

Appendix A – CIPFA Audit

Area/Function	Havant	East Hants	Recommendations/ Notes
Strategic Asset Management	<ul style="list-style-type: none"> • A coordinated Strategic Asset Management function is virtually none existent within both authorities. • Strategic Property initiatives tend to be opportunistic rather than through corporate wide planning. Regeneration is clearly a big theme and driver at present but this needs to be balanced against service needs and the wider corporate objectives of the authority. • Service areas have not been encouraged to work with property in order to develop a clear picture of where they are going in the future (short, medium, longer term) and map out the consequent asset implications. • Property use and ownership is not challenged in a regular and systematic way. • The potential for working with other agencies in relation to property (whilst seeing some success) is again opportunistic and both councils would benefit from a strategic approach to this area. • There is no effective corporate property group made up of senior officers including representatives from finance, key service departments and other relevant stakeholders that meets regularly to coordinate property/asset management at a corporate level. • There is no regular reporting to the Senior Management team about property and its performance against pre-agreed overall corporate /business targets. • The current Asset Management Planning Documentation does not effectively articulate the key priorities in relation to property across the councils 		<ol style="list-style-type: none"> 1. The Councils should implement an appropriate strategic asset management resource that is separated from day to day property activity. 2. This strategic function should develop the Councils' vision for property moving forward including translating corporate objectives into property direction and work with services to understand their property need moving forward. 3. Asset Management Documentation should be developed in a practical and relevant format identifying both Councils':- <ul style="list-style-type: none"> • Key Policy and Direction in relation to Asset Management • A working strategy of how this will be delivered • An Action plan (in tabular format) that can be used to monitor progress. 4. An effective Corporate Group to oversee and challenge property performance should be set up for both Councils with clear terms of reference. 5. These groups should be reinforced with clear lines of governance and decision making protocols. 6. A prioritised programme of property challenge should be developed. 7. The Councils should establish their strategy for working with other public bodies at a corporate level. <p>Appendix E Action: continue to develop Asset Management Strategy and plans. Secure permanent resource through Service Review which is currently underway.</p>

Appendix A – CIPFA Audit

Area/Function	Havant	East Hants	Recommendations/ Notes
Property Data	<ul style="list-style-type: none"> Property Data is currently held in a range of formats and spreadsheets with a varying degree of confidence over the comprehensiveness and reliability of information 		<p>8. The Councils should procure an appropriate Asset Management System and allow for appropriate resources to transfer, validate, provide additional input as necessary, together with managing and updating the system once in place.</p> <p>9. Suitable, relevant property performance indicators should be collected to provide an overview of performance of the estate which can be reported on a regular basis.</p> <p>Appendix E Action: Project team / assurance set up to provide appropriate support to procure data management system. Paper to be presented to EB</p>
Property Investment, TNRP and working with the community	<ul style="list-style-type: none"> Havant do not currently have any proposal for investment outside of the Council area. A big theme/driver is in regeneration and it is clear that the Council's land and property assets could greatly contribute to this area but currently this is not coordinated at a corporate level. The Council has not recently challenged its non-operational assets. 	<ul style="list-style-type: none"> East Hampshire have an active investment strategy, however there is currently no permanent resource to manage this process. Financial performance of the estate is measured in part but this could be strengthened to ensure the council is fully taking account of all risks associated with this enterprise. Regeneration is slightly less of a focus than Havant but still significant, and again Council property assets could greatly contribute to this area. 	<p>10. East Hampshire – The council should ensure that their investment approach is in accordance with best practice (with particular reference to CIPFA's Prudential Code, Treasury Management Code and Government Guidance). Investments should be reported with any additional risks set out clearly and the impact on financial sustainability identified and reported.</p> <p>11. Both Councils – Regeneration should be encompassed within the wider strategic asset management direction for both authorities. The opportunities for existing council assets to contribute to this agenda be fully explored whilst at the same time being balanced against other corporate objectives.</p> <p>12. Both Councils – TNRP (Tenanted Non Residential Property) should be challenged to ensure the reasons for holding this property are still valid and appropriate performance measures should be introduced to enable continuous challenge and monitoring moving forward.</p>

Appendix A – CIPFA Audit

Area/Function	Havant	East Hants	Recommendations/ Notes
		<ul style="list-style-type: none"> The Council has not recently challenged its non-operational assets. 	<p>Appendix E Action: Recognised the need to identify permanent resource to achieve 'challenge' piece. Developed as part of the new structure for team. Service Review underway.</p>
Statutory Compliance	<ul style="list-style-type: none"> The Councils do not currently have a single effective view of statutory compliance across their estates and need to rectify this as a matter of urgency. Work has been commenced to establish responsibility in this regard. However with no specific identified resource do undertake this exercise it is being carried out by a number of different stakeholders across the Councils as an when they can devote time to it. The Councils do not have a central system for recording Health and Safety Information. Health and Safety premises files are not comprehensively kept for each asset. The Councils do not have a full register of Asbestos across all of their assets. There is some uncertainty about responsibilities for certain assets. The Council has not currently got a consistent corporate approach in the management of Statutory Compliance in relation to tenanted property. 		<ol style="list-style-type: none"> The Councils should complete their Health and Safety Audit as a matter of urgency to understand the full extent of statutory compliance across the estate and where responsibilities lie. Once this is established a prioritised programme for rectification of any deficiencies should be implemented as soon as practicable. Documented evidence of compliance should be collected, held and maintained within a single coordinated database. This should allow direct access to ascertain the current position in relation to health and safety compliance of any building. All roles and responsibilities in relation to all assets need to be documented and effectively communicated from senior officers down to an operational level. For each building there should be a nominated 'responsible person', who is aware of and has been trained in their premises compliance responsibilities Regular training should be provided to all relevant staff on their premises compliance responsibilities and records of such training held centrally. Premises compliance risks associated with premises leased to third parties should be ascertained across the estate and held in one central place. The Councils should develop a corporate approach to ensure that tenants fully understand their premises compliance responsibilities.

Appendix A – CIPFA Audit

Area/Function	Havant	East Hants	Recommendations/ Notes
			Appendix E Actions: Audit work completed. Outcome of audit has confirmed what in place across the estate. Using Framework to carry out review. 10-year programme of planned preventative maintenance under development.
Repairs and Maintenance	<ul style="list-style-type: none"> • Repairs and maintenance contractors are generally procured utilising one off quotations which results in repetitive time and cost. • Both Councils have some understanding of maintenance need but this is mainly based on experience of staff (together with visual inspection within East Hampshire) rather than through full, up to date condition surveys of the whole estate. • Neither Council has adopted condition standards for their assets. • Budgets for maintenance are in the main held centrally which is considered best practice. There appears to be some minor variations to this in both councils where work has been undertaken by other sections to assets such as bus shelters, street furniture and/or open spaces. This has led to some confusion and duplication of effort. • Both Councils appear to have satisfactory methods for reporting maintenance need appropriate to the size of the organisations. These may need to be reviewed and improved in the future should the maintenance activity be coordinated from one central location for both Councils. • Maintenance information is held in the main on spreadsheets and would benefit from the additional functionality a more comprehensive Asset Management System would offer. 		<p>21. The Councils should implement simple framework contracts for the delivery of maintenance activity. This should introduce greater efficiency and enable contractors to gain familiarity with the estate and ways of working of the Councils whilst reducing procurement repetition and saving time.</p> <p>22. Both Councils should implement a programme of condition surveys to gain a full appreciation of maintenance condition and priorities across the property estate. A prioritised maintenance plan should be developed based on this information.</p> <p>23. Maintenance need and maintenance spend should be recorded and monitored at a corporate level to understand the impact of expenditure in regard to improvement or deterioration of assets. This should be reported as key corporate property indicators.</p> <p>24. The maintenance plans should coordinate with and reflect proposals and initiatives set out in the Councils' Asset Management Strategies once these are fully developed.</p>

Appendix A – CIPFA Audit

Area/Function	Havant	East Hants	Recommendations/ Notes
Estates Management	<ul style="list-style-type: none"> The majority of work is undertaken in-house with the exception of a few specialist valuations. The only registered valuer within the council is due to leave in the near future. Quality assurance procedures are said to be out of date and concern was expressed that this may leave the council vulnerable. Certain posts are vacant or temporarily occupied and it was felt by interviewees that the section was under-resourced. 	<ul style="list-style-type: none"> The majority of work is undertaken in house with the exception of valuations. There is currently no registered valuer within the permanent staff resource although we understand that one staff member is working towards this qualification. The section was felt to be adequately resourced for day to day estate management activity. 	<p>25. The Councils need to decide how the imminent lack of a registered valuer will be addressed.</p> <p>26. The full cost of owning and managing should be established with appropriate budget coding.</p> <p>27. Asset valuations should be utilised to raise awareness of the value of assets in use alternative use values on operational assets that could be exploited.</p> <p>28. A diary system should be introduced to ensure that all rent reviews, lease renewals etc. are dealt with in a timely manner.</p> <p>29. Quality Assurance processed should be reviewed and updated as appropriate.</p>
	<ul style="list-style-type: none"> Neither Council has an effective diary system with alerts when lease renewals, rent reviews, etc. are required. Neither Council currently seeks alternative use valuations for asset which would enable greater challenge and options to be considered. 		
Design and Construction	Larger Construction schemes happen infrequently in both councils with only a couple of examples being provided at interview.		30. Moving forward the Councils should agree a single point for development of Construction projects to ensure relevant expertise is sourced and there is a consistency in approach.