

MAIDSTONE BOROUGH COUNCIL
CORPORATE SERVICES OVERVIEW AND SCRUTINY
COMMITTEE

3 FEBRUARY 2009

REPORT OF HEAD OF BUSINESS IMPROVEMENT

Report prepared by Alasdair Robertson

1. Asset Management Review

1.1 Issue for Decision

1.1.1 To provide a progress update on the above review and the criteria used to assess assets.

1.2 Recommendation of Head of Business Improvement

1.2.1 That the Committee note the assets being assessed as part of the review.

1.2.2 That the assessment criteria are approved.

1.3 Reasons for Recommendation

1.3.1 The Corporate Services Overview and Scrutiny Committee have asked to be kept informed of progress with the asset review.

1.3.2 Specifically the list of assets being reviewed and the value were requested. The assets within scope are those listed in the Asset Management Plan and are attached in Appendix A.

1.3.3 The values of the assets are currently those listed in the Asset Register. It should be noted that the valuation for these purposes is not always the market value. Valuations are in line with the recommended approach for local authority valuations and are more commonly the depreciated value or reinstatement value. The exception would be assets classed as investment properties which are valued at market rates and community assets which are valued at nominal levels.

1.3.4 The asset review intended to assess the market valuation of each asset. The aim was to combine this with the revenue costs of each

asset and compare to the benefits produced. This assessment would be a useful tool to understand the 'performance' of each asset. Since the approach is the same as for new capital projects it also provides comparability to new schemes.

1.3.5 The severe decline in asset values makes this exercise no longer valid in the current climate and the valuation aspects has therefore been put on hold.

1.3.6 However the assessment of benefits has commenced. The criteria used are designed to align with the process for assessing new capital schemes to provide consistency. The Committee are invited to consider the draft criteria and amend as required.

1.3.7 Criteria for assessment of asset performance:

Contribution to corporate priorities (48 points)

8 points for a direct contribution

4 points for an indirect contribution

Benefits Produced (35 points)

The highest points will be awarded to those schemes which satisfy a Borough wide need or provide a Borough wide benefit, or improves organisational efficiency or improves a below standard service. Ward or neighbourhood schemes or those benefiting a part of the organisation will score at the lower end. The timescale of the delivery of the benefit should also be considered. The more immediate the benefit, the better.

Value added to other parts of the property portfolio (10 points)

Assets which make other assets more valuable can score up to 10 points. For example if another asset would become less effective without the ownership of the asset in question a higher score should be given reflecting the extent of the benefit provided.

Potential to exploit further (20 points)

Higher scores are given where there is:

- 1) A clearly identified option to gain more benefits, reduce costs or increase revenue (4 points)
- 2) Agreement to the business case specifying the above which should include inclusion on the capital programme where capital costs are involved (4 points)
- 3) A clear programme plan in place with resources and timescales approved, in place and underway (4 points)
- 4) Up to 8 points can be allocated to reflect the size of benefit anticipated

Practicality of disposal (50 points)

Assets which are easier to dispose of score up to 50 points.

This score would be reduced to reflect the existence of any of the following factors. Scores should not be reduced to reflect anything related to the market value that may be potentially achieved or the loss of the benefits listed in sections A or B.

- Specific reasons why the current location can not be moved for operational reasons such as access or services
- Where disposal would result in additional costs for e.g. relocation, remediation or replacement of the current operation to another location
- Restrictions such as covenants or legal agreements that can not be overcome
- The asset can not be relocated to an alternative local facility or site
- Demolition or sale costs would be abnormally high
- Significant reputational damage could result from disposal

Costs

The above criteria are offset by the costs of the asset. Every £50k of capital cost is counted as 1 negative point. Every £10k of revenue is counted as 1 negative point. Hence the final assessment will allow for a complete cost: benefit comparison of each asset on a consistent basis.

1.3.8 This assessment will help to identify assets where further investigation of options would be worth undertaking.

1.4 Alternative Action and why not Recommended

1.4.1 Alternative scoring could be devised and the Committee are asked to suggest any alterations.

1.5 Impact on Corporate Objectives

1.5.1 All corporate objectives are directly linked to the proposed approach

1.6 Risk Management

1.6.1 The current property market is in a considerable state of flux and any purchases or sales must be considered as high risk at the present time and should be assessed on a case by case basis.

1.7 Other Implications

1.7.1

1. Financial
2. Staffing
3. Legal
4. Equality Impact Needs Assessment
5. Environmental/Sustainable Development
6. Community Safety
7. Human Rights Act
8. Procurement
9. Asset Management

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1.7.2 The capital programme is in part dependent on an effective disposals and acquisitions.

NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED

Is this a Key Decision? Yes No

If yes, when did it appear in the Forward Plan? _____

Is this an Urgent Key Decision? Yes No

Appendix A Current assets within the review and the associated values

Asset	Description	Classification	Asset Value	Future capital needed (next 5 years)	Annual Running costs
			-		
Stilebridge	Gypsy Site	Operational	£ -	£ 326,625	£ 92,710
Marden	Gypsy Site	Operational	£ 118,259	£ 326,625	£ 78,890
Archbishops Palace					
Archbishops Palace	Gate House	Operational	£ 111,000		£ 9,480
Archbishops Palace	Undercroft	Operational	£ -		
Archbishops Palace	Heritage Centre Complex	Operational	£ 809,000		£ 75,650
Archbishops Stables	Carriage Museum	Operational	£ 889,306		£ 72,810
Penenden Heath					
Penenden Heath	5.17 hectares	Community	£ 1		£ 64,273
Penenden Heath	Garage & Tool-shed	Operational	£ 10,700		£ 64,273
Penenden Heath	Public Conveniences	Operational	£ 78,830		£ 26,346
Penenden Heath	Pavilion	Community	£ 1		£ 4,390
Penenden Heath	Kiosk	Investment	£ 6,200		£ 64,273
South Park					
South Park	10.16 hectares	Community	£ 1		£ 66,653
South Park	Tool-shed	Operational	£ 8,400		£ 66,653
South Park	Teen Shelter	Operational	£ 10,542		£ 66,653
South Park	Public Conveniences	Operational	£ 28,796		£ 9,624
South Park	Pavilion	Community	£ 1		£ 4,390
South Park	Hockey Pavilion	Investment	£ 13,000		£ 4,390
North Ward	Kickabout Area	Operational	£ 65,258		£ 64,273
Maidstone	BMX/Skateboard Facility	Operational	£ 50,825		£ 64,273
Maidstone	Multi-Use Games Area	Operational	£ 113,883		£ 64,273
Staplehurst	Changing Rooms	Operational	£ -	£ 65,000	

Brenchley Gardens						
Brenchley Gardens	Messroom	Operational	£	5,000		£ 64,273
Brenchley Gardens	Public Conveniences	Operational	£	112,185		£ 37,494
Brenchley Gardens	Park/Band Stand	Community	£	4,991	£ 125,040	£ 64,273
Brenchley Gardens	War Memorial	Community	£	1		£ 333
Clare Park						
Clare Park	Tool Store	Operational	£	5,000		£ 64,273
Clare Park	Public Conveniences	Operational	£	75,123		£ 25,107
Clare Park	Tennis Changing Room	Community	£	15,001		£ 64,273
Clare Park	Lower Bowls Pavilion	Community	£	1		£ 4,390
Clare Park	Upper Bowls Pavilion	Community	£	1		£ 4,390
Mote Park						
Mote Park	180.00 hectares	Community	£	1,169	£ 1,840,000	£ 64,273
Mote Park	Car Park	Operational	£	-		
Mote Park	Leisure Centre	Operational	£	13,021,315	£ 1,852,600	£ 616,990
Mote Park Lakeside	Public Conveniences	Operational	£	82,535		£ 27,584
Mote Park Pavilion	Public Conveniences	Operational	£	134,422		£ 44,926
Mote Park	Park & Ride Car Park	Operational	£	672		£ 452,950
Mote Park	Volunteers Memorial Hall	Community	£	5,803		£ 4,390
Mote Park	Restaurant & Kiosk	Investment	£	81,000		£ 4,390
Maidstone Museum	Museum & Art Gallery	Operational	£	3,637,113	£ 114,000	£ 849,220
Hazlitt Theatre	Theatre Complex	Operational	£	2,705,862		£ 855,380
Corn Exchange	Theatre Complex	Operational	£	1,377,264	£ 50,100	£ 302,440
Parkwood	Heather House	Operational	£	459,720	£ 170,168	-£ 17,204
Allington	Public Conveniences	Operational	£	67,711		£ 22,630
Bell Lane Staplehurst	Public Conveniences	Operational	£	89,948		£ 30,062
Church Street Maidstone	Public Conveniences	Operational	£	101,067		£ 33,778
Fairmeadow	Public Conveniences	Operational	£	178,896		£ 59,790
Headcorn	Public Conveniences	Operational	£	51,033		£ 17,056

Lenham	Public Conveniences	Operational	£	75,226		£	25,142
Marden	Public Conveniences	Operational	£	67,711		£	22,630
Palace Avenue	Public Conveniences	Operational	£	-			
Parkwood	Public Conveniences	Operational	£	60,299		£	20,153
Shepway	Public Conveniences	Operational	£	-			
Staplehurst Library	Public Conveniences	Operational	£	38,062		£	12,721
Yalding	Public Conveniences	Operational	£	93,564		£	31,270
	Public Conveniences	Operational	£	20,321		£	6,792
Cemetery							
Cemetery	Messroom	Operational	£	246		£	178
Cemetery	Toilets	Operational	£	-			
Cemetery	Toilet & Store	Operational	£	38,062		£	27,538
Cemetery	Tractor store	Operational	£	59,787		£	43,256
Cemetery	Dead House or Store	Operational	£	-			
Cemetery	Portable Building	Operational	£	7,450		£	5,390
Cemetery		Operational	£	10,000		£	7,235
Cemetery	Chapel	Operational	£	227,357		£	164,494
Crematorium							
Crematorium	Chapel	Operational	£	171,394		£	88,218
Crematorium	Flower Halls	Operational	£	62,036		£	31,931
Crematorium	Garage and Shed	Operational	£	20,661		£	10,634
Crematorium	Messroom	Operational	£	51,033		£	26,267
Crematorium	Book Room	Operational	£	16,259		£	8,369
Crematorium	Plaque Room	Operational	£	69,666		£	35,858
Crematorium	Toilets	Operational	£	46,346		£	23,855
Crematorium	Crematory	Operational	£	276,918	£	1,337,590	£ 142,533
Crematorium	Chauffeurs Messroom	Operational	£	8,033		£	4,135
Crematorium	Land	Operational	£	98,109		£	50,498
Crematorium	Offices	Operational	£	58,419		£	30,069

Crematorium		Operational	£	540		£	278
Lockmeadow							
Lockmeadow	Agricultural Hall & Cafe	Operational	£	-		£	37,830
Lockmeadow	Covered Market	Operational	£	-			
Lockmeadow Market.	Public Conveniences	Operational	£	178,896		£	59,790
Lockmeadow	Pump House	Community	£	1			
Lockmeadow	Main Gate Ticket Office	Operational	£	-			
Lockmeadow	Managers Office	Operational	£	-			
Lockmeadow	Stores Block No.1	Operational	£	-			
Lockmeadow	Stores Block No.2	Operational	£	-			
Lockmeadow	Traders Toilets	Operational	£	691,296		£	498,250
King Street	Multi Storey Car Park	Operational	£	1,861,786		£	182,298
Medway Street	Public Car Park	Operational	£	920,018		£	90,084
Waterside East	Public Car Park	Operational	£	-			
Well Road	Public Car Park	Operational	£	165,199		£	16,176
Wheeler Street	Public Car Park	Operational	£	761,591		£	74,572
Brewer Street East	Public Car Park	Operational	£	776,707		£	76,052
Brewer Street West	Public Car Park	Operational	£	675,396		£	66,132
Havock Lane	Public Car Park	Operational	£	-			
Museum Street	Public Car Park	Operational	£	-			
Palace Avenue	Public Car Park	Operational	£	577,513		£	56,548
Old College Road	Public Car Park	Operational	£	372,570		£	36,481
Mill Street	Public Car Park	Operational	£	775,627		£	75,946
Barker Road	Public Car Park	Operational	£	721,361		£	70,633
Lucerne Street	Public Car Park	Operational	£	136,213		£	13,337
Sittingbourne Road	Public Car Park	Operational	£	297,808		£	29,160
Union Street West	Public Car Park	Operational	£	161,780		£	15,841
Union Street East	Public Car Park	Operational	£	206,922		£	20,261
Brooks Place	Public Car Park	Operational	£	118,197		£	11,573
Mote Road	Public Car Park	Operational	£	327,570		£	32,074
Brunswick Street	Public Car Park	Operational	£	277,146		£	27,137
Brunswick Street	Public Car Park	Operational	£	-			
Queen Anne Road	Public Car Park	Operational	£	373,056		£	36,528

Upper Stone Street (Brunswick St.)	Public Car Park	Operational	£ 301,430		£ 29,515
Yeoman Lane Bearsted	Car Park (N P)	Operational	£ 39,275		£ 5,941
Library/High St Marden	Car Park (N P)	Operational	£ 156,744		£ 23,708
Bell Lane Staplehurst	Car Park (N P)	Operational	£ 23,677		£ 3,581
Sittingbourne Road	Park & Ride Car Park	Operational	£ 57,561		£ 452,950
Town Hall	Town Hall	Operational	£ 1,547,067		£ 152,290
Armstrong Road Depot					
Armstrong Road Depot	Block C Offices	Operational	£ 146,250		£ 14,748
Armstrong Road Depot	Block D Workshops	Operational	£ 109,823		£ 11,074
Armstrong Road Depot	Block F Stores	Operational	£ 378,655		£ 38,183
Armstrong Road Depot	Stores J1	Operational	£ 35,574		£ 3,587
Armstrong Road Depot	Stores J2	Operational	£ 32,211		£ 3,248
Armstrong Road Depot	Stores K	Operational	£ 77,777		£ 7,843
Armstrong Road Depot	Stores L	Operational	£ 49,803		£ 5,022
Armstrong Road Depot	Block E Cottage 1 Arm. Rd	Investment	£ 54,840		£ 5,530
Armstrong Road Depot	Block E Cottage 2 Arm. Rd	Investment	£ 100,000		£ 10,084
Armstrong Road Depot	Block E Cottage 3 Arm. Rd	Investment	£ 59,720		£ 6,022
Armstrong Road Depot	Open Storage	Operational	£ 96,875	£ 4,604,020	£ 9,769
Acquisition of Land for new Depot	Langley Park Farm	Operational	£ 1,454,133		
Youth Café		Operational	£ 4,471		
Tonbridge Road	Office No 26	Surplus	£ 480,511		
London Road	Offices 13 A/B (Now a staff car park)	Surplus	£ 291,250		
Tonbridge Road site		Surplus	£ 2,412,175		£ -
Maidstone Riverside	Footpath	Infrastructure	£ 48,189		£ 64,273
Maidstone	St Peters Bridge	Infrastructure	£ 33,989		£ 64,273
Roseholme	Land	Infrastructure	£ 81,190		£ 64,273
Maidstone	Replacement Water Mains	Infrastructure	£ 41,115		£ 64,273
Maidstone River	Whatmans Field - Pedestrian Bridges	Infrastructure	£ 2,076,300		

Maidstone River	Lockmeadow Footbridge	Infrastructure	£	1,024,153			
Maidstone	Park & Ride Car Park	Infrastructure	£	26,065		£ 452,950	
Loose Road	Access Works	Infrastructure	£	30,900			
Grove Green	Paths	Community	£	8,643		£ 64,273	
Mangravel Recreational Ground	4.23 hectares	Community	£	1		£ 64,273	
Shepway Green	4.40 hectares	Community	£	1		£ 64,273	
Parkwood Recreational Ground	9.16 hectares	Community	£	1		£ 64,273	
Gatland Lane							
Gatland Lane	3.29 hectares	Community	£	1		£ 64,273	
Gatland Lane	Pavilion	Community	£	1		£ 4,390	
Giddyhorn Lane							
Giddyhorn Lane	4.33 hectares	Community	£	1		£ 64,273	
Giddyhorn Lane	Pavilion	Community	£	1			
Maidstone	Riverside Park	Community	£	1		£ 390,910	
Cobtree							
Cobtree Rural Park	96.15 hectares	Community	£	1			
Cobtree	Elephant House	Community	£	1			
Cobtree	Ranger Station	Community	£	1			
Cobtree	Sandling Farm	Community	£	1			
Cobtree	Tyland Barn	Community	£	1			
Cobtree	Golf Clubhouse	Operational	£	8,798			
Cobtree	Messroom/Garage	Operational	£	96,692	£ 24,010	£ 130,856	
Cobtree	Golf Clubhouse	Operational	£	96,692			
Barming Heath							
Barming Heath	Playleader Hut	Community	£	1		£ 4,390	
Barming Heath	Pavilion	Community	£	8,696		£ 4,390	
Allotments	18 sites	Community	£	1			

Broadway	War Memorial	Community	£	1		£	333
Queens Monument	War Memorial	Community	£	1		£	333
Holy Trinity	Urban Park	Community	£	1			
Maidstone Bridge	Clock Tower	Community	£	1			
Old College							
Old College	Gateway	Community	£	19,072		£	11,562
Old College	Masters Tower	Community	£	1		£	11,562
Old College	Quarterdeck	Community	£	1		£	11,562
Farleigh Hill	Waste Land	Community	£	1			
8 Quarry Square	Land	Community	£	1			
Sunningdale Court	Land	Community	£	1			
Hartnup St/Tonbridge Rd	Land	Community	£	1			
20 Hampshire Drive	Land	Community	£	1			
71 Woolley Road	Land	Community	£	1			
35 Bicknor Road	Land	Community	£	1			
104 Wallis Avenue	Land	Community	£	1			
Camp Road/Grove Road	Land	Community	£	1			
33 Beaumont Road	Land	Community	£	1			
16 North Street, Barming	Land	Community	£	1			
65 Cross Keys, Bearsted	Land	Community	£	1			
18 Hurstwood Road, Bredhurst	Land	Community	£	1			
Gallants Lane, East Farleigh	Land	Community	£	1			
1/2 Chapel Cottage, Laddingford	Land	Community	£	1			
22 Cornwallis Avenue, Linton	Land	Community	£	1			
1 Gordon Court, Loose	Land	Community	£	1			
George Marsham House, Loose	Land	Community	£	1			
Winches Garth, Staplehurst	Land	Community	£	1			
1 Lyngs Close, Yalding	Land	Community	£	1			
30 Woodford Road, Barming	Land	Community	£	1			
7 Woodford Road, Barming	Land	Community	£	1			
Maidstone House	Offices	Fixtures & Fittings	£	485,883		£	187,150
Mote Park	Nursery	Investment	£	50,000		£	64,273
	Undercliffe Boat House &						
Maidstone River	Kiosk	Investment	£	21,000		£	64,273

Mote Park	7 School Lane	Investment	£	53,100	£	1,278
Mote Park	Boxley Lodge	Investment	£	50,658	£	1,219
Mote Park	Forge Lodge	Investment	£	97,660	£	2,351
Mote Park	1 Forge Lodge Bund.	Investment	£	97,400	£	2,345
Mote Park	1 Keepers Cottage	Investment	£	202,690	£	4,879
Mote Park	2 Keepers Cottage	Investment	£	76,465	£	1,841
Mote Park	1 Mansion Cottage	Investment	£	161,185	£	3,880
Mote Park	2 Mansion Cottage	Investment	£	161,185	£	3,880
Mote Park	Nursery Cottage	Investment	£	210,000	£	5,055
Mote Park	Raigersfeld House & Barn	Investment	£	238,500	£	5,741
Mote Park	Raigersfeld Lodge	Investment	£	56,000	£	1,348
Penenden Heath	1 Penenden Heath Cottages P.H.	Investment	£	89,900	£	2,164
Penenden Heath	2 Penenden Heath Cottages P.H.	Investment	£	66,700	£	1,606
South Park	1 South Park Cottage S.P.	Investment	£	64,700	£	1,557
Mote Park	Mote Lodge	Investment	£	44,275	£	1,066
Fant Lane	Fant Hall	Investment	£	31,240	£	11,564
Mangravet Avenue	Hillary Hall	Investment	£	10,300	£	3,813
Grove Green	Village Hall	Investment	£	3,500	£	1,296
Cemetery	No 1 Cottage	Investment	£	32,207	£	23,302
Cemetery	Foremans House	Investment	£	50,568	£	36,586
Crematorium	No 1 Cottage	Investment	£	60,400	£	31,089
Crematorium	No 2 Cottage	Investment	£	44,368	£	22,837
Upper Stone Street (Brunswick St.)	Car Sales Premises (Land)	Investment	£	96,530	£	9,452
Parkwood	Industrial Estate	Investment	£	6,626,900	£	32,880
Fairfax (Units 6 - 7)	Starter Unit	Investment	£	87,820	£	11,351
Spectrum (Units 9-15)	Starter Unit	Investment	£	458,450	£	59,259
Station Road Harrietsham	No 15 Station Rd	Investment	£	119,160	£	11,562
Station Road Harrietsham	No 17 Station Rd	Investment	£	119,160	£	11,562

Upper Stone Street (Brunswick St.)	Car Sales Premises	Investment	£	187,500	£	11,562
Broadway	Ferryman Public House	Investment	£	213,300	£	11,562
Broadway	Newsagent kiosk	Investment	£	58,000	£	11,562
Elizabeth Close	Waste Land	Investment	£	10,129	£	11,562
Maidstone	34/35/36 High Street	Investment	£	1,222,000	£	11,562
Manor Young Peoples Club	Youth Centre	Investment	£	98,965	£	11,562
107 Wallis Avenue	Petrol Filling Station	Investment	£	33,220	£	11,562
111 Tonbridge Road	Care Home	Investment	£	219,540	£	11,562
Mote Park	Sailing Club	Surplus	£	29,365	£	64,273
Buckland Hill	Wildlife Conservation Area	Surplus	£	3,000	£	64,273