• Development projects on Council owned land</li> <li>• Housing areas policy</li> </ul>
Stronger and more inclusive communities	<ul style="list-style-type: none"> <li>• Co-location and working with partners</li> <li>• Community management and ownership</li> <li>• Council Property as a catalyst for regeneration and development</li> <li>• Equalities</li> <li>• Property subsidisation approach</li> <li>• Property Reviews (Community Centres, Leisure Centres, Parks Pavilions and Open spaces)</li> </ul>
Improve the local environment, economy and quality of life	<ul style="list-style-type: none"> <li>• Community management and ownership</li> <li>• Council Property as a catalyst for Regeneration and Development</li> <li>• Heritage and Environment</li> <li>• Maintenance and Repair</li> <li>• Property subsidisation approach</li> <li>• Property Reviews (Blackbird Leys, Northway, Leisure Centres, Parks Pavilions and Open spaces, Allotments, Community Centres)</li> <li>• Development projects on Council owned land.</li> <li>• Public Conveniences</li> <li>• Off Street and Park and Ride car parks</li> </ul>
Reduce crime and anti-social behaviour	<ul style="list-style-type: none"> <li>• Council Property as a catalyst for Regeneration and Development</li> </ul>
Tackle change and promote environmental resource management	<ul style="list-style-type: none"> <li>• Property and Climate Change/Carbon Footprint</li> <li>• Heritage and Environment</li> <li>• Property Reviews</li> <li>• Workstyle and civic accommodation</li> <li>• Council Office Space</li> </ul>
Transform Oxford City Council by improving value for money and service performance	<ul style="list-style-type: none"> <li>• Co-location and working with partners</li> <li>• Community management and ownership</li> <li>• Internal Organisation for Asset Management</li> <li>• Maintenance and repair</li> <li>• Procurement</li> <li>• Workstyle and civic accommodation</li> <li>• Council Office Space</li> <li>• City Works Depots</li> </ul>

## 8) THE OUTCOMES THE COUNCIL EXPECTS FROM ITS PROPERTY PORTFOLIO

Drawing on the policies set out in the previous parts of this Plan, the Council can be more specific about some expected outcomes for the portfolio, which are important to the achievement of the Council's wider objectives:

### (1) By the end of 2009/10

- To have reduced our occupied office accommodation floorspace by 10% from 2008/09 levels.
- To have maintained income from investment properties at 2008/9 levels.
- To have completed the Property and Facilities Management Service reorganisation and recruit vacant posts.
- To have a proper system of corporate asset management in place and be managing property corporately
- To have implemented a new system of financial accounting for property.
- To have a clear property strategy for Blackbird Leys, Cemeteries, Council Offices, Investment Property, Off-street car parks
- To have achieved a general fund capital receipts target of £2m

### (2) By the end of 2010/11

- To have decided on the all the property aspects of Customer Services shops.
- To have a clear property strategy for Northway
- To have a clear strategy for new affordable housing on housing estates

### (3) By the end of 2013/14

- To have decreased the maintenance backlog year on year from 2008/2009 levels.
- To have increased our income from investment properties by 2.5% in real terms compared to 2008/9 levels.
- To have reduced our occupied office accommodation floorspace by 20% from 2008/09 levels.
- To have supported the advancement of the Oxpens redevelopment area with a view to commencing development in, say, 2015/16; to have concluded whether the Council's offices will, in due course, relocate there; and, to have determined whether this will on the basis of shared space with our Partners.
- To have appropriate community centres fit for purpose and in good condition.
- To have leisure centres fit for purpose and in good condition, by both improvement and rationalisation.
- To have brought forward land at Barton (adjacent to the ring road) for housing development and if possible to implementation.
- To have explored the possibilities for additional housing provision at South Oxford Urban Extension and taken them as far as possible, and if feasible, to implementation stage (some of this is outside of the Council's direct control).
- To have decreased the carbon footprint for the Council's operational buildings from 2008/2009 levels

The expected Outcomes will form the basis for the performance measures by which the Council will judge its performance in terms of its property asset management.

## 9) STRATEGIC ACTION PLAN AND MILESTONES.

(4) The foregoing sections of this plan have set out the Council's intentions in relation to its property. This will be manifested in a series of Property Projects where action will be taken to implement these intentions. The main projects envisaged are listed in the table below together with the year in which it is proposed each one will be undertaken. Greater detail is given in Appendix 14.

Type of Project \ Year	Current and Ongoing	2009/2010	2010/11 and later
<b>Area Property Reviews</b>		<ul style="list-style-type: none"> <li>Blackbird Leys</li> </ul>	<ul style="list-style-type: none"> <li>Estates Strategy Development work to bring forward affordable housing</li> <li>Northway</li> </ul>
<b>Development Sites</b>	<ul style="list-style-type: none"> <li>Land West of Barton</li> <li>South Oxford Urban Extension</li> <li>Oxpens</li> <li>Westgate Shopping Centre</li> </ul>	<ul style="list-style-type: none"> <li>Northway Offices Demolition</li> </ul>	<ul style="list-style-type: none"> <li>Northway Offices site</li> </ul>
<b>Organisational Review</b>	<ul style="list-style-type: none"> <li>P &amp; FM Reorganisation Implementation</li> </ul>	<ul style="list-style-type: none"> <li>Financial Accounting for Investment Property</li> </ul>	
<b>Property Category Review</b>	<ul style="list-style-type: none"> <li>Leisure Centres</li> <li>Office Accommodation Strategy</li> </ul>	<ul style="list-style-type: none"> <li>Cemeteries</li> <li>Customer Service Property</li> <li>City Works Depots</li> <li>Investment Property</li> <li>Off Street Car Parks</li> <li>Public Conveniences</li> </ul>	<ul style="list-style-type: none"> <li>Community Centres</li> </ul>
<b>Property Policy Review</b>	<ul style="list-style-type: none"> <li>Capital Receipts programme</li> <li>Maintenance Backlog Works Prioritisation</li> </ul>		<ul style="list-style-type: none"> <li>Assets and Community Groups</li> <li>Property Charging and Rent Grants</li> <li>Reduction in Property Carbon Emissions</li> </ul>

## 10) AMP 2009 VAPSC Action Plan

Action	Supplemental Document	Sections	Timeline - Completion
<p><b><u>Recommendation 1</u></b> Within the document to tie together objectives and outcomes within a framework that allows particular decisions to be judged against clear outcome criteria. To reference within this framework the "read across" to other policies and strategies.</p>	1. Asset Management Plan 2009 (Revised edition October 2009)	<ul style="list-style-type: none"> <li>7) (f) Links to Strategic Priorities From Corporate Plan</li> </ul>	30 October 2009
<p><b><u>Recommendation 2</u></b> To include within the strategy clear governance and decision making frameworks for locally held assets or those of significant importance to local communities and economies. Within this to provide more transparency on the methodology to be used to weigh up the social and economic benefits in options appraisal.</p> <p>To see as an appendix to the Asset Plan the main drivers and outcomes from all strategies and plans in this area and where further development is needed to provide sound "read across"</p>	2. Investment Portfolio Review  3. Area Committee Chairs "Property Issues Spreadsheet"  4. Community Centre Review  5. Community Management & Ownership Review  6. Property Subsidisation Approach  7. Asset Management Plan 2009 (Revised edition October 2009)	<ul style="list-style-type: none"> <li>Categorisation of Tenanted Non-Residential Portfolio</li> <li>Investment Policies</li> <li>Financial modelling</li> </ul> <ul style="list-style-type: none"> <li>7) (f) Links to Strategic Priorities From Corporate Plan</li> </ul>	1 <sup>st</sup> April 2010  October 2009  2010/2011  2010/2011  2010/2011  30 October 2009
<p><b><u>Recommendation 3</u></b> To include within the Asset Plan a framework for the business planning approach to this group of assets.</p> <p>Within this section to list assets that are to be treated in this manner and as development progresses to include the outcomes measures from these plans.</p>	8. Investment Portfolio Review	<ul style="list-style-type: none"> <li>Business Plans 2010</li> </ul>	1st April 2010

Action	Supplemental Document	Sections	Timeline - Completion
<p><b>Recommendation 4</b></p> <p>To include within the Asset Plan by the end of the year:</p> <ol style="list-style-type: none"> <li>1. Policies on acquisitions and disposals;</li> <li>2. Current and expected rates of return by asset groups;</li> <li>3. Benchmarking of the performance of our portfolio by asset type;</li> <li>4. A "roadmap" for how we intend to complete these processes.</li> </ol>	9. Investment Portfolio Review	<ul style="list-style-type: none"> <li>• Investment Policies</li> <li>• Business Plans 2010</li> <li>• Business Plans 2010</li> <li>• AMP 2009 VAPSC Action Plan</li> </ul>	<p>1st December 2009</p> <p>1st April 2010</p> <p>1st April 2010</p> <p>30th October 2009</p>
<p><b>Recommendation 5</b></p> <p>To produce a consistent approach across the Council for modelling within options appraisal to ensure that variables are treated in a consistent manner.</p> <p>Specifically to recognise within modelling the importance of carbon reduction within the Council's priorities and ensure that carbon appraisals for assets take into account the potential negative and positive primary and secondary effects.</p>	10. Investment Portfolio Review	<ul style="list-style-type: none"> <li>• Investment Policies</li> <li>• Investment Strategy</li> <li>• Financial modelling</li> </ul>	<p>1st January 2010</p> <p>1st February 2010</p> <p>1st April 2010</p>
<p><b>Recommendation 6</b></p> <p>To be in a position at the next yearly iteration of this Plan to make robust judgement of value for money within the management and outcomes from the asset portfolio.</p> <p>To include within the plan now a more useful section on staffing to include at least identification of the skills needed to produce good results, the gaps that exist and how these can be bridged, what this might cost and what the Council could hope to get back in return both financially and in the form of other benefits.</p>	<p>11. AMP 2010/2011</p> <p>12. Asset Management Plan 2009 (Revised edition 2009)</p>	<ul style="list-style-type: none"> <li>• 7) (d) Asset Management - Resourcing</li> </ul>	<p>May 2010 - TBC</p> <p>30th October 2009</p>
<p><b>Recommendation 7</b></p> <p>To include clearly within the Plan the framework with which objectives and outcomes for HRA properties will be managed and achieved.</p>	13. Asset Management Plan 2009 (Revised edition 2009)	<ul style="list-style-type: none"> <li>• 6) (c) Housing Revenue Account Properties</li> </ul>	30th October 2009
<p><b>Recommendation 8</b></p> <p>To reconsider now the risk table included within the report accompanying this Plan. To demonstrate and highlight broader understanding of the risks within the current portfolio and mitigation measures, with timescales and action, that can advance and improve outcomes.</p>	<p>14. Asset Management Plan 2009 (Revised edition 2009)</p> <p>15. Investment Portfolio Review</p>	<ul style="list-style-type: none"> <li>• 11) Risk Register</li> <li>• Investment Policies</li> <li>• Investment Strategy</li> <li>• Financial modelling</li> </ul>	<p>30th October 2009</p> <p>1st January 2010</p> <p>1st February 2010</p> <p>1st April 2010</p>

Action	Supplemental Document	Sections	Timeline - Completion
<p><b>Recommendation 9</b>                      In general terms there is still much development to happen to produce a sound good quality plan that fits the purpose of the authority. Some of these things are highlighted in this report. A "road map" through both this document and its development would help to give understanding and confidence.</p>	16. AMP 2009 VAPSC Action Plan		30 <sup>th</sup> October 2009

## 11) RISK REGISTER

Risk Score														Impact Score: 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic													
														Probability Score: 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain													
No.	Risk Description Link to Corporate Objectives	Gross Risk		Cause of Risk	Mitigation	Net Risk		Further Management of Risk: Transfer/Accept/Reduce/Avoid				Monitoring Effectiveness				Current Risk											
1	Not having an up to date AMP which will adversely affect the Audit Commission Comprehensive Area Assessment (ACCAA).	4	3	The Council determines not to adopt the proposed plan.	Mitigating Control: The Council to adopt the AMP 2009  Level of Effectiveness: H	1	1	Action: Undertaken appropriate consultation  Action Owner: Steve Sprason  Mitigating Control: Ensure that views expressed in the consultation exercise are taken into account whenever possible  Control Owner: Steve Sprason	Outcome required: Council approval.  Milestone Date: December 2009	Q 1 ☹	Q 2 ☹	Q 3 ☹	Q 4 ☹	I	P												
2	The coverage of the AMP does meet the ACCAA Use of Resources Asset Management Key Lines of Enquiry (KLOE)	3	3	Deficiencies in the content/cover of the plan.	Mitigating Control: Cover all aspects of the KLOE in the Plan as far as the Council decides appropriate.  Level of Effectiveness: M	2	2	Action: Check KLOE elements.  Action Owner: Steve Sprason  Mitigating Control: Include in AMP 2009 wherever feasible.  Control Owner: Steve Sprason	Outcome required: Check Plan for KLOE and AC coverage.  Milestone Date: July 2009																		

Risk Score																		
Impact Score: 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic																		
Probability Score: 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain																		
No.	Risk Description Link to Corporate Objectives	Gross Risk		Cause of Risk	Mitigation	Net Risk		Further Management of Risk: Transfer/Accept/Reduce/Avoid				Monitoring Effectiveness				Current Risk		
3	Action is not taken as proposed in the AMP and the benefits proposed are subsequently not achieved	3	4	Lack of key stakeholder support/buy in to implementation.	Mitigating Control: Develop a formal monitoring process. Ensure consultation/engagement of key stakeholders.  Level of Effectiveness: M	2	2	Action: Monitor Action and take suggest corrective action needed Action Owner: Steve Sprason  Mitigating Control: Monitor and review.  Control Owner: Steve Sprason	Outcome required: Action implemented.  Milestone Date: Ongoing									
4	Investment Portfolio Review recommended in AMP is not undertaken. Performance measurement of assets not undertaken, risk not understood and managed, and enhancement and preservation of income and or capital not achieved.	4	3	Lack of resource provided, failure to win buy in from stakeholders to policy, management regime and strategy for assets.	Mitigating Control: Agree the objectives, process of consultation, and action of outcomes with stakeholders.	3	3	Action: Continue to raise the profile of the Review and provide regular updates and recommendations in real time, rather than awaiting final conclusion of the Review. Action Owner: Steve Sprason  Mitigating Control: Monitor and review  Control Owner: Steve Sprason	Outcome required: Action implemented  Milestone Date: April 2010									
5	Inability to recruit and/or retain staff on proposed terms and conditions.	1 3	P 1	Terms and conditions of employment are not sufficiently attractive to attract permanent staff. Required skills and capacity are not available to deliver required work programmes.	Mitigating Control: Level of Effectiveness: (HML)  Work is undertaken both corporately and as a service on a prioritised basis to sell the benefits of working for Oxford City Council. Retain/use external consultancy support on an as needs basis within available resources (M).	1 2	P 1	Action: Continue to develop workforce planning, succession planning, staff development etc in conjunction with HR colleagues.  Action Owner: Steve Sprason  Mitigating Control: Undertake regular staff appraisal and performance review actioning any required interventions.	Outcome required: Availability of required workforce, skills and capacity. Delivery of required work programmes on budget and to time. Motivated workforce.  Milestone Date: Ongoing				Q 1 ☹ ☹ ☹	Q 2 ☹ ☹ ☹	Q 3 ☹ ☹ ☹	Q 4 ☹ ☹ ☹	I	P

Risk Score																
Impact Score: 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic																
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No.	Risk Description Link to Corporate Objectives	Gross Risk		Cause of Risk	Mitigation	Net Risk		Further Management of Risk: Transfer/Accept/Reduce/Avoid				Monitoring Effectiveness			Current Risk	
								Control Owner: Steve Sprason (and Team Leaders)								
6	Political/senior officers support to operational property rationalisation/disposal proposals not obtained.	3	2	CEB/Area Committees etc do not approve proposals for property disposal/rationalisation.	Mitigating Control: Immediate projects relating to office rationalisation will be taken through due process. Initial consultation has taken place to assess likely acceptance.  Level of Effectiveness: (M)	2	2	Action: Keep key members and other stakeholders fully informed as to progress. Develop a proactive consultation process with the Community/Area Committees as appropriate. Engage key stakeholders in property review processes.  Action Owner: Steve Sprason  Mitigating Control: Regular monitoring/review in accordance with established project management techniques.  Control Owner: Steve Sprason	Outcome required: Support to proposals is obtained in a timely fashion. Projects able to proceed in accordance with required timescales.  Milestone Date: Ongoing							
7	Deteriorating market conditions impact adversely on a) capital receipts, b) rental income. (Eg St Clement's Car Park).	2	3	Economic downturn, inability to dispose of sites, scheme viability etc.	Mitigating Control: Closely monitor in consultation with Finance colleagues Property accounts for early warnings of default. Be receptive to requests for monthly payment programmes etc. Establish income/bad debt targets at realistic levels. Effective project management of disposals.  Level of Effectiveness:	2	3	Action: Continue close monitoring of Property accounts. Consider need for greater inducements to effect lettings of void properties. Gather available market intelligence and increased tenant liaison. Be more receptive to increasing tenant inducements and reducing sale prices. Use of overage provisions to mitigate initial	Outcome required: Budgeted capital and revenue income targets achieved.  Milestone Date: 31 <sup>st</sup> March 2010							

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No.	Risk Description Link to Corporate Objectives	Gross Risk		Cause of Risk	Mitigation	Net Risk		Further Management of Risk: Transfer/Accept/Reduce/Avoid				Monitoring Effectiveness		Current Risk	
					(M)			burden of sales.  Action Owner: Steve Sprason  Mitigating Control: Regular monitoring/review in consultation with Finance and Incomes colleagues.  Control Owner: Steve Sprason/ Sara Woodruff							
8a	Significant maintenance backlogs on operational properties.	3	3	Lack of adequate levels of funding, detailed understanding of the condition of fabric and mechanical and electrical installations in properties and lack of robust methodologies for prioritisation of repairs and maintenance expenditure.	Mitigating Control: Undertake review of condition and complete works on a prioritised basis. Wherever appropriate move to full repairing and insuring leases in relation to let properties. Continue to attempt to obtain increased resources for R&M. Get tenants to undertake works by way of inducement.  Level of Effectiveness: (M)	3	2	Action: Continued programme of inspection, and manage on a prioritised basis. Respond to newly created contractual repairing obligations in relation to leisure facilities. Resist further attempts to reduce existing R&M budget. Link actions to emerging Strategic Asset Management/Offices Strategy, particularly in terms of rationalisation/ disposal opportunities. Total of £700k included within the budget to address the risk.  Action Owner: John Bellenger  Mitigating Control: Regular monitoring and review. In year tactical adjustment of expenditure.  Control Owner: John Bellenger	Outcome required: Reduction in maintenance backlog through disposal or repair. No building closures/legal action in response to the Council's failure to repair. Increasing move to FRI leases/service charge recovery and tenant compliance.  Milestone Date: Ongoing						
8b	Failure to meet contractual obligations with regard to repairs.	3	3			3	2								

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9	Required HR/IT sub-programmes do not progress as required meaning full benefits of agile and flexible working cannot be achieved.	3	3	Lack of resource/capacity/required skills mix means that other sub-programmes do not progress within required timescales.  Lack of integration and effective project management of all sub-programmes means that holistic benefits are not achieved.	Mitigating Control: Ensure effective holistic project management of all sub-programmes to achieve agreed benefits.  Level of Effectiveness: (M)	2	2	Action: Continue to enforce a holistic approach to delivery of this element of the Transformation Agenda. Maintain dialogue with sub-programme leads.  Action Owner: Steve Sprason  Mitigating Control: Provision of regular highlight reporting to Transformation Board and Project Assurance.  Control Owner: Steve Sprason	Outcome required: Holistic benefits are delivered within required timescales.  Milestone Date: Ongoing.					
10	Westgate - scheme does not proceed.	4	3	Project proves not viable and/or there are delays in delivery due to current economic downturn, inability to fund etc.	Mitigating Control: Continue active dialogue with developers both in relation to revised proposals and legacy issues.  Level of Effectiveness: (L)	3	3	Action: Continuing active dialogue with developer dealing with critical/ legacy issues on as proactive a basis as possible.  Action Owner: Steve Sprason  Mitigating Control: Ongoing monitoring, progress and impact review.  Control Owner: Steve Sprason	Outcome required: Project commitment.  Milestone Date: As soon as possible.					
11	Office for the Future – project and dependencies (ICT, Agile Working etc) do not get backing and resources to proceed	4	4	Financial/cultural implications	Mitigating control : Development of detailed business case and financial appraisals. Inception of a dedicated project team for implementation. Development and embedding of HR policies to facilitate modern workstyles.  Level of effectiveness:	2	2	Action: Develop fully resourced project with PRINCE II rigour and governance procedures. Effective control of dependencies. Effective milestone and sub-milestone planning.  Mitigating Control: Provision of	Outcome required: Project commitment  Milestone Date: As soon as possible					

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					(M)			regular highlight reporting to Transformation Board and Project Assurance.  Control Owner: Steve Sprason						
12	Blackbird Leys Swimming Pool – Failure to prove the Business Case and secure funding to the scheme, including Grant Funding from Sport England.	4	4	Financial/grant funding shortfalls. Disposals risk Temple Cowley & Land swap. Cost and time overrun Planning, site and construction risk	Mitigating control: Development of detailed business case and financial appraisals. Inception of a multi-disciplinary and dedicated project team for implementation.  Level of effectiveness: (M)	3	3	Action: Develop fully resourced project with PRINCE II rigour and governance procedures.  Mitigating Control: Provision of regular highlight reporting to Transformation Board and Project Assurance.  Control Owner: Ian Brooke	Outcome required: Project commitment  Milestone Date: In line with requirements for grant funding from Sport England.					
13	Wind Turbines, South Horspath – Planning permission being granted	3	3	Planning permission not being granted.	Mitigating control: Effective engagement of members, and public consultation.  Level of effectiveness: (M)	2	2	Action: Continue engagement of stakeholders. Maintain active dialogue with PFR.  Mitigating Control: Ongoing monitoring, progress and impact review.  Control Owner: Steve Sprason	Outcome required: Completion of lease and full planning permission obtained and wind turbines erected.  Milestone Date: 2011					
14	Wind Turbines, Cutteslowe – Planning permission not being granted	3	4	Planning permission not being granted.	Mitigating control: Effective engagement of members, and public consultation.  Level of effectiveness: (M)	3	3	Continue engagement of stakeholders. Maintain active dialogue with PF  Mitigating Control: Ongoing monitoring, progress and impact review.	Outcome required: Completion of lease and full planning permission obtained and wind turbines erected. Milestone Date: Option agreement entered into Dec 2009					

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								Control Owner: Steve Sprason								
15	Old Fire Station	3	3	Financial/grant funding shortfalls. Cost and time overrun. Planning, site and construction risk.	Mitigating control: Development of detailed business case and financial appraisals. Inception of a multi-disciplinary and dedicated project team for implementation.  Level of effectiveness: (M)	2	2	Action: Develop fully resourced project with PRINCE II rigour and governance procedures.  Mitigating Control: Provision of regular highlight reporting to Transformation Board and Project Assurance.  Control Owner: Steve Sprason	Outcome required: Project commitment  Milestone date: Practical completion 31.3.11							