

# Asset Management 2012-15



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## **FOREWORD**

Management of the Council's property assets in the context of the current economic climate and the pressures on Council finances requires a clear plan to balance the competing demands of maximising revenue income, investing in its assets and the demands of the Big Society in order to meet the Council's corporate goals and objectives.

The depressed property market means that income from investment assets is lower, assets identified for disposal can be difficult to value and even more difficult to sell at advantageous prices, and empty space can be difficult to let.

However considerable success has been recently achieved with several unwanted assets being sold providing much needed funds for the capital programme, and attractive terms for the new "Start" units on the Park Wood Industrial Estate are beginning to have a positive effect.

We will be taking a close look at a number of key assets, such as Park Wood Industrial Estate and King St multi storey car park, to see how they might better support revenue budgets or the capital programme, and our aspirations for regeneration and prosperity. Other assets, for example, the Hazlitt Arts Centre, the Maidstone Museum and the Leisure Centre will require innovative ways to balance reducing budgets with the aim of increasing use. We are also willing and able to act as a developer where this furthers our strategic objectives and the aims of this Asset Management Plan.

There will also be a greater emphasis on transferring assets to the community where local interests are better placed to manage the asset on behalf of and for the benefit of the community, often more efficiently and economically than the Council.

Public authorities across Kent own or occupy a significant quantity of assets and reducing these and freeing up capital or revenue costs through increased sharing arrangements, as part of or even independent of shared services, and increased mobile working will be another element of the plan for the next three years.

Working with our partners in the public and voluntary sectors, we will be hoping to develop the public face of the Council at the Gateway in King St to bring more face to face transactions with our customers into a single location, whilst recognising the need to provide good internet links to all parts of the borough.

Councillor Eric Hotson  
Cabinet Member for Corporate Services

## **1. INTRODUCTION**

- 1.1 The Council is a significant property owner within the Borough and the effective management of its land and property assets is crucial to the delivery of efficient services, and to support our priorities and corporate objectives.
- 1.2 The Asset Management Plan is prepared in conjunction with the Capital Strategy and forms a key element of the Council's Medium Term Financial Strategy. Together they demonstrate how the use of the Council's capital and property resources will contribute in the short and medium term to the Council's aims and objectives as set out in the Strategic Plan.
- 1.3 Good asset management can:
- Deliver exceptional services for customers and residents, aligned with local priorities, whilst focusing investment clearly on need;
  - Empower communities;
  - Improve the economic well-being or promote the regeneration of an area;
  - Ensure that assets are properly maintained;
  - Introduce new working practices and encourage cultural organisational change;
  - Reduce carbon emissions and improve environmental sustainability;
  - Increase co-location and partnership working;
  - Improve the accessibility of services and ensure compliance with the Disability Discrimination Act;
  - Generate efficiency gains, capital receipts, or an income stream; and
  - Improve the quality of the public realm.
- 1.4 Property assets are defined as the buildings, structures and land owned by the Council which include a number of scheduled ancient monuments and historic memorials.
- 1.5 Key actions during the lifetime of this asset management plan will be:
- Maidstone House – Letting the vacant 1<sup>st</sup> floor area, improving energy consumption and implementing closer control of environmental conditions

- Town Hall – Letting the vacant entrance foyer, increasing the usage of the remaining areas and carrying out external redecoration and repairs
- King Street multi-storey car park – Securing a short term tenant and establishing a plan for the longer term future of the site
- Chillington House – Relocating residual functions to the Museum and progressing a subsequent freehold or leasehold disposal of the building
- Park Wood Industrial Estate – Implementation of a proactive management plan
- Community Assets – Transfer of Beechwood Hall, Fant Hall and Heather House to local community groups and exploration of the opportunity of further asset transfers

## **2. CONTEXT**

- 2.1 Earlier asset management plans were predominantly focused on the Council's own assets. However, in order to respond to evolving issues such as Localism, the Big Society and Regeneration, a more strategic approach to asset management has been adopted to ensure that not only do our assets meet the future needs of the Council but they also contribute to the wider needs of the community.
- 2.2 Maidstone Borough is considered a good place to live and work with high rates of employment, relatively low levels of adults claiming incapacity benefits and a higher proportion of residents who have a degree than the South East average. Larger numbers of people commute into than out of the Borough. The Borough has a very mixed business sector with large numbers of small and medium size businesses with particular strengths in professional services (law and accountancy) and construction. There is a growing media industry led by Maidstone Studios and the Kent Messenger Group. Maidstone has an extensive further education campus (Mid Kent College) and a growing higher education offer with both the University for the Creative Arts and Mid Kent College seeking to increase their range of courses and facilities. Residents living in the Borough have relatively high wages (although many higher earners commute out of the Borough to achieve these).
- 2.3 Maidstone came out as the top destination for business in the 2010 study of locations for business in Kent. Transport links are generally good although rail travel could still be improved. The Borough is well served by the motorway network with the M20 and M2 both providing links to the M25 and the Channel Ports. The international high speed railway stations at Ebbsfleet (15 mins) and Ashford (25 mins) are also extremely accessible. With regard to travelling in and around the borough by car, congestion is an issue particularly in the town centre. The Council is looking to combat this issue through its transport strategy and work with partners.
- 2.4 Maidstone is an exceptionally green Borough with a number of parks, the largest of which is Mote Park, which is Grade II on the English Heritage Register of Historic Parks, and home to thriving rugby and cricket clubs. There are numerous smaller parks and squares within the town and villages which have benefited from a major playground and sports facility investment programme in recent years.
- 2.5 The Council's Vision, priorities and objectives are set out in the Strategic Plan 2011-2015.
- 2.6 Our vision is that we want Maidstone Borough to be a vibrant, prosperous 21<sup>st</sup> century urban and rural community at the heart of Kent, where its distinctive character is enhanced to create a safe, healthy, excellent environment with high quality education and employment where all people can realise their aspirations.

- 2.7 The Council has identified the following three priorities and seven outcomes for Maidstone over the next four years:
1. For Maidstone to have a growing economy. In essence Maidstone will be a good place to work and to do business. The economy will continue to grow with a range of employment and business opportunities.
    - A transport network that supports the local economy
    - A growing economy with rising employment, catering for a range of skill sets, to meet the demands of the local economy
  2. For Maidstone to be a decent place to live. Maidstone already has a clean, attractive environment. We wish to maintain this and ensure that proper respect is paid to its diverse and valuable assets so that Maidstone is a place where people want to live.
    - Decent affordable housing in the right places across a range of tenures
    - Continues to be a clean and attractive environment for people who live in and visit the borough
    - Residents are not disadvantaged because of where they live or who they are
  3. Corporate and Customer Excellence. The Council will have a productive workforce with people in the right place at the right time, delivering cost effective services. Services will be affordable, delivered on time and to agreed standards in an accessible way.
    - Customer focused services with which residents are satisfied
    - Effective, cost efficient services are delivered across the borough
- 2.8 The Local Government policy framework stresses the need for us to develop sustainable communities whilst rigorously pursuing value for money. This encourages local authorities to achieve positive outcomes for people and places by having a strategic and political leadership, working together with partners, involving and empowering communities and providing wide ranging and strong local accountability.
- 2.9 This requires that:
- Assets should be used to the benefit of local communities;
  - Asset holdings should be considered in a wider context than the main service use of the asset; for example, using property to shape places or to deliver economic, environmental and social outcomes;
  - There should be integration of asset management with corporate goals and objectives and corporate business processes; and

- Authorities should work together with partners on managing public buildings across an area.

2.10 The Asset Management Plan forms part of and is consistent with the Council's Strategic Planning process and the resultant priorities, aims and objectives. The top level plans and strategic planning charts in Appendices A and B show the various relationships and the links to other strategies and plans. The key objectives to which well managed assets can contribute are included in Appendix C.

2.11 Assets, as a resource, support the delivery of the Council's objectives by:-

- Providing accommodation for services including those shared with other authorities
- Meeting the needs of the local community including providing parks and open spaces, leisure centres, museums and entertainment facilities, park and ride facilities etc.
- Safeguarding local heritage through ownership and preservation of historic and scheduled ancient monuments.
- Providing a revenue return through the investment portfolio and capital returns through sales of surplus assets.
- Assisting economic development and employment through provision of small business units.
- Facilitating strategic economic development or regeneration alone or in partnership in developments such as Fremlin Walk and the High Street.
- Providing the opportunity to work in partnership with or strengthen the local community through the provision or transfer of facilities such as community halls.
- Supporting the Local Development Framework through strategic acquisitions and disposals.



### **3 VISION AND OBJECTIVES**

3.1 The vision for assets in support of the Council's vision and priorities is:

- To align the Council's property asset base with its corporate goals and objectives;
- To meet the challenge of working in an environment of change; and
- To ensure that all assets are demonstrably managed in the most economic, efficient and effective manner.

3.2 The strategic objectives for operational assets are that they should be:

- in the right location to allow customers to access the service and any other related services of partners (where co-located) and suitable for staff to deliver it;
- in good condition to the extent that services can be provided from them in a comfortable environment for both staff and customers without interruption;
- suitable and sufficient for the purpose for which they are being used in terms of size, type and layout of accommodation – including accessible to people with disabilities;
- flexible to the extent that they can be adapted economically to adjust to changing service needs, including sharing with partners in service delivery;
- able to demonstrate 'Best Value' in terms of a balance between efficiency in operation, running costs and long term sustainability;
- able to convey a positive image of the Council and the service being provided;
- able to contribute positively to the immediate environment, particularly where there is a need for physical regeneration of the locality;
- good examples of sustainable development if new or extensively refurbished;
- maintained in such a way so as to minimise reactive maintenance by improving planned maintenance arrangements; and
- managed to mitigate their impact on and the effect of climate change.

- 3.3 The strategic objectives for non-operational assets are that they should be:
- able to make the maximum contribution to service revenue budgets in terms of rental income; or
  - able to make a positive contribution to the social wellbeing of the community either through its presence as a heritage asset or through use by others such as voluntary groups, charity organisations or small businesses; or
  - acquired, disposed of or developed for reasons of strategic importance, such as to influence the physical and economic regeneration of the Borough.

### 3.4 **Approach to acquisition and disposal**

The objectives to be achieved from any asset acquisition are that it should provide one or more of the following benefits and that the benefits are more valued than the cost of acquisition:

- a demonstrable contribution towards the delivery of the Council's priorities and the provision of its services;
  - a strategic acquisition for redevelopment or tactical purposes;
  - to facilitate regeneration, economic development; or
  - to generate revenue income.
- 3.5 Where surplus capacity in property or land is identified, its future use or disposal will be considered in accordance with the Council's priorities and within the planning framework. The opportunity to share with partner organisations will also be explored as part of the options appraisal process.
- 3.6 Where property is proposed for disposal, consideration will be given to leasehold or freehold disposal, and if the latter, further consideration will be given to the consequences of the piece of land or property not being subject to the Council's control in terms of standard of care, maintenance etc., by the inclusion, where appropriate, of covenants in the contract to maintain the required standards of care.
- 3.7 Options appraisals for capital investment or disposal will include whole life costings. These are the systematic consideration of all relevant costs, revenues and performance associated with the acquisition and ownership of an asset over its physical, economic, functional, service or design life. The contribution of the asset to community benefits and council objectives will also be taken into account.

#### **4. ORGANISATIONAL and FINANCIAL ARRANGEMENTS**

4.1. The Member with responsibility for Asset Management continues to be the Cabinet Member for Corporate Services.

4.2 The Council's Corporate Asset Manager is the Assistant Director for Environment & Regulatory Services, who is a member of the Senior Leadership Team. He reports to Corporate Leadership Team and Cabinet Members as necessary and is within the Directorate of Change, Planning and the Environment.

4.3 The Council strategically manages its assets through the:

##### **Corporate Property Group** who:

- provides the strategic management of the Council's assets to maximise the benefits achieved from the capital employed;
- ensures that the Council's use and management of its corporate property assets is efficient and effective;
- reviews the Council's plans and strategies, relevant internal or external audits and service plans to identify property implications and future service property requirements and aspirations;
- considers the results of asset reviews and determining the appropriate action;
- agrees the corporate property workplan;
- develops and reviews the Asset Management Plan;
- reviews data gathered from condition surveys, suitability surveys, performance measures and benchmarking exercises and monitor actions to improve performance as necessary;
- reviews and monitors property related projects from initiation to completion to ensure effective project management arrangements are in place and to review outcomes against the expected benefits;
- considers and reviews strategic changes in office accommodation; and
- considers examples of best practice in asset management in the public and private sectors;

This group is augmented by a weekly meeting of property and legal officers who monitor, review and progress current property matters.

- 4.4 A growing economy is one of Maidstone's three priorities. The Council's regeneration objectives address economic, social, physical decay and decline in areas where market forces will not do this without support from the Council and its partners including areas of deprivation and the town centre. They also ensure that the needs of local residents and businesses drive regeneration.
- 4.5 The Corporate Property Group will take a strategic overview of those assets owned by the Council which could be developed without impacting upon the Council's core business of 'Service Delivery'.

### **Project and Asset Evaluation**

- 4.6 The Council's medium term capital programme over the next three years totals £12.22m. A summary of the programme and the funding is set out in Appendix D. Schemes with implications for asset management are highlighted.
- 4.7 Capital projects are appraised for inclusion in the capital programme based on an objective method of prioritisation and assessment of capital projects using a standard form available on the Council's intranet. However, given the economic climate few new projects have come forward. The focus has been on maintaining and getting better value from the estate.
- 4.8 This enables project sponsors to examine a project's contribution to Council objectives, its financial implications, both capital and revenue, and its deliverability. This process encourages sponsors to examine more closely how and when the project will be delivered with the intention of improving delivery in accordance with the programme.
- 4.9 Project sponsors for the larger schemes are from the Corporate Leadership Team and delivery is progressed through project groups which include key Council departments and external advice and skills where necessary.
- 4.10 The success of the project is reviewed by The Corporate Property Group using a standard form for Post Implementation Review available on the Council's intranet.

### **Resources**

- 4.11 The Property & Procurement Section, is responsible for operational asset management and the maintenance and repair programme for corporate property. The structure chart is available on the Council's intranet.
- 4.12 Service Managers are responsible for the day to day management of the properties used by their services. Allocation of responsibilities between the Property & Procurement Section, as corporate landlord, and the services who occupy properties are set out in Service Level Agreements or in simpler guidelines.

- 4.13 Rent reviews, lease renewals, development appraisals, asset valuations, property inspections, asset reviews, suitability surveys, and property purchases and disposals are carried out by the Corporate Property Section. Further specialist advice is occasionally sought from external property specialists.
- 4.14 Management of the Council's property maintenance programme, condition surveys and project management of small to medium size construction projects is carried out by the Property Services section. The team is augmented by external Consultants when specialist advice or additional resources are required.
- 4.15 Compliance with numerous statutory requirements relating to maintenance and management of properties are dealt with in-house, augmented by external Consultants when specialist advice is required. The main legislation covered is:
- Disability Discrimination Act;
  - Control of Asbestos Regulations;
  - Environment Protection Act (contaminated land);
  - Control of Substances Hazardous to Health Regulations (legionella); and
  - The Regulatory Reform (Fire Safety) Orders
- 4.16 A rolling five year programme of condition surveys, regular inspection of the properties and liaison with service managers determines the revenue and capital budgets required over the medium term.
- 4.17 Budgets for, and the cost of repairs and maintenance are split between planned maintenance and reactive maintenance in order to monitor and measure the progress of improving the proportion of expenditure on the former at the expense of the latter. Outcomes for 2006/7 to 2010/11, estimates for 2011/12 to 2012/3 are shown below.

<b>Year</b>	<b>Planned</b>		<b>Reactive</b>	
<b>2006/7</b>	£795,052	80%	£196,650	20%
<b>2007/8</b>	£631,211	75%	£215,730	25%
<b>2008/9</b>	£481,695	71%	£202,550	29%
<b>2009/10</b>	£477,300	71%	£198,230	29%
<b>2010/11</b>	£466,717	63%	£270,545	37%
<b>2011/12</b>	£900,622	83%	£185,030	17%
<b>2012/13</b>	£550,000	77%	£163,730	23%

- 4.18 The budget for the acquisition of land and buildings as opportunity purchases has been omitted from the capital programme due to pressures on the Council's capital budgets.

## **5. THE CURRENT PORTFOLIO**

- 5.1 The total value of the Council's properties as at 1 April 2011 (excluding fixtures and fittings, plant and machinery) was £79.9m, a decline of 6.5% from the 2009 figure, reflecting a continuing decline in property values.
- 5.2 The portfolio is a mix of freeholds and leaseholds. For operational property, the strategy has been for freehold ownership. However the preference now is for leasehold ownership, for example, the new offices, which is more affordable in the context of current funding arrangements. The strategy for the investment portfolio is a preference for long leaseholds with the tenants being responsible for the buildings. There are exceptions, for example, industrial starter units where the Council wishes to retain a more active involvement in encouraging new businesses. Community assets are currently a mixture of leaseholds and freeholds, but the strategy is for a move towards longer leaseholds or freehold disposal to the community, where the tenant or new owner becomes responsible for the property.
- 5.3 The decline in capital values has coincided with an ambitious programme of flagship capital projects, including improvements to Maidstone High Street, the development of the Maidstone Museum East Wing and improvements to Mote Park. These have attracted external investment of around £4.5m. The current capital programme includes provision for prudential borrowing but the Council is still debt free.
- 5.4 There has been, and continues to be, a prudent programme of disposals not only aimed at seeking a capital receipt to support the capital programme but also to help deliver the Council's aspirations for regeneration. Social benefit and maximising the value of the assets through the development process by considering changes of use and site assembly will continue to be carefully balanced. Capital receipts from disposals are not linked to particular schemes but feed into the overall capital budget which could be used to invest in infrastructure projects prompting further development and regeneration.
- 5.5 The Council's property can generally be divided into two categories, operational and non-operational and within these categories a number of further breakdowns can be effected. These uses and the property values are summarised in Appendix E, together with a note regarding the method of valuation. The list excludes the many parks, open spaces and other small parcels of land owned by the Council. Details of these are held on the Council's property terrier.
- 5.6 A number of the Council's properties are listed buildings and Scheduled Ancient Monuments, some of which are of national historic importance; e.g. the Archbishop's Palace and Old College Complex. These buildings are expensive to operate, maintain and improve and are discussed further in Section 7.

- 5.7 In addition to property owned by the Council as a Local Authority, the Council -as Corporate Trustee- owns a 999 year leasehold interest in the Cobtree Estate and 7/9<sup>th</sup> of the Cobtree Manor Golf Course; the other 2/9<sup>th's</sup> is within the freehold ownership of the Council as Local Authority. A separate Asset Management Plan is produced by the Cobtree Officer and is outside of this plan.
- 5.8 The Council holds a number of 'non-social housing' residential properties within the general fund portfolio. Depending upon circumstances relating to the property, it is Council policy to dispose of residential premises when they become vacant. Contributions to the capital scheme from the Right to Buy arrangements with Golding Homes are also made on an ad hoc basis as a result of an agreement with the Registered Provider.
- 5.9 One of the Council's key outcomes is the growth of small businesses. The Council owns a number of small industrial starter units at Park Wood Industrial Estate, which support light industrial, trade counter or ancillary office use and have proved to be very popular.
- 5.10 A further 17,000sqft (1580sqm) of units were delivered to the Council in 2011 as part of the redevelopment of the former Carpet Express site on Bircholt Road at the rear of the Park Wood Industrial Estate. These units are slightly larger than the Council's existing units, ideal for growing businesses, but also capable of sub-division, subject to planning, if appropriate.
- 5.11 The Council's property management software is currently under review, with the intention to implement a more user friendly, comprehensive and resilient web-based remotely hosted system during the spring/summer of 2012. This will maintain a register of property assets, and include modules for estate management, asset assessment, programme management and performance management.
- 5.12 Corporate Property and Economic Development also subscribe to FOCUS. This is a 'real-time' national database of property deals, it holds financial information relating to available premises and completed sales for industrial, retail and office accommodation, there is also access to corporate accounting data and financial health-checks of PLC's and Limited companies as well as socio-economic reports on town centre property environments. The system provides both Economic Development and Corporate Property with invaluable property research data.

## 6. OPERATIONAL ASSETS

6.1 The Council is committed to making the best use of its resources. Efficient management of its assets over the next three years will be challenging for many reasons. Chief amongst these will be the current recession and its effect on property values, the shared services agenda, the Council's ambitious programme of capital projects and aspirations for regeneration.

6.2 Much has been achieved over the past three years, as part of the previous Asset Management Plan, to improve the efficiency and delivery of services from operational assets and to increase ease of access for customers to Council services. These include:

- **New Offices** - The relocation of the Council's main offices in June 2008, to a town centre location on one site in open plan offices with a range of meeting rooms and member and staff facilities, and the opening of the Gateway in January 2009, a one stop customer services reception shared with Kent County Council and a range of other third sector partners. The building is leased until 2023.
- **New Council Depot** - The relocation of the Council depot in December 2009 from an inefficient site to a newly constructed bespoke premises in Parkwood.
- **Museum East Wing Development** – This project to provide improved reception, education, storage, exhibition and associated facilities at the Museum was completed in October 2011.
- **Hazlitt Arts Centre** - Work was completed in 2008 to improve the facilities at the Centre to provide gallery space, an information point, rehearsal space and improved sound separation between the Hazlitt and the Exchange Room venues resulting in better and wider usage of the complex. Further work was carried out in the summer of 2011 to replace the main electrical switchgear and the boilers and to refurbish the heating system.
- **Maidstone Leisure Centre** – Following its transfer to the Maidstone Leisure Trust during 2009, a substantial package of improvements to the building and facilities was completed in 2010. These included a new 100 station gym and changing facilities, a new Wet Change village, new Dance and Spinning Studios, refurbishment of the Lagoon and Terrace Area, Soft Play Area, dry change area, reception and bar area and repair of the glazed roof.
- **Vinters Park Crematorium** - The three old cremators were replaced in 2010, with two modern ones fitted with mercury abatement equipment to satisfy new mercury emission regulations along with associated adaptations to the crematory. These included an upgraded electrical supply, via an on-site sub-station, an upgraded standby generator, and refurbishment of the operational and public areas. The vacant cottages were also adapted to provide



new office accommodation and a public reception area. Further improvements were made to the Chapel and grounds in 2011.

### **6.3 New Offices**

- 6.3.1 The move to new offices in June 2008, and the opening of the Gateway in January 2009, has been, in the main, a success. Whilst there has been improved access to services, including those of our partners in the public sector, a reduction in office floor area of 25%, more flexible work patterns and longer opening hours, more efficient working by being in one location, improved ICT, better facilities management arrangements and an improved cleaning regime, there have been some aspects which have been less successful, such as various issues with the biomass boiler and the heating/cooling system, higher than expected electricity consumption and difficulties with the sale of the old office sites at 13 and 26 Tonbridge Road.
- 6.3.2 Work carried out on the air conditioning system and the biomass boiler during 2011, including training of MBS operatives in the maintenance of the latter appears to have resulted in a much improved operation. However, the level of monitoring, micro management and maintenance of the various components of the whole system continues to run at a higher level than expected. The proposed installation of a desktop based remote monitoring extension to the Building Management System during 2012 will enable a more efficient monitoring and management of the system.
- 6.3.3 The higher than expected level of electricity consumption was largely a combination of the problems with the air conditioning system, and a particularly long and cold winter spell in 2010/11 when electric heaters were used to supplement the air conditioning. Electrical consumption has since improved, and will continue to be monitored and analysed for further improvements. Use of energy across the Council's estate continues to be an issue, particularly given the Council's commitment to reduce CO2 emissions. This is covered in more detail in Section 10 – The Environment.
- 6.3.4 The installation of solar film to the South, East and West elevations of Maidstone House during the summer of 2011 has resulted in lower solar gain and heat losses.
- 6.3.5 Demolition of the old office sites at 13 and 26 Tonbridge Road during 2010, outline planning permission and marketing of the sites resulted in an acceptable offer for 13 Tonbridge Road, which was completed by the end of the financial year 2011/12. An offer for 26 Tonbridge Road has been withdrawn, and the site is being re-marketed.
- 6.3.6 An office reorganisation during the summer of 2011 took place following a restructure. Not only has this freed up an area of 225m<sup>2</sup> on the 1st floor of Maidstone House, it has also resulted in the creation of an Offender Management Unit on the 6<sup>th</sup> floor, shared by the Police, Golding Homes and the Community Safety Unit.

6.3.7 Looking forward over the next three years, key issues to be managed for Maidstone House and the Gateway are:

- installation of a desktop based remote extension to the BMS system;
- monitoring, analysis and reductions in energy consumption;
- finding a sub-tenant for the vacant area on the 1<sup>st</sup> floor;
- a shared ICT service with Tunbridge Wells and Swale Borough Councils and extension of the ICT suite and server rooms;
- the implementation of Universal Credit and changes to the benefits system by 2017, which could significantly reduce staff numbers;
- the break clause in the lease of the 1<sup>st</sup> floor of Maidstone House in 2016;
- the trend towards more mobile working; and
- developing the use of the Gateway with our partners.

## **6.4 New Council Depot**

6.4.1 The completion of the new Council Depot at Park Wood in December 2009, provided the Council with a modern, efficient facility for the street cleansing, grounds maintenance and waste collection services along with a number of other street scene related services, part of which is shared with SITA, the current waste collection contractor.

6.4.2 The building incorporates a number of environmentally friendly features, such as rainwater harvesting, sustainable drainage, solar panels, high efficiency condensing boiler, PIR lighting, and natural ventilation, and received a very good BREEAM rating despite being a green field development.

6.4.3 Key aspects to be managed over the next few years are:

- maintaining effective repair, maintenance and cleaning programmes;
- the appointment of the contractor for the joint waste collection service with Ashford and Swale and possible implications on office space and external storage of vehicles, being tendered during 2012/13;
- A WC facility accessible for those working outside when the Depot building is closed.
- The possibility of providing a back up facility for the IT servers in Maidstone House.

## **6.5 Museum East Wing Development**

6.5.1 The project which comprised the construction of an extension of approximately 462m<sup>2</sup> to provide additional gallery and public space and associated ancillary and storage areas and refurbishment of approximately 682m<sup>2</sup> of existing accommodation to provide improved or additional gallery, public and storage space, teaching facilities and associated ancillary areas was opened in March 2012.

6.5.2 The objectives were to provide:

- A new gallery of Japanese art;
- 30% more display space in the East Wing;
- Two new environmentally controlled exhibition galleries;
- Environmentally controlled, accessible storage;
- Improved access to the various areas of the Museum;
- Improved facilities such as a passenger lift, accessible toilets, baby-changing, buggy storage and a cloakroom;
- A relocated Maidstone Visitor Information Centre;
- Better facilities for visiting school parties and improved opportunities for learning;
- New meeting spaces for community groups and business users;
- An attractive new shop to provide a greater range of souvenirs for visitors to purchase;
- Opportunities to redevelop the existing café in the space vacated by the present shop;
- Reduced energy demand and cost savings through the use in the East Wing of environmentally friendly technologies, such as a geothermal heat pump and photovoltaic panels.

6.5.3 The project finished some six months late and significantly over budget. An external review of the project is taking place.

6.5.4 Key aspects to be managed over the next few years are:

- Incorporation of the new and refurbished areas into the planned maintenance and cleaning programmes, including ensuring

understanding of and training in the new technologies during the 12 months defects period;

- Delivery of the Maidstone Museum's Business Plan 2011-19 insofar as it relates to the fitting out for staff accommodation of the Upper Charles Gallery and the possible sale or leasing of Chillington House, and the development and operation of a café in the Brenchley Room;
- Continued reductions in utilities costs;
- Redecoration of remaining areas of the Museum;
- Renegotiation of the lease of the library to the Kent Archaeological Society;
- Exploration of links to the KCC Adult Education Centre

## **6.6 The Town Hall**

6.6.1 Following the relocation of the Visitor Information Centre to the Museum during 2011, the entrance foyer has been let on a short term lease to Voluntary Action Maidstone whilst the refurbishment of the High Street takes place.

6.6.2 Key aspects to be managed over the next few years are:

- Consideration of a commercial letting of the entrance foyer or a continuation of a lease for community use in 2012/13;
- External cleaning and roof repairs during 2012;
- Relocation of the CCTV operation to the Medway Control Centre and the freeing up of the basement areas during 2012; and
- Encouraging and promoting increased use of an important and historic building.

## **6.7 The Hazlitt Arts Centre**

6.7.1 Following a feasibility study into the environmental conditions which estimated that expenditure of over £800,000 would be required to address all the environmental and health and safety concerns, the Council agreed to fund £350,000 of improvements to the highest priorities of

replacing the mains switchgear and the boilers, refurbishing the heating system and improving the control systems. The project was successfully completed in October 2011.

6.7.2 Key aspects to be managed over the next few years are:

- The outcome of the procurement of the management of the Hazlitt Arts Centre, the consequential potential for a lease and how the responsibilities for the maintenance and running costs of the building may be allocated;
- The feasibility of relocating and improving the visibility of the box office;
- Marketing the current box office area, the Graham Clark Gallery and the Bar area as space for businesses or workshops;
- Cosmetic improvements to internal and external appearance, including the renewal of seating; and
- Monitoring the need for further environmental improvements.

## **6.8 Other Issues**

6.8.1 Other major issues to be dealt with over the next three years are:

- A sustainable use for the Archbishop's Palace Stables, which houses the Carriage Museum;
- The implementation of an integrated parking strategy, in conjunction with the Local Development Framework, that considers Town Centre Car Parks and on-street parking, the Park and Ride service, the associated revenue costs, car park income and congestion relief and carbon dioxide reduction and which recognises the key sites identified for regeneration;
- The future of the Lockmeadow Market car park operation;
- The short and long term future of King St multi-storey car park;
- Management of and improvements and additions to existing Gypsy sites; and
- Redevelopment of the Fairmeadow WC site.

## **7. NON OPERATIONAL AND INVESTMENT PROPERTY**

- 7.1 Income in the region of £940,000 per annum is achieved from the Council's non-operational property portfolio. It is a very important source of funding for both capital programmes and revenue support and is kept under review in order to optimise the income either through disposal or restructuring of leases.
- 7.2 Over the past couple of years there have been sales such as Raigersfeld House and Lodge, Mote Cottage, 17 Station Road, Harrietsham and Depot Cottages which have assisted with the capital programme, but have reduced annual rental income.
- 7.3 One significant change during 2011, was the early surrender of the lease by the Co-op of the retail unit under King St multi-storey car park. Negotiations have covered the lost income and rates liability until the end of February 2012; and budgets have been adjusted, in the short term, to deal with the shortfall in rent. However, as it is a priority to find a short term tenant to negate the empty rates liability, an agent has been appointed to market the site. Options for the long term future of the unit and the car park above will be considered, but given the depressed nature of the property market, it is expected that the most likely outcome will be an extensive repair programme that could prolong the life of the car park for a further ten years, thus protecting a significant income, and improving the attractiveness of the retail unit with a ten year lease.

### **7.4 Park Wood Industrial Estate**

- 7.4.1 The Park Wood Industrial Estate, a significant investment asset, was reviewed by external valuers in 2009 and has recently been assessed as part of the initial work related to the Kent and Medway Investment Fund. The findings confirm that the estate is a high revenue earner for the Council and, given the long leases associated with the tenancies, change will be gradual.
- 7.4.2 Options for managing the estate range between doing nothing, outright sale or active management. The preferred option is active management, which will seek to address infrastructure deterioration, release value and sustain or improve income. This will involve working actively with head lessees to seek the best way forward for each plot, and may involve granting longer leaseholds and acquiring other head leaseholds to bring about change in the estate. This will require external professional advice and some initial working capital but a business case could be developed for invest to save funding.
- 7.4.3 A master plan would be developed, and subject to amendment to permitted planning use, could allow specific zoning of the estate retail use included in the zoning. Discussions with the owners of the adjacent Langley Park Farm site could also provide the opportunity to consider partnership arrangements for land already allocated for commercial and industrial use to come forward and further support the regeneration of the site.

- 7.4.4 This option generates a considerable number of risks which will need to be assessed and investigated. It is not a short-term plan and should consider change over the next 10 years.
- 7.4.5 The former Courage site at Bircholt Road is currently being redeveloped to provide an amount of mixed commercial uses B1& B8. The Council has benefited from the construction 17,000 sqft of starter and 'step-up' business units. Strict criteria apply to the type of business permitted occupation of these units which are incorporated into the leases. After a slow start, the "Start" enterprise zone as it has become known now has several tenants and it is hoped to fill any unused units in the forthcoming year, through improved leasing arrangements and marketing. This type of development provides a vital start for budding businesses needing somewhere affordable to start trading.
- 7.4.6 Independent of the Council, the former Booker site at the junction of Bircholt and Cuxton Road has been redeveloped to provide a variety of business opportunities, and a new showroom and workshop for Mercedes-Benz has recently been developed at the entrance to the estate providing a much improved appearance. The former Whatman building adjacent to the Council's depot is being redeveloped as a new post office sorting centre. So despite very difficult circumstances the estate is continuing to evolve and improve.
- 7.5 The remainder of the investment portfolio will continue to be reviewed by the Corporate Property section, using external expert advice where appropriate, to ensure that the resources applied to such assets and the income from them reflect the objectives of the Council as a whole and represent Best Value to the community.

## **7.6 Heritage assets**

- 7.6.1 The Council owns a number of heritage assets, listed buildings and scheduled ancient monuments. They can be expensive to maintain and many of them have proved unsuitable for operational use. Some of them, for example, the Archbishop's Palace, the Palace Gatehouse and the Master's House, have been let in such a way that secures their future and provides an income for the Council. The Council will continue to explore similar opportunities in order to secure the future of other similarly threatened heritage assets.
- 7.6.2 Cemetery chapel has stood empty and unused for many years due to it being structurally unsound. It is checked regularly and there is no access for cemetery users. The feasibility of demolition will be explored during 2012/13.
- 7.6.3 A number of other heritage assets, for example, the Volunteer's Memorial and the Queen's Monument, have no operational use and are extremely unlikely to be of commercial interest, but still need to be safeguarded as they can make a positive contribution to the social wellbeing of the community. They can be relatively expensive to maintain, and so, in order to maximise deployment of resources on Council priorities, opportunities

will be explored to procure grant funding from such bodies as the Architectural Heritage Fund and the Heritage Lottery Fund, shared management with the community or engagement with the voluntary sector.

7.6.4 Refurbishment of the Old College Southern Gateway on the corner of College Avenue and College Road has recently been completed with a combination of Council funding and a £40,000 grant from English Heritage. For years this was an ivy covered deteriorating ruin, formerly part of the College of All Saints originally constructed in the 14<sup>th</sup> Century, and a Grade II listed building and scheduled ancient monument. The funding enabled the Council to carry out much needed restoration and repair. Landscaping of the surrounding grounds has also provided a fitting setting for an important example of Maidstone's heritage.

## 7.7 **Community Assets**

7.7.1 In 2007 Central Government published the Quirk Review, focussing on Local Authority Community Assets and the opportunities available for their management by the 3<sup>rd</sup> Sector –charitable groups and other 'not for profit' public organisations. The Council's asset transfer strategy supports the community taking responsibility for the ownership and management of community based assets with the Council offering assistance and guidance with funding and training, where necessary.

7.7.2 The Council owns a number of Community Halls and sports and play facilities throughout the Borough. Many of these have been already been successfully transferred to the local community; i.e. parish councils, local community groups, sports clubs etc, by way of ground lease or long term leaseholds. This has resulted in a lessening of the pressure on Council budgets and a more effective management of the asset by the local community for the benefit of the community. With mounting pressures on its budgets the Council will be exploring further opportunities for asset transfer to local communities, which will include larger sites of amenity land.

7.7.3 Currently, Fant Hall and Beechwood Hall are let on short term leases to management committees, and Heather House, is run by the local community via a Service Level Agreement with the Council. During 2012/13, The Council will be looking to secure the future of these halls by transferring them on long leases to local community groups.



## **8 REGENERATION**

8.1 In recognition of several drivers which include Draft PPS4, the Sustainable Community Strategy, the Economic Development Strategy, the South East Plan, the Kent Structure Plan, and the Maidstone Borough Wide Local Plan, the Council has adopted a Regeneration Statement, with objectives to:

- address economic, social, physical decay and decline in areas where market forces will not do this without support from the Council and its partners including areas of deprivation and the town centre; and
- ensure that the needs of local residents and businesses drive regeneration.

8.2 It is proposed that the Council's role should be to:

- lead collaborative working with the community and key partners including providers of affordable housing, health, education and training and skills services;
- specifically seek out experience and expertise from the third sector;
- target investment to ensure that resources are not spread too thinly;
- lever in funding for example through work with the regional improvement and efficiency partnership on improving economic and neighbourhood renewal leadership capacity and with the Homes and Communities agency in identification and promotion of regeneration areas in Maidstone;
- co-ordinate local efforts to mitigate the effects of the economic downturn;
- specifically for the Council to:
  - use its land as a catalyst for regeneration;
  - explore opportunities for site assembly using, if necessary, its powers of compulsory purchase;
    - address housing need and achievement of the council's housing targets;
    - enable the creation of higher quality jobs and access to employment;
    - improve the value of land and building assets and improve associated income streams for example at Parkwood Industrial Estate; and
    - ensure that design and sustainability are taken into account.

8.3 The key areas and sites within the Borough which were identified for regeneration are:

(a) Local Authority and other public body land such as:

- 13 and 26 Tonbridge Road;
- Medway Street car park;
- King Street Car Park;
- land adjacent to Upper Stone Street (Wren's Cross, George Street/Brunswick Street); and
- redundant school sites.

(b) Privately owned sites where market forces have not brought about change. These include:

- Land at Ashford Road / Sittingbourne Road;
- 27 Mote Road and other existing office locations;
- Areas of housing in the control of Golding Homes such as Parkwood; and
- Areas of housing in the control of other Registered Social Landlords (RSLs).

(c) Sites where market forces may bring about change in the future when the economic climate is right but where intervention now may be appropriate which include:-

- Springfield;
- Maidstone East Station;
- St Peter Street/sites along the River Medway;
- Palace Avenue; and
- The Zeneca site at Yalding
- The Powerhub at St Peter's St
- Land at Junction 7 on the M20

8.4 The Council's Core Strategy is also currently proposing 10,080 new homes between 2006 and 2026 and additional areas of employment land which will provide further opportunities.

- 8.5 Development and regeneration projects are only one of a variety of activities which will demand capital resources in the future. It is also anticipated that the resources available to the Council through traditional channels, including cash income and government grant and investment programmes, will become more constrained over the period of the medium term financial strategy as overall levels and the distribution of public spending are adjusted. The Council has therefore given consideration to increasing its liquid assets in the short term through the disposal of land and property.
- 8.6 The priority of achieving capital receipts to support the Council's ambitious capital programme has demanded a more commercial approach to the sites at 13 and 26 Tonbridge Road; the former being sold for development as a Medical Centre, with a pharmacy and affordable housing.
- 8.7 The scale of investment required for regeneration and the current economic landscape suggest that a mix of funding tools and partners are needed to deliver investment and, potentially, generate long term economic gains for the Council (or ultimately the treasury). One way of addressing the need to generate resources for investment through the council's own efforts is the contribution that can be secured from its existing assets both now and on an on-going basis. The Council is also willing and able to act as a developer where this furthers its strategic objectives and the aims of the Asset Management Plan.
- 8.8 A review of the Council's Regeneration Statement combined with an updating of its Economic Development Strategy is currently underway and should be available in the autumn of 2012.

## 9 PERFORMANCE MANAGEMENT

- 9.1 An essential part of local authority asset management is measuring the performance of the assets in relation to their strategic objectives and outcomes and using the results to shape future plans for the buildings.
- 9.2 In accordance with best practice the Council measures the following aspects:
- Condition of asset, required maintenance and spend on maintenance;
  - Customer satisfaction;
  - Environmental performance
  - Capacity and Utilisation
- 9.3 The results of the above measurement are included in Appendix F and are compared with previous years and other authorities who report to the CIPFA benchmarking initiative.
- 9.4 From the results for 2010/11 included in Appendix F, a summary of the conclusions that can be drawn are:
- there is a continuing improvement in the condition of the property which compares very favourably with others in the sector;
  - although water consumption continues to reduce, there was a rise in energy consumption mainly due to the exceptionally long and cold winter of 2010/11 and the inclusion of the Gateway building for the first time. However, performance of water and energy consumption compares favourably with others in the sector;
  - the cost of energy has reduced, reflecting a recovery from the sharp increases in world energy costs in 2008;
  - the method of measuring satisfaction with the Council's main reception at the Gateway has changed and is not comparable with previous reports. However, comparison with 2009/10 shows that customer satisfaction rose from 90% to 93%;
  - the proportion of office space in relation to the remainder of operational property is above the norm, and has slightly increased following the conversion of Crematorium Cottages to offices, and the transfer of some public conveniences to Parish Councils. However, the office space is used more efficiently than the norm, reflecting the open space environment in the main office.

- 9.5 Further improvements in the condition of the property and environmental performance will be expected following the improvements to the Hazlitt Arts Centre, the Museum and air conditioning in Maidstone House during 2011, and in office space utilisation following the introduction of the Offender Management Unit in Maidstone House also during 2011.

## **10 THE ENVIRONMENT**

10.1 During 2011, the Council adopted a Carbon Management Plan which set out how it will reduce its carbon emissions, make carbon management integral to every aspect of its work and help it to develop its services more sustainably.

10.2 The Plan commits the Council to reducing its emissions by 20% by 2014/15 through a variety of projects, many of which are associated with the Council's property assets. The full list is available in the Carbon Management Plan, which can be found at:

<http://www.maidstone.gov.uk/pdf/MBC%20Carbon%20Management%20Plan.pdf>

10.3 Those which relate to the Council's property assets have either recently been completed, are in progress or under review.

- Transfer of Senacre Hall to KCC – completed;
- Transfer of Public Conveniences to parishes – completed;
- Recommissioning the biomass boiler – completed;
- Museum East Wing extension – completed;
- King Street multi-storey car park – options appraisal 2012/13;
- Continuing Improvements at Maidstone Leisure Centre – under review;
- Monitoring and targeting reduced electrical base load at Maidstone House – to be implemented 2012/13;
- Improvement in BMS controls at Maidstone House – to be implemented in 2012/13;
- Magnets on gas pipes – to be implemented in 2012/13;
- Crematorium heat recovery – under review;
- Voltage optimisation – under review;
- Solar film at Maidstone House – completed;
- Upgrade boiler plant, insulate pipework and install thermostatically controlled valves at the Hazlitt Arts Centre – completed;

10.4 The actual effect of the completed projects on the Council's carbon emissions is not yet known, but will be measured and recorded when a full year's effect is known. Those under review will be evaluated to assess the

benefits against the cost, and whether invest to save funding would be applicable.

10.5 Further long term projects being considered are:

- Photovoltaic installations at Cobtree Clubhouse, Park Wood Depot and the Crematorium
- Anaerobic Digestion Plant at the Crematorium

10.6 In accordance with legislation introduced in 2008, the Council has been required to obtain annual Display Energy Certificates for its buildings with a floor area over 1000m<sup>2</sup>. A DEC shows the energy performance of a building based on actual energy consumption, is valid for one year and must be updated annually.

10.7 The results for the Council's buildings are:

Building	Rating			
	2008/9	2009/10	2010/11	2011/12
Archbishop's Palace	B	C	C	C
Maidstone Museum	D	C	C	C
Hazlitt Arts Centre	C	C	B	B
Lockmeadow Market Hall	D	D	D	C
Maidstone Leisure Centre	B	B	B	B
Maidstone House	G	G	G	F
Maidstone Gateway	G	G	F	F

Key: A=more energy efficient; G=less energy efficient

10.8 Work on reducing energy consumption is beginning to show through an improving trend in DEC results. Maidstone House and the Gateway, should continue to improve through more reliable operation of the biomass boiler, improvements to the air conditioning system during 2011, and the planned installation of monitoring equipment during 2012. Recent replacement of the boilers at the Archbishop's Palace and possible replacement of radiators and pipework in the next two years will also have

a positive effect on the DEC rating.



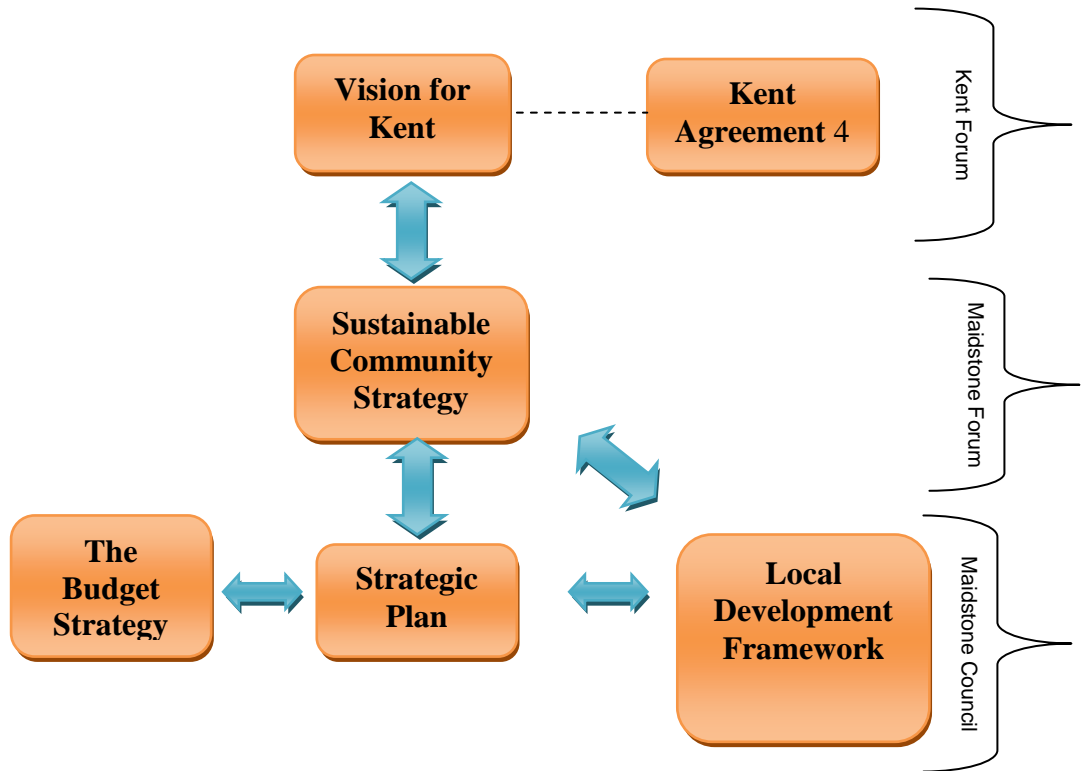
## 11 Risk Management

11.1 The identification and management of risk is an integral component of asset management and is incorporated into the decision making process when considering property acquisitions and disposals, projects, maintenance regimes and property management. A table of areas of asset management, some risks and examples of mitigating action is set out below:

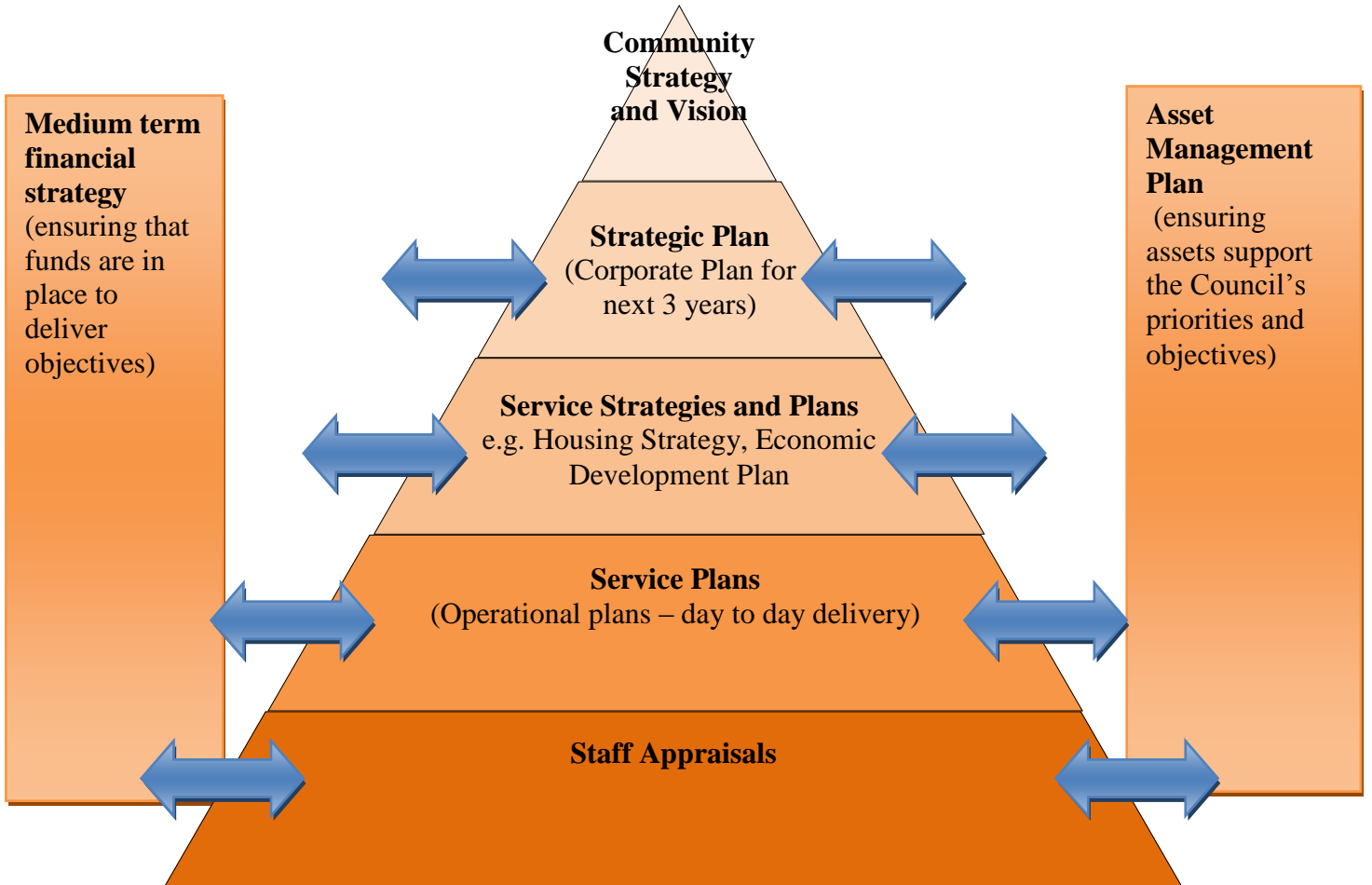
<b>Area</b>	<b>Risk</b>	<b>Action to mitigate</b>
Property acquisition	<ul style="list-style-type: none"> <li>• Tenant defaults</li> <li>• Maintenance costs excessive</li> <li>• Failure to meet objectives</li> </ul>	<ul style="list-style-type: none"> <li>• Check status of incoming tenant</li> <li>• Condition survey</li> <li>• Options appraisals</li> </ul>
Property disposal	<ul style="list-style-type: none"> <li>• Inappropriate development</li> <li>• Insufficient proceeds</li> </ul>	<ul style="list-style-type: none"> <li>• Covenants/conditions included in sale</li> <li>• Obtain valuation advice</li> </ul>
Project	<ul style="list-style-type: none"> <li>• Not focused on Council priorities</li> <li>• Time and cost overruns</li> </ul>	<ul style="list-style-type: none"> <li>• Project appraisal process</li> <li>• Effective project management</li> </ul>
Property management	<ul style="list-style-type: none"> <li>• Assets fail to meet needs of service</li> <li>• Deterioration of leased property</li> <li>• Overdue rent reviews/lease renewals</li> </ul>	<ul style="list-style-type: none"> <li>• Condition surveys, planned maintenance</li> <li>• Property inspections</li> <li>• Clear lease terms</li> <li>• Property Manager's diary</li> </ul>
Strategic management	<ul style="list-style-type: none"> <li>• Failure to ensure all implications of asset related initiatives are considered</li> </ul>	<ul style="list-style-type: none"> <li>• Project appraisal forms</li> <li>• Corporate Property Group scrutiny</li> </ul>
Property Maintenance	<ul style="list-style-type: none"> <li>• health and safety of occupants</li> <li>• Over/under expenditure</li> </ul>	<ul style="list-style-type: none"> <li>• Condition surveys</li> <li>• Contractor selection process</li> <li>• Asbestos, legionella, fire risk assessments etc</li> <li>• Monthly budget reports</li> <li>• Annual workplan</li> </ul>

# ASSET MANAGEMENT PLAN 2012/15 – APPENDICES

## APPENDIX A – Top level Plans



## APPENDIX B – Hierarchy of Plans and links to other strategies



<b>Appendix C - Objectives</b>			
<b>Priority</b>	<b>Outcome</b>	<b>Action</b>	<b>Key Performance measure</b>
For Maidstone to have a growing economy	A transport network that supports the local economy.	Deliver an integrated transport strategy  Implement an infrastructure delivery plan	Percentage of parking spaces used.  Number of Park and Ride transactions.
	A growing economy with rising employment, catering for a range of skill sets to meet the demands of the local economy.	Create and deliver Local Development Framework documents including a core strategy with the policies and land allocations that will create the right conditions for economic development.  Update the Council's Economic Development Strategy and Regeneration Statement.  Review Park Wood Industrial Estate and implement a strategy for its regeneration.	Number of business enquiries to Locate in Kent.  Percentage of vacant units within the Town Centre.  Value of business rateable floor space.
For Maidstone to be a decent place to live	Decent affordable housing in the right place across a range of tenures	Enable the delivery of a range of high quality homes that are desirable and affordable to all sections of the community.	Number of affordable homes delivered.  Percentage of new homes built on previously developed land
	Continues to be a clean and attractive environment for people who live in and visit the borough.	Deliver the Carbon Management Plan to ensure that the Council reduces its carbon footprint by 3% per annum.  Maximise our leisure and cultural offer to enhance the quality of life for our residents whilst attracting visitors, new residents and businesses.	Percentage reduction in CO2 emissions from local authority operations.
	Residents in Maidstone are not disadvantaged because of where they live or who they are, vulnerable people are assisted and the level of deprivation is reduced.	Promote active citizenship – to facilitate and support increased involvement by local people in decision making and involvement in their neighbourhoods	
Corporate and Customer Excellence	Customer focused services with which residents are satisfied.  Efficient, cost effective services are delivered across the borough.	Seek out and implement new ways of delivering services that are not our core business, such as the Theatre and the Museum.  Progress the shared services programme for those services it is practical to do so and savings can be achieved.  Ensure we use performance management data, customer satisfaction and customer feedback to improve services.	Satisfaction with the way the Council runs things.  Satisfaction with the Council's parks and open spaces.  Satisfaction with the Leisure Centre.

## APPENDIX D – CAPITAL PROGRAMME - SUMMARY

<b>CAPITAL PROGRAMME SUMMARY</b>	<b>Revised Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>	<b>Estimate 2016/17</b>	<b>Estimate 2017/18</b>
	£	£	£	£	£	£
<b>EXPENDITURE</b>						
COMMUNITY & LEISURE	4,443,928	1,882,500	1,590,000	450,000	450,000	450,000
CORPORATE SERVICES	328,859	1,080,000	380,000	0	0	0
ECONOMIC & COMMERCIAL DEVELOPMENT	672,238	1,700,000	0	0	0	0
ENVIRONMENT	43,896	0	0	0	0	0
PLANNING, TRANSPORT & DEVELOPMENT	35,800	0	0	0	0	0
<b>GRAND TOTAL - ALL PORTFOLIOS</b>	<b>5,488,921</b>	<b>4,662,500</b>	<b>1,970,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>

<b>CAPITAL FUNDING SUMMARY</b>	<b>Revised Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>	<b>Estimate 2016/17</b>	<b>Estimate 2017/18</b>
	£	£	£	£	£	£
<b>EXPENDITURE</b>						
REVENUE SUPPORT	399,156	4,190,250	1,520,000	724,792	350,000	350,000
CAPITAL GRANTS	2,083,490	472,250	450,000	450,000	450,000	450,000
CAPITAL RECEIPTS	3,006,275	0	0	0	0	0
<b>GRAND TOTAL - ALL PORTFOLIOS</b>	<b>5,488,921</b>	<b>4,662,500</b>	<b>1,970,000</b>	<b>1,174,792</b>	<b>800,000</b>	<b>800,000</b>

<b>COMMUNITY &amp; LEISURE</b>	<b>Revised Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>	<b>Estimate 2016/17</b>	<b>Estimate 2017/18</b>
	£	£	£	£	£	£
CCTV	238,510					
Cobtree Golf Course	6,950					
Continued Improvements to Play Areas	175,000	100,000	100,000			
Green Space Strategy	4,500					
Leisure Centre Roof	20,830					
Mote Park Regeneration	972,008					
Museum Carbon Management Scheme	40,000					
Small Scale Capital Works Programme	67,490					
Housing Grants	1,641,140	1,305,000	1,300,000	450,000	450,000	450,000
Support for Social Housing	1,177,500	382,500	190,000			
Gypsy Site Improvements	100,000	95,000				
<b>COMMUNITY &amp; LEISURE TOTAL</b>	<b>4,443,928</b>	<b>1,882,500</b>	<b>1,590,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>

<b>CORPORATE SERVICES</b>	<b>Revised Estimate 2012/13</b>	<b>Estimate 2013/14</b>	<b>Estimate 2014/15</b>	<b>Estimate 2015/16</b>	<b>Estimate 2016/17</b>	<b>Estimate 2017/18</b>
	£	£	£	£	£	£
Asset Management / Corporate Property	145,759	200,000	200,000			
Software / PC Upgrade and Replacement	180,000	180,000	180,000			
Upgrade Amenity lighting	3,100					
High Priority Legislative / Health & Safety Projects		700,000				
<b>CORPORATE SERVICES TOTAL</b>	<b>328,859</b>	<b>1,080,000</b>	<b>380,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Revised Estimate 2012/13 £	Estimate 2013/14 £	Estimate 2014/15 £	Estimate 2015/16 £	Estimate 2016/17 £	Estimate 2017/18 £
<b>ECONOMIC &amp; COMMERCIAL DEVELOPMENT</b>						
High Street Regeneration Ph 1a & 1b	672,238					
High Street Regeneration Ph 2		1,700,000				
<b>ECONOMIC &amp; COMMERCIAL DEVELOPMENT</b>	<b>672,238</b>	<b>1,700,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Revised Estimate 2012/13 £	Estimate 2013/14 £	Estimate 2014/15 £	Estimate 2015/16 £	Estimate 2016/17 £	Estimate 2017/18 £
<b>ENVIRONMENT</b>						
CCTV - Park & Ride Sites	5,200					
Improvements to the Council's Car Parks	14,796					
Land Drainage/Improvement to Ditches & Watercourses	23,900					
<b>ENVIRONMENT TOTAL</b>	<b>43,896</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Revised Estimate 2012/13 £	Estimate 2013/14 £	Estimate 2014/15 £	Estimate 2015/16 £	Estimate 2016/17 £	Estimate 2017/18 £
<b>PLANNING</b>						
Planning Delivery	9,350					
Regeneration Schemes	26,450					
<b>PLANNING, TRANSPORT &amp; DEVELOPMENT TOTAL</b>	<b>35,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## APPENDIX E – SUMMARY OF ASSETS

Location	Description	Asset Category	Valuation Method	Asset Value
South Park	Hockey Pavilion	non-operational	MV	£47,300
Mote Park	Restaurant & Kiosk	non-operational	MV	£79,696
Corn Exchange	Shopping arcade	non-operational	MV	£1
Lockmeadow	Entertainment Complex	non-operational	MV	£3,200,000
Mote Park	7 School Lane	non-operational	MV	£69,535
Mote Park	Boxley Lodge	non-operational	MV	£90
Mote Park	Forge Lodge	non-operational	MV	£950
Mote Park	1 Forge Lodge Bungalow.	non-operational	MV	£127,042
Mote Park	1 Keepers Cottage	non-operational	MV	£151,770
Mote Park	2 Keepers Cottage	non-operational	MV	£82,911
Mote Park	1 Mansion Cottage	non-operational	MV	£137,144
Mote Park	2 Mansion Cottage	non-operational	MV	£137,144
Mote Park	Raigersfeld House & Barn	non-operational	MV	£354,449
Mote Park	Raigersfeld Lodge	non-operational	MV	£280,000
Penenden Heath	1 Penenden Heath Cottages	non-operational	MV	£108,317
Penenden Heath	2 Penenden Heath Cottages	non-operational	MV	£89,078
South Park	1 South Park Cottage	non-operational	MV	£89,586
Barming	Beechwood Hall	non-operational	MV	£393,000
Fant Lane	Fant Hall	non-operational	MV	£192,726
Mangravet Avenue	Hillary Hall	non-operational	MV	£10,185
Grove Green	Village Hall	non-operational	MV	£3,500
Senacre	Senacre Hall	non-operational	MV	£582,400
Downswood	Community Hall	non-operational	MV	3,900
Cemetery	No 1 Cottage	non-operational	MV	£53,700
Cemetery	Foremans House	non-operational	MV	£83,400



Crematorium	No 1 Cottage	non-operational	MV	£150,000
Crematorium	No 2 Cottage	non-operational	MV	£44,368
Upper Stone Street	100-102	non-operational	MV	£96,530
Parkwood	Industrial Estate	non-operational	MV	£6,524,550
Fairfax (Units 6 - 7)	Starter Unit	non-operational	MV	£69,260
Spectrum (Units 9-15)	Starter Unit	non-operational	MV	£294,294
Station Road Harrietsham	No 15 Station Rd	non-operational	MV	£118,512
Brunswick Street	Car Sales Premises	non-operational	MV	£77,626
Broadway	Ferryman Public House	non-operational	MV	£192,516
Broadway	Newsagent kiosk	non-operational	MV	£46,531
High Street	34-35	non-operational	MV	£400,906
Manor Young Peoples Club	Youth Centre	non-operational	MV	£118,505
107 Wallis Avenue	Petrol Filling Station	non-operational	MV	£28,335
111 Tonbridge Road	Care Home	non-operational	MV	£233,009
Archbishops Palace	Gate House	non-operational	MV	£110,950
Archbishops Palace	Heritage Centre Complex	non-operational	MV	£1,091,270
Archbishops Stables	Carriage Museum	operational	DRC	£1,302,176
Mote Park	Leisure Centre	operational	DRC	£20,974,685
Maidstone Museum	Museum & Art Gallery	operational	DRC	£12,303,192
Hazlitt Theatre	Theatre Complex	operational	DRC	£4,631,750
Parkwood	Heather House	operational	DRC	£459,720
Cemetery	Cemetery	operational	DRC	£332,656
Crematorium	Crematorium	operational	DRC	£2,150,331
Lockmeadow	Agricultural Hall & Cafe	operational	DRC	£1,324,834
King Street	Multi Storey Car Park	operational	EUV	£1,346,815
Medway Street	Public Car Park	operational	EUV	£920,018
Well Road	Public Car Park	operational	EUV	£201,000
Wheeler Street	Public Car Park	operational	EUV	£925,000
Brewer Street East	Public Car park	operational	EUV	£992,000
Brewer Street West	Public Car Park	operational	EUV	£675,396

Palace Avenue	Public Car Park	operational	EUV	£712,437
Old College Road	Public Car Park	operational	EUV	£457,500
Mill Street	Public Car Park	operational	EUV	£991,377
Barker Road	Public Car Park	operational	EUV	£875,000
Lucerne Street	Public Car Park	operational	EUV	£170,000
Sittingbourne Road	Public Car Park	operational	EUV	£385,000
Union Street West	Public Car Park	operational	EUV	£261,000
Union Street East	Public Car Park	operational	EUV	£269,000
Brooks Place	Public Car Park	operational	EUV	£119,000
Mote Road	Public Car Park	operational	EUV	£455,000
Brunswick Street	Public Car Park	operational	EUV	£338,500
Queen Anne Road	Public Car Park	operational	EUV	£442,000
George Street	Public Car Park	operational	EUV	£245,982
Yeoman Lane Bearsted	Car Park ( N P )	operational	DRC	£74,630
Library/High St Marden	Car Park ( N P )	operational	DRC	£326,693
Bell Lane Staplehurst	Car Park ( N P )	operational	DRC	£166,730
Mote Park	P&R site	operational	EUV	£15,590
Sittingbourne Road	P&R site	operational	EUV	£57,561
Town Hall	Town Hall	operational	DRC	£1,800,000
New Depot	Langley Park Farm	operational	EUV	£1,693,619
Cobtree	Golf Course	operational	EUV	£505,764
Tonbridge Road	No 26	held for disposal	MV	£700,000
Tonbridge Road	No 13	held for disposal	MV	£864,663
Land at Hayle Place	Hayle Place	held for disposal	MV	£700,000
Community Assets		operational	DRC	£912,058
Public conveniences		operational	DRC	£1,969,819

TOTAL

£79,923,482

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**Market Value (MV)** is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

**Existing Use Value (EUV)** is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.

**Depreciated Replacement Cost (DRC)** is the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

**PROPERTY PERFORMANCE INDICATORS  
FINANCIAL YEAR 2010/11**

<b>CUSTOMER SATISFACTION</b>	<b>2010/11</b>	<b>2008/9</b>	<b>2007/8</b>	<b>Average of other LA's 2009/10</b>
<b>Percentage of customers served who are engaged in customer satisfaction surveys</b>	(whole year)	(one week)	(whole year)	
Total number of visitors to reception	51879	915	56611	
Number surveyed	331	202	329	
Percentage surveyed	0.64%	22%	0.58%	
Satisfaction with convenience, accessibility, comfort and facilities				
Satisfied		63%	42%	
Very satisfied		35%	48%	
Average satisfaction level	92%			
 <b>SUFFICIENCY (CAPACITY and UTILISATION)</b>				
Operational office property as a percentage of the total portfolio	20%	18%		17%
Office space per head of population	0.04m2	0.04m2		
Office space as a percentage of total floor space in operational office buildings	65%	65%		
Number of office or operational buildings shared with other public agencies	2	1		
Percentage of office buildings shared with public agencies	66%	50%		
Average office floor space per number of staff in office based teams	11m2	11m2		12m2
Average office floor space per workstation	13m2	12m2		

**PROPERTY PERFORMANCE INDICATORS  
FINANCIAL YEAR 2010/11**

<b>CONDITION</b>	<b>20010/11</b>	<b>2008/9</b>	<b>2007/8</b>	<b>Average of other LA's 2009/10</b>
<b>See separate sheets for full details of condition etc</b>				
Percentage of floor area falling within condition categories A-D				
A - Good	60.52%	52.36%	39.81%	18%
B - Satisfactory	36.35%	29.43%	48.11%	60%
C - Poor	2.52%	16.64%	9.41%	19%
D - Bad	0.60%	1.57%	2.67%	3%
Cost of required maintenance as a percentage in priorities 1-3				
1 - Urgent	17.24%	14.39%	14.60%	11%
2 - Essential	45.67%	36.81%	36.39%	45%
3 - Desirable	37.09%	48.80%	49.02%	44%
Total cost of required maintenance per m2	£72.11	£74.72/m2	£80.92/m2	£123/m2
Annual percentage change to total required maintenance over previous year				
Total required maintenance	£2,610,785	£3,192,887	£2,706,728	
Percentage change from previous year	-18.23%	17.96%	-0.50%	
Total spend on maintenance in previous year (subject to confirmation from end of year accounts)				
	£686,087	£684,246	£788,801	
Total spend on maintenance per square metre	£19/m2	£16/m2	£25/m2	
Percentage split of total spend on maintenance between planned and responsive maintenance				
	61:39	70:30	76:24	64:36

**PROPERTY PERFORMANCE INDICATORS  
FINANCIAL YEAR 2010/11**

<b>ENVIRONMENTAL PERFORMANCE</b>	<b>2010/11</b>	<b>2008/9</b>	<b>2007/8</b>	<b>Average of other LA's 2009/10</b>
<b>Energy cost and consumption per gross internal floor area of operational buildings</b>				
Cost of gas, electricity, oil, solid fuel per square metre gross internal floor area	£10.23/m2	£13.43/m2	£9.98/m2	£12.30/m2
Consumption of gas, electricity, oil, solid fuel per square metre gross internal floor area	196kwh/m2	160kwh/m2	182kwh/m2	208kwh/m2
<b>Water cost and consumption per gross internal floor area</b>				
Cost of water per square metre gross internal floor area	£0.96/m2	£0.77/m2	£1.00/m2	£2.01/m2
Consumption of water per square metre gross internal floor area	0.79m3/m2	0.81m3/m2	1.02m3/m2	0.82m3/m2
<b>CO2 emissions per gross internal floor area</b>	66.74kg/m2	51.97kg/m2	24.42kg/m2	70kg/m2