

SCALA NEWS

THE NEWSLETTER FOR LOCAL AUTHORITY CONSTRUCTION PROFESSIONALS



ASSET MANAGEMENT
PLANS EDITION

CONSOLIDATION KEY TO SECURING THE FUTURE

At a time of reducing resources local government is also having to cope with a rising tide of government initiatives. Best value has the best intentions, and no-one can deny that the end justifies the means, but officers find such long term clarity of purpose difficult to achieve when the demands on their service are so heavy. SCALA, both through the society's link with CIPFA and it's own members, has found that resources are stretched so thin that the vast majority of effort is going into maintaining the services required by clients with little time left to plan future strategy. Even more worrying is the low level of corporate preparedness for Best Value Performance Plans which are due to be submitted in England by April 2000.

In such a situation the action the construction and property services professional can take is limited. Any meaningful service review will require both the clients and stakeholders input, as well as taking on board thematic and cross cutting issues identified by the council. In addition senior managers operate a wide and complex web of support services and are relatively powerless unless they have the knowledge and support of a network of fellow professionals able to influence all levels of their organisation. How can this best be achieved? Numerous construction and property societies are producing valuable information for their members, but more consolidation is required and greater liaison through umbrella organisations such as the Federation of Property Societies. This step by step approach should continue, hopefully with societies working more closely together as well as with the private sector and other linked or-

ganisations. This will put those involved in the advance guard of inter-society multidisciplinary working which has caught the attention of the professional institutes, such as the RIBA, and can only lead to more productive relationships.

The subject of this newsletter, asset management plans, is a typical cross cutting strategic issue which requires the input of a wide range of professionals and on which future levels of funding are dependent. Putting it bluntly, if you

don't perform in this and other key areas the future is grim. Reducing resources and competitive pressures leading to the danger of alternative means of service provision. Even if you do perform well (nb: the next edition is on Benchmarking) local government is not seen as either a glamorous or secure future. Thirty years ago 54% of graduates wanted a career in local or central government, now the figure is 1%. So where

are the leaders and knowledgeable professionals going to come from and will local government successfully pass it's probationary period with central government?

SCALA is currently in discussion with a number of fellow societies and organisations over working more fruitfully together in the future. It has been a two way process and cannot be rushed if it is to yield the maximum benefit for everyone. The solution must be for all parties to have a flexible approach and an open mind, with a clear vision of the future and an appreciation of the alternatives. There is no inviolable right to provide a service. This can only be requested by your stakeholders who are the key to securing the future.



A new dawn or an eclipse for local government?



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Your guide to SCALANEWS



SCALAFEATURE

This or a similar logo signifies feature articles on topical issues such as the four articles on asset management plans included in this edition



SCALA '99: Making Regeneration Happen

All the essential information and guidance that will be given to construction professionals between 11-13 Nov. at Sheffield will be found on the centre pages



SCALADIARY

A reference list of dates for future SCALA meetings and events including those for the regions and associated organisations



SCALACOMMITTEE FEATURES

These new committee features bring readers up to date on current topics and issues of interest.



SCALANET BOOK & WEBSITE REVIEW

Your 24 hr. contact point on the Internet for the full range of SCALA services and information sources updated regularly at www.scala.org.uk



CIPFA SCALALIAISON

Starting with this issue on P4 there is a regular 'homepage' on the valuable work carried out under the "Best Action, Best Value" joint liaison strategy



- P1 'Push for Partnering Reaps Dividends'- scenesetting lead article
- P3 SCALAElections for Council- Your chance to get involved in SCALAs work
- P4 'What is the CIPFA CAS?'- details of this joint CIPFA/SCALA initiative
- P5/7 'Your success under best value-the critical factors'- Series 15 write-up
- P7/8 'Technical Talk'- New bulletin from DfEE and BSI Update
- P9/12 'Professional Affairs'- GCCP, RIBA Governors Guide, JCT & Found. Schools
- P13 'Rethinking Construction'- the work of the LGA Construction Forum & others
- P14/15 & 28 SCALA '99- 'Making Regeneration Happen' at Sheffield 11-13 Nov.
- P16 SCALADiary and notice of the AGM on 11 November '99 at Sheffield
- P17 SCALAPublications inc. new 'App. Of Consultants' & PII documents
- P18/19 'AMPs & their role in providing additional capital funding for school...'
- P20/21 'Asset Management Plans for schools: Experiences from a pilot authority'
- P22/23 'Measuring performance in the management of local authority property'
- P24/25 'Developing an integrated approach to asset planning'
- P26/27 'Property in it's proper place in local government'
- P27 SCALANet- Book and website review

Please note that the closing date for copy for the next issue is Fri. 8 Oct.

Next edition on BENCHMARKING. Articles & letters please- Ed.



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SCALAELECTIONS FOR COUNCIL

1999 Nomination Form



Now is the opportunity to become more involved in the running of your society by putting yourself forward for election to Council. Alternatively, you may know of someone who you feel could contribute to the initiatives being pursued by Council you wish to nominate. Council is at the very heart of the society and is currently responding to initiatives from the government in areas such as asset management and Best Value. Your knowledge and expertise will be most welcome during this time of change.

Council has 1 full member who is not a regional convenor, David Roe, whose 3 year term has now expired. Also 5 co-opted

members (Nigel Badcock, John Cook, Jeff Gibson, John Middleton and Arnold Murray) who are eligible to become full members of Council. There are up to 12 vacancies and applicants must be full members of the society. There are also a maximum of 6 co-opted members, who can be affiliate members or non-members brought in for their expertise, and these are currently under review. Regional Convenors will automatically be co-opted if they have not been elected as full members. Council meets 5 times a year, in the afternoon, on the same day as Policy and Professional Affairs Committees. **Your society needs you!- Ed.**

NOMINATION FORM FOR ELECTION TO 1999 SCALA COUNCIL:

I, the undersigned, being a Member of the Society, wish to nominate

Name

Title

Authority

Address

.....Post code.....Tel/fax.....

PROPOSER:

SignatureDate.....

Name

Title

Authority

Address

.....Post code.....Tel/fax.....

I confirm that my nominee has expressly given his/her acceptance to nomination to membership of the Council of the Society and that the Secunder stated below has expressed his/her agreement to second my proposition (this may be done by phone)

SECONDER:

Name

Title

Authority

Address

.....Post code.....Tel/fax.....

If you wish to make more than one nomination please reproduce this form

Send to: SCALA Ltd., 29 St. Nicholas Road, Brighton, East Sussex (Fax: 01273 389323)

TO BE RECEIVED NOT LATER THAN NOON ON MONDAY, 18 OCTOBER, 1999



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What is the CIPFA CAS?

David Bentley

**CAS Advisor
Construction
& Property
Services**

CAS is 'CIPFA's Advisory Service on Best Value' that provides comprehensive advice to local authorities on the implementation of Best Value. We work with Authorities to help them anticipate and respond to changing requirements in a competitive environment and to improve service value for money and performance. We provide reliable, practical advice and guidance on what to do and how to do it.

So is it something run by accountants, for accountants?

No, CAS covers a range of professional disciplines. The **CAS Construction and Property Service** is run in partnership with **SCALA** and the **Federation of Property Services** to provide Best Value advice to construction professionals within local government.

As a construction professional what would membership of CAS give me?

Workshops

CAS arranges 4 series of workshops each year to focus on Best Value and Quality issues affecting Construction Professionals. Each workshop series is held at a number of different venues around the UK. The workshop format allows delegates to 'network' and compare ideas with other authorities on current topics such as Benchmarking, Competitiveness and Critical Success factors for Best Value.

In addition a 'magazine' type update session is always included that covers the latest happenings in the world of Best Value and Construction to keep delegates 'up to date' on what is happening.

Members are offered three free places at each series of workshops.

Bulletins, Updates and other Documentation

CAS provides regular bulletins and up-

dates as and when things happen, looking at the overall corporate context as well as the specific fields Construction and Property providing a current and comprehensive insight into the world of Best Value.

In addition CAS provides a wealth of other documentation including a Best Value Handbook, guides on how to implement best value, together with directories on issues such as Construction and Property benchmarking schemes providing an invaluable source of reference material.

Help!

CAS offers members free access every working day to an advice line for all aspects of Best Value and service tendering. If we don't know the answer immediately we will find out and get back to you!

Website

Finally CAS provides members with free access to our Website with latest news, views, and information on CAS events. The majority of documentation provided by CAS is available on-line so that you can download it in electronic format.

How do I find out more?

To find out more about the CAS service please contact:

David Bentley on 01543 262030 - Email David.Bentley@ipf.co.uk or

Bernard Wyld on 01273 389323 - Email info@scala.org.uk or

Alan Tyler on 01438 718954 - Email abtyler@nildram.co.uk



The liaison between SCALA and the CIPFA CAS goes back almost five years when CIPFA were looking for a partner to promote their advisory service on what was then CCT.

SCALA took up the challenge and we are now about to present the 16th. Series as part of our joint 'Best Action, Best Value' initiative. As governments change so has the subject matter which is now very much best value orientated.

The new series is titled 'Let's do a service review' and a write-up of the last series on 'Your success under best value- the critical factors' is on the

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CIPFA SCALA 15 Series of CAS workshops:

Your success under best value—the critical factors

*Presented
by
Alan Tyler
&
Bernard
Wyld*

The subject of the afternoon practical session was in response to feedback from the previous series. Delegates were keen to focus on those critical areas that service managers need to start addressing in preparation for best value. The timing also fitted in well with the publication at Easter of the DETR's Interim Guidance Paper- Preparing for Best Value. The aim of the workshop was to help delegates look at their service from a new angle and highlight those areas where they need to take action. Action is critical, as too many authorities are waiting to see what happens and for the next piece of guidance, not challenging what they do and finding out what their clients really want from them.

The theme of the session was the 'Titanic'- a topical but potent symbol of an organisation that has lost it's way and suffered severe consequences as a result. The ship is similar in it's scale and complexity of operation to many businesses and local authorities, so what went wrong? Ships sink and businesses go bust but that does not tell the whole story. On first examination everything was well prepared- a well constructed and equipped ship with the very latest technology, a highly trained and efficient crew providing quality services and a tried and tested means of service delivery. No different to your own organisation.

Could best value principles have helped the White Star Line avert disaster? Applying the 4C's came up with some revealing issues:

CHALLENGE- the challenge for the company was to provide a service which their customers could identify as providing something over and above their competitors to create more custom. 'Speed' was seen as an attractive feature but is often counter-productive with short cuts creating more problems than they solve, as was tragically the case with the Titanic.

COMPARE- The dangerous assumption made was that the normal laws of physics

did not apply, that the ship (or organisation) was unsinkable leading to management decisions which ultimately proved otherwise.

CONSULT- Key decisions were made by a few top level managers and were not the subject of consultation with a wide range of stakeholders. This led to unnecessary risks and further problems at the time of the disaster.

COMPETE- When the time came to compete disaster struck leading to the loss of the whole enterprise.

A further 'C' also applies, that of **COMPLACENCY**, typical of many organisations making ill-informed and misguided assumptions about the future. The purpose of the practical session was to discuss and develop with delegates a list of key topics on which to focus their attention to avoid complacency and ensure survival for their service. These we called the Critical Success Factors (CSF's).

One more image needed to be examined, that of the shark lurking beneath the survivors in the water. A local authority service which is similarly struggling will see the shark as a symbol of the private sector, a compulsive and aggressive feeder waiting to devour them. An awareness of CSF's should help to prevent this and an organisation which has successfully implemented these will view the shark differently, as environmentally friendly consuming the weak but allowing the strong to flourish to the benefit of all stakeholders. The aim is for local authority best value services to be as lean and efficient as the shark comparing well with the best the private sector can offer. If we do there is no reason why we should not survive and grow, but change we must.

So how do we ensure that our stakeholders appreciate and value the services that we offer? It was stressed that change is the key and stakeholders will expect to see a new dynamic service that is designed to meet their requirements, not ours. Best value is setting us all a challenge, firstly as an authority.



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We are being asked to provide services that are locally accountable, in other words "Say what you do then do what you say". Local accountability means:

- ◆ Consultation with the local community that is inclusive and systematic
- ◆ Services focused on and involving service users
- ◆ Transparency in decision making
- ◆ Reporting back through Best Value Performance Plans
- ◆ Local solutions to suit local circumstances
- ◆ Published service standards and corporate objectives

The inevitability of this process is that authorities will become far more enabling authorities than they are now. The key point for us from this will be the need to learn new skills, the need to adapt old skills, to see where our skills fit and to develop new niche markets for our services. Not to go on supplying our services in the same old manner and hoping the problem will go away.

Secondly, as professionals. Many came into local government because of their wish to provide a public service. We should not let this ethos go as it is the thing that marks us out as special. However, we will need to learn and develop higher levels of professional ability and performance. We need to develop a team approach as outlined by both Latham and Egan. One that involves all the professions and the contractor to produce the product that the client wants, on time and to budget. Jack Cunningham summed it up at a recent lecture on peoples panels when he said "We are not concerned about who supplies public services, what we are concerned about is that high quality services are being delivered to our citizens".

Thirdly, in terms of construction performance. We have to remember that for most of us the service is delivered by others and the role of property and it's professionals is to support that delivery. The important factor is our understanding of both the community and service needs. If we are not in tune we will be providing a service that may not be relevant and we will not survive. Working as a team will be essential alongside a willingness to adapt to the

new ways of working such as partnering, public/private partnerships, prime contracting and framework contracts.

In everything that we do we must aim to continually improve showing a clear understanding of the services we need to provide and our clients priorities, combined with the confidence to deliver. Our survival technique must be like the shark, economic, efficient and effective and be able to respond to changing needs. The practical session explored how to achieve this by examining the actions and links between the following activities:

Mission → CSF's → Issues → Action Statement

Delegates were asked to write a mission statement for their service as the starting point for understanding what they wanted to achieve in that service, as a statement to others as well as themselves. They then formed groups to agree a joint statement following which they brainstormed a list of CSF's prior to looking at the issues and finally the action points.

The exercise proved the value of justifying the process before improving or changing it. Should method statements be short, pithy and memorable or should they be expanded to combine the main features of best value in meeting all our service requirements and the needs of our stakeholders? Even more radical, should we have method statements at all? A few thought so initially and as the problems of writing the statements were realised they gained further support. It was agreed there was no definitive answer, do what best suits your organisation. A couple of contrasting statements were discussed from the 'Kill Kodak' of Fuji, which did them almost as much good as the Titanic, to the five wide ranging values of BAe which they claim did much to revive the ailing fortunes of the company.

At all the venues delegates brainstormed the nine CSF's contained in a list already prepared, which together with the associated issues and actions were distributed at the end of the session. These were political support, finance, market, marketing, product/



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For information on the next series see SCALAdiary on P16

service, customers, communication, staffing and skills/training. By common agreement there was a major omission from this list- leadership was also seen as a vital CSF while accountability was a possible further addition. The groups, aided by a facilitator, then tackled the issues and actions flowing from each CSF selecting one or two CSF's from the list. An example often quoted related to political support, where one issue could be the need for a political champion and the action resulting the need to select champions from a range of groups including the ruling party and opposition, clients (Eg. Director of Education or Housing) and stakeholders (Eg. community groups or the Chamber of Commerce).

Examples of the issues and actions resulting from the group work on 'leadership' are listed below as requested by delegates. There was extensive debate on the issues owing to a high level of concern among delegates at the lack of strategic guidance on best value, mainly stemming from what they see as a lack of leadership within their own organisations, and the rigid time scale being imposed by the government. Leadership was seen as being split into political, corporate and service specific with success required at each level to ensure survival. A number of cross-cutting is-

ssues were also found, which again was typical of the examples handed out.

- LEADERSHIP (ISSUES → ACTIONS)
- UNDERSTANDING → What an organisation does and the wider scene
- COMMUNICATION Approachable, good listener, listened to, options available and image
- VISIONS/OBJECTIVES → Trends, statutory and service developments, realism and innovation
- CONTACTS/NETWORKING → People, organisations, niche services, areas of potential
- COMPETENCE → Respect and knowledge
- ABILITY TO DELIVER → Influence and control
- CREDIBILITY/SKILLS → Empowerment, knowledge and qualifications
- CONSENSUS → Positive, focused and involved
- CONSISTENT → Positive, retaining flexibility and avoiding rigidity
- CHARACTER → Able to motivate and provide support, thorough, far sighted and understanding

In summary, the over-riding need identified by all the sessions was that of cultural change throughout all levels of an authority- political, corporate as well as service level. The CSF's which had been identified were critical to achieving that as they were essential not only to the realisation of best value in an organisation but to the continued improvement



*Mukund Patel
Chairman of the Technical Committee*

SCALATECHNICAL

TALK

NEW BULLETIN FROM DFEE:



Architects and Building Branch has published Building Bulletin 91 entitled "Access for Disabled People to School Buildings - Management and Design Guide".

This Bulletin aims to assist governors and managers of schools, their architects and LEAs to achieve optimum accessibility of their school buildings. It recognises that how schools are designed, managed and operated all determine the successful outcome.

The process of Accessibility Audit is outlined and the purpose and structure of the report to which it gives rise. An appendix illustrates accessibility audit proformas for carrying out an audit survey, cross referenced to design guidance.

The design management guidance in the Bulletin supplements the provisions of the DfEE 1997 Constructional Standards, and applies to new build construction and also extensions and refurbishment. It is concerned with meeting not only constructional standards criteria but also building management issues which flow from the provision of accessibility.

The Bulletin is available from the Stationery Office, priced £14.95 ISBN 0-11-27 1062-X.



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Life Cycle Costing is a topic which is here to stay and it will increasingly delight (or trouble) lots of people in the building industry and specifiers in the public sector. I mentioned in my last piece that the Department of Industry had commissioned a study relating particularly to Life Cycle Costing of PVC-U products. There have been developments in this area and a very interesting seminar was held recently at the BRE. While the principles expounded at the seminar would cover any building component, windows were used as an example. BRE are proposing to develop a methodology enabling specifiers to make objective choices (presumably using actual data obtained elsewhere). You can see the dangers inherent in this approach. The results of each specific calculation will be largely dependent on the data input and where the data is obtained from. (I keep going on about this because I believe it is important). Anybody interested or being pressurised on this subject can do one of the following (to start getting a broad idea) :

- talk to me about it
- buy the BRE Green Guide (cost £28), which is contentious but is fairly simple to read and follow
- buy the BRE "methodology for environmental profiles of construction materials, components and buildings" (cost £40) which summarises the results of a three-year investigation by the Establishment, partly funded by the DETR.
- or, alternatively, go the whole way and
- buy the BRE ENVEST (Environmental Estimator), available from September and likely to cost several thousand pounds, an interactive software package designed to assess the impact of the whole construction based on ranking of various environmental impacts. Concerning the two running BSI issues which I have been covering of late, this is the latest update: PAS 23 and PAS 24 dealing with the general performance and security performance of doorsets respectively have been published as previously reported. It is now proposed that the requirement of a 70N maximum force to induce the initial opening of doors should

be raised to 100N (allegedly in line with European proposals): the effect on the user is claimed to be negligible and, based on my experience, I would concur with that. I think that soon we should start getting a few Kitemarked products on the market. Initially these will only be for doors of PVC-U, aluminium or timber: composite doors, which are becoming increasingly popular, are not yet covered by the PAS scheme. The proposed PAS for Installation of Windows and Doors has hit rather turbulent waters, with industry showing a less than keen attitude, not surprisingly. The appropriate BSI Steering committee (B/-) would prefer to

see a Kitemark against a proper British Standard rather than based on a PAS Specification and has suggested that BS 8213 Part 4: "Code of practice for the installation of replacement windows and doorsets in dwellings" should be revised and updated so as to become suitable for a Kitemark scheme. It all sounds straight forward enough but bear in mind that BS 8213 Part 4 includes some controversial requirements, particularly with regard to head fixings and perimeter pointing, so there will be one or two mountains to climb before this one sees the light of day. All is quiet on the European front except that the French have asked to delay the implementation of the new European Standards for air, water and wind resistance testing; they claim that until the window/door product standards are published (not for a few years yet, may be a decade or two) things such as test sequence will not be known. If their proposal is accepted (likely), the new standards may be published by BSI but will not become mandatory and cannot be included in statutory regulations; at the same time existing BSs cannot be withdrawn. I expect some confusion among manufacturers and specifiers alike. Your readers are welcome to get in touch with me if they have any worries or queries on this enthralling saga. Please contact:

Dr. Eli Kienwald
Tel/fax: 0181 561 4700/1130

Technical Committee interests:

- Asset Management Plans*
- Maintenance Survey*
- Best Value*
- BSI*
- Benchmarking*
- Study Day*
- Skills database*
- Priority issues etc.*



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SCALAPROFESSIONAL AFFAIRS

I report on a selection of items from our July committee meeting that I hope will be of particular interest:

1 Central Government's Procurement Initiatives:

SCALANEWS Summer edition described and sought comments on the work of the Government Construction Client's Panel (GCCP) - led by the Treasury and DETR. GCCP guidance directs building clients away from traditional consultant-led procurement and into Design & Build, Design/Build/Maintain, Prime Contracting, etc. This is coupled with virtually zero acknowledgement of the intrinsic value of aesthetic design. My view of these directives is strongly critical and so is that of any professional to whom I have spoken.

But response from the SCALANEWS article has been nil. Perhaps other SCALA members feel that clients' - and society's - best interests are served through building projects driven primarily by contractors. I do not. Nor do I believe that "nothing can be achieved, so why bother?"

The GCCP held a conference in mid June on which there is a separate note elsewhere in this edition of SCALANEWS. This brought some encouragement - I think - and also we are fortunate that there are one or two understanding voices on the GCCP, notably that of the Chairman of our Technical Committee, Mukund Patel.

But the immediate messages for SCALA are clear:

- ◆ HM Treasury is intent on imposing similar prescriptions upon construction capital projects procured in Local Government.
- ◆ Plans for a Local Government workgroup to arrange details were announced at the Conference. I hope to bring information on this process to you in next SCALANEWS.
- ◆ HM Treasury Procurement Guidance notes nos 1 to 6 are now available. If nothing else at this stage I suggest you get a copy of **HM Treasury Procurement Guidance No. 5 : Procurement Strategies (June 1999)**

In a really fun read (I jest) this indicates HM Treasury's current thinking and what's in store unless this leviathan is somehow diverted from the precipice. (Treasury on 0171 270 4558, <http://www.hm-treasury.gov.uk>)

2 RIBA Guide for School Governor

The RIBA's Education Client Forum (ECF) is commissioning a "Guide for Governors". (Forum chairman is David Mallen, former Chief Education Officer, East Sussex CC - David is also chairing SCALA conference, Sheffield in September).

The thought is the reasonable one that in today's environment of ever more delegation to schools and with more schools taking on capital building work, governors are in increasing need of advice about procuring it properly.

The RIBA's guidance on this has nothing in common with the GCCP's described above - So far so good! However the author, RIBA ECF member Mark Dudek (publisher of a number of pamphlets and books on school design) exhibits a strongly and sadly antipathetic view of public sector architects.

A draft version of the Guide is now circulating among Chief Education Officers, seeking LEA sponsors. A copy is available by request from Bernard Wyld or myself via email. Public sector architects are awarded scarcely a mention. Apart from the imprudence of thus dismissing some 16% of the current RIBA membership, the author ill-serves the very clients that the Guide is intended to help. The report fails to mention that in-house teams offer particularly relevant professional expertise, information and - frequently multidisciplinary - qualification. Also ignored is the fact that of all construction professionals, those of us in Local Government are most committed to a strict discipline of continuous improvement through the requirements of Best Value. It is characteristic that the paper's case studies exclusively promote private sector successes.

Although the divisiveness of the current draft Guide is serious, it is of far greater concern that in its present guise the document will fail to inform schools

Richard Winter
Chairman of the Prof. Affairs Committee

Legal & insurance matters
Best Value
EU issues
Benchmarking
Contract documents
Public architecture
Procurement
CDM etc.



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properly. However, the Committee felt that if the "Guide for Governors" were suitably recast it has the prospect of fulfilling a real need. To achieve this some rapid and responsible editing is needed from the RIBA General Education Forum before the mooted October publication date. SCALA is pursuing all possible measures to help the Forum in this task.

3 Foundation Schools: (with apologies to readers from non LEA authorities)

As GM schools return to LEAs as Foundation Schools, with buildings owned by the governors, the issue of right of access for condition surveys is a point of focus for SCALA. The following copy of the letter on page 11 from Bucks Legal Services refers to the DfEE's recent **Code of Practice** relating to these schools, addressing that issue and also a few others.

However, I wonder whether SCALA members are considering the question of what happens when Foundation school governors (who own their school buildings and have responsibility for all building maintenance but who will be looking to the LEA for funds to carry it out) find that the LEA is allocating inadequate maintenance funding - as will almost inevitably be the case?

This, it seems to me, is a different situation from that which prevails when an authority with responsibility for its

own buildings decides to inadequately resource repairs in its own buildings. Thoughts from readers will be welcome.

4 Working Well Together:

The committee received information on this safe working initiative being promoted by the HSE and the HSC. The "Working Well Together" campaign provides a focus to change the culture of the industry. Readers are invited to call the helpline for further information on 0845 2727500.

5 Partnering and PFI Report:

SCALA is committed to producing a report for members on Partnering and PFI / PPP. These are complex and ever evolving aspects of today's professional life on which we should all be well informed. The Summer edition of SCALANEWS appropriately focused on partnering and contained many interesting articles.

As we gather information for this forthcoming paper, it will be particularly helpful if readers could **send or fax any relevant information and experience to our President** who is now undertaking groundwork for the report: Information please to **Chris Johnson, 12 Wickham Road, London SE4 1PB, or fax: 0181 691 1573. Many thanks●**



NOTES ON GOVERNMENT CONSTRUCTION CLIENT'S PANEL (GCCP) CONFERENCE: 16th June 1999

In this Conference the Treasury, the DETR and Government spokesmen presented the conclusions so far reached by the Government Construction Client's Panel. This has been examining alternative means of procurement for all construction schemes that fall generally under the governmental umbrella. Dismissed as old-hat and inefficient is the traditional procurement model that employs an overseeing consultant - typically architect or engineer. Preferred and to be used in all but very exceptional cir-

cumstances is procurement using Prime Contracting, Design and Build, Design/Build/Maintain, PFI etc. It is not altogether surprising that in the documentation that has been emerging from this Panel, aesthetic aspects of design have warranted scarcely a mention.

In addition to these prescriptions over procurement, the GCCP has extravagant expectations that emanate from Egan - perpetual high annual reductions in construction costs, in contract period and in defects.

Both main presenters for the conference certainly proclaimed these main messages, but the day started surprisingly positively:



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(Cont.)

- ◆ the chairman (Steve Robson, Second Permanent Secretary, HM Treasury) made a strong and most welcome case for whole-life cost assessments. It is encouraging to hear the Treasury prosteletising the very message we have proclaimed in vain for decades. This Damascus road conversion may have followed the proof from PFIs on the inefficiency of underfunding capital schemes. Availability of private finance itself might just help the understanding, too!
- ◆ the Keynote speaker (Alan Milburn, Chief Secretary to the Treasury, Cabinet minister responsible for procurement) emphasised a powerful case for the value of design - even aesthetic design. This contrasts markedly with the GCCP documentation that makes no such case, and it could suggest a welcome acknowledgement - at least recognition - of that serious lack. One hopes it was not inserted purely to divert the potentially highly disgruntled design professionals that were present! Possibly it was a bit of both!

Later in the day there were presentations on work for the Ministries of Defence and Health. Defence Estates were represented by their Chief Executive

who, as an ex-forces man, took pride in asserting firmly that he was intent on 'taking no prisoners' when it came to driving down costs etc. using prime contracting Contractors and consultants, he asserted, could like it or suffer the consequences! This I thought exemplified a fine partnering ethos!

Among the paperwork referred to and / or circulated at the conference were the HM Treasury's Procurement Guides nos. 1 to 6. These are:

- ◆ No 1: Essential Requirements of Construction Procurement
- ◆ No 2: Value for Money in Construction Procurement
- ◆ No 3: Appointment of Consultants and Contractors
- ◆ No 4: Teamworking, Partnering and Incentives
- ◆ No 5: Procurement Strategies (vital reading - see the 'chairmen's reports' page)
- ◆ No 6: Financial Aspects of Projects

The latter 3 were handed out on the day and are dated June 1999. The earlier 3 I had obtained earlier from the internet and are dated 12/98. (HM Treasury is on 0171 270 4558, and web-site <http://www.hm-treasury.gov.uk>)●

Richard Winter



FOUNDATION SCHOOLS - CODE OF PRACTICE ON LEA/SCHOOL RELATIONS

As readers may be aware, with effect from 1 September 1999, all schools will change their status and will be termed community, voluntary controlled, community special, foundation, voluntary aided or foundation special schools. On the appointed day the LEA will become the employer in community schools and community special schools. The Foundation Body will become the employer in foundation, voluntary aided and foundation special schools. The LEA will be the owner of premises for community and community special schools and the Foundation Bodies will own premises for foundation, foundation special and voluntary schools. Accordingly, the LEA and School Governing Bodies will have obligations and re-

sponsibilities under the Health and Safety at Work Act 1974 and the Occupiers Liability Acts in respect of community and community special schools. Foundation Bodies will have similar obligations in respect of foundation and voluntary schools.

Under fair funding LEAs will be required to delegate all funding for repairs and maintenance to schools with effect from 1999/2000 financial year. Capital expenditure for all categories of schools except voluntary aided is to be retained by LEAs. For these purposes expenditure may be treated as capital only if it fits the definition of capital used by the Local Authority for financial accounting purposes in line with the CIPFA Code of Practice on Local Authority accounting.

This is recognised in the Code of Practice which provides (at paragraph 56) that where LEA staff (or contractors)



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(Cont.)

need to visit any school premises in relation to any capital projects which the LEA is managing then they should be afforded rights of access. The Code of Practice is a statutory document issued by the Secretary of State under Section 127(1) of the Schools Standards and Framework Act 1998. Section 127(2) requires LEAs and all maintained schools to have regard to the Code. Accordingly, I would suggest in answer to specific question that the Code of Practice does make adequate provision for access to foundation schools but only in relation to capital projects which the LEA is managing. The 1998 Act does not create specific sanc-

tions or rights of appeal linked to breaches of the Code. In the circumstances the LEA would have recourse to the Secretary of State's long established general powers of intervention contained in Sections 495/496 of the Education Act 1996.

I hope that this is of some help but if you have any further queries I suggest you contact the legal beagles in your own authority●

Richard Winter

(based on advice within Bucks. C.C.)



JCT MEETS NICK RAYNSFORD

On the 15 July the JCT Council met Nick Raynsford who spoke on Government proposals for the implementation of the Egan Reports recommendations for the industry and on the work of the Construction Task Force, as featured in SCALAnews Summer edition.

He welcomed JCT's decision to look in detail on the extent to which its forms and general approach to building contracts could be adapted to meet the cooperative partnering thrust of the new proposals. He appreciated that JCT forms were widely used for those whom Egan had called "occasional clients" of the industry for whom partnering was perhaps less suitable than for clients with on-going procurement programmes. He approved JCT's efforts to attempt to apply many of the new proposals- a "filtering down"- to work for such clients and its acceptance of the need for change in JCT's approach to contracting. He stressed the need to get rid of the blame culture and he had been impressed in many visits to the industry's work to see how widespread was the welcome for this approach.

On JCT's main function- the negotiation and issue of standard forms- he stressed that the new approach accepted the need for standard contracts but these must encourage a positive approach to working together. The view that Egan favoured one-off bespoke contracts was not correct. The Council wel-

comed this assurance on support for standard forms which should be used to define relations and set out an appropriate sharing of the risk and a better way of working together.

JCT's offer of full co-operation with Government was welcomed. To this end JCT queried the need for separate development of contract forms by the Government like the GC/Works series rather than using the forms JCT had developed with wide industry support. While any such view would be a matter for the Treasury, Mr. Raynsford noted JCT's strong views on a unified approach to the drafting of standard forms. This could be a matter for early further discussion.

Finally, Mr. Raynsford welcomed JCT's decision to publish a contract- a simple clear contractual mechanism- for consumers and builders which would be valuable in reducing the problem of "cowboy" builders on which Government were reaching final decisions●

For further information contact Roger Cheney on 01386 553684.

Rather than develop a separate agreement it would seem sensible for the JCT to recommend the well tried and tested SCALA 'Agreement for the Appointment of Consultants'- Ed.

PS: Other SCALA members on the JCT panel are Brian King-Fisher and Gwyn Hobson while the LGA have established a 'client's forum' of which Roger Cheney, Richard Winter and



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RETHINKING CONSTRUCTION

The Summer '99 Edition of SCALA News gave a full report on a presentation by Sir John Egan to the CAS Construction and Property Conference in April 1999. This report has been given the full support by the Government as the way forward for the Construction Industry. As part of this process the Government has invited the LGA to join it in a Task Force to take forward rethinking construction approaches. In support of this the LGA is setting up a LGA Construction Forum to provide responses and briefing for its Task Force members. It is intended that this Forum will be a strong, multi-disciplinary group that would ensure that the interests of local authorities as clients of the construction industry and as organisation involved directly in construction work are promoted in discussions with Government and other organisations. The Forum will be a mechanism for keeping authorities informed of developments in the field and assist in the LGA's lobbying for a direct voice in the continuing formulation of the new rethinking construction process and other construction/procurement policies. The Forum can represent the LGA on certain bodies on which LGA representation is achieved.

The LGA needs to contribute in all the areas where there is an interface between the functions of local government and the interests of the industry, including regulatory and contracts issues as well as client ones. The LGA Contracts Panel, and the work of its members on the Joint Contracts Tribunal is a very valuable mechanism for dealing with regulatory and contracts issues. There will be a significant linkage to the work of the Construction Forum which creates a need for members of the Contracts Panel to be involved in the work of the Forum. Regarding client-based work the main areas where the Forum needs to make an input on behalf of local authorities are listed below.

- ◆ As client, embracing users of buildings, as well as commissioning departments and local authority building professionals.
- ◆ As contractor, normally through Direct Labour Organisations.

- ◆ As representative of the small domestic client, through trading standards departments.
- ◆ As regulator, primarily through building regulation control and use planning development control, but also embracing regulation of residential homes, fire, regulations, explosives, emergency planning, mines and quarries, reservoirs etc.
- ◆ Education, training and careers in the construction industry.
- ◆ Representing the client interest in local authority-linked companies and trusts.

The ways in which the Forum can make an input will be discussed at the first full meeting on the 9 September 1999 but may include the following.

1. Promote LGA policy on rethinking construction issues.
2. Raise construction/procurement issues with Government and other bodies.
3. Provide response to Government and other consultation documents on construction/procurement issues.
4. Provide briefing for meetings of the LGA/DETR Task Force on rethinking construction.
5. Nominate from among its membership an appropriate number of members to attend the Construction Industry Board on behalf of the LGA.
6. Nominate from among its membership an appropriate number of members to attend the Construction Clients Forum on behalf of the LGA.
7. Nominate members to attend ad-hoc meetings on behalf of the LGA with Government and other organisations.
8. Identify and prioritise work items for the LGA and IDeA on construction/procurement issues and recommend these to the LGA Environment and Regeneration Board.
9. Report on work progress to the LGA Environment and Regeneration Board as appropriate.

The membership of the Forum so far proposed includes the following who are also members of SCALA:

- Roger Cheney LGA Contracts Panel
 - Brian King-Fisher LGA Contracts Panel
 - Alan Tyler FPS
 - Richard Winter SCALA (Bucks.C.C.) ●
- For further information contact Brian on tel/fax: 0115 915 8000/8082**

*Brian
King-
Fisher*

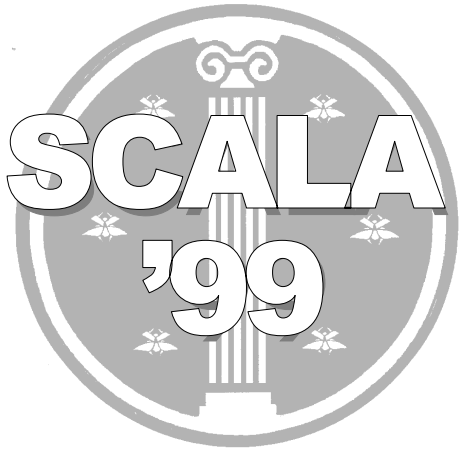
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SCALA '99

**MAKING REGENERATION HAPPEN:
THE ROLE OF ARCHITECTS AND THE
PUBLIC SECTOR.**

Public sector capital programmes are increasing rapidly as a consequence of the Blair government's agenda. Over £6 billion is being fed into school buildings. New Deal for Communities promises large-scale investment in deprived estates. A large part of the Government agenda is about regeneration.

Much funding is coming through new routes using new agencies, but despite this there is an increasing role for architects and other in-house technical staff to provide advice, carry out feasibility work and act as an expert client. Lord Rogers Urban Taskforce places Local Authorities firmly in the driving seat of the Urban Renaissance.

The scope for public sector architects has not been so great for nearly two decades. Those that can adapt to new methods and work successfully with their various local authority clients (and other external public sector clients) will be in big demand - those who cannot, may well be sidestepped.

The aim of the conference will be to explore some of the new challenges, opportunities and roles for public sector architects, particularly in the field of regeneration. It will provide examples of success stories from a variety of authorities. It will aim to be inspirational, and leave attendees fired up with lots of ideas about how they can be most effective in the world of modern Local Government.

No public sector architect or other professional involved in regeneration can afford to miss this event!

SHEFFIELD

11-13 NOV. '99

BOOKING FORM: SCALA members booking before 1st. October save £20

- Day delegate fee Fri.12 Nov. @ £135
- SCALA members booking before 1 Oct. @ £115
- Additional day delegates from the same office @ £85
- Retired member @ £60
- B&B + Reception Thurs.11 Nov. @ £65
- Double B&B + Reception Thurs.11 Nov. @ £75 for two
- B&B + Conference Dinner Fri. 12 Nov. @ £90
- Double B&B + Conference Dinner Fri. 12 Nov. @ £125 for two
- Conference Dinner only @ £27.50
- Tour of Regeneration Schemes Morning of Sat. 13 Nov. @ £5

Please indicate any special dietary requirements:

Please **DO NOT INCLUDE PAYMENT** with your booking as you will be invoiced separately. All prices are subject to VAT at the standard rate.

Name:
Title:
Dept:
Auth:
Address:

Post code: Tel:

Email: Fax:

Please note that bookings cancelled up to 29 Oct. will be subject to a cancellation charge of £50 and that no refund can be given after that date.

Please return your completed booking form to:



David Kimmins
SCALA Finance Manager
3 Manor Park
Ruddington
NOTTINGHAM NG11 6DS
Tel/fax: 0115 9846784
Email: policy@scala.org.uk



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MAKING REGENERATION HAPPEN:

The Role of Architects and the Public Sector

THURSDAY 11 NOVEMBER :

SHEFFIELD TOWN HALL

5.00 SCALA Annual General Meeting

7.00 Civic Reception and buffet with Lord Mayor

FRIDAY 12 NOVEMBER :

PONDS FORGE INTERNATIONAL LEISURE CENTRE



Ponds Forge International Sports Centre

9.30

Morning Session

Keynote speech
Hilary Armstrong MP Minister for Local Government and Regeneration.

Towards an Urban Renaissance
Martin Crookston, Director, Llewelyn-Davies Member of Lord Rogers' Urban Task Force.

Regenerating neighbourhoods : New Deal for Communities pathfinder projects
Tricia Zipfel, Director of Priority Estates Project and member of Social Exclusion Unit Policy Action Team.

Case Study 1 : Regeneration of two small towns in North Devon with the Civic Trust Regeneration Unit,
Barclay Miller, Torridge District Council.

Case Study 2 : North Peckham Project and Bankside regeneration,
Pauline Nee, Chief Architect,

London Borough of Southwark.

2.00 Afternoon session

The Developer's View
David Taylor, Architect and Chief Executive of Enterprise PLC.

Case Study 3 : Regeneration in Glasgow

Case Study 4 : Regeneration in Birmingham : City Centre and Lee Bank Estate
Les Sparks, Architect/Planner, Commissioner for Architecture & the Built Environment and former Director of Architecture & Planning; Trevor Skempton, Head of Architecture, Birmingham Design Services.

7.00 Conference Dinner at The National Centre of Popular Music.



Branson Coates Centre for Popular Music

Guest

Speaker : David Mackay, Martorell Bohigas and Mackay Arquitectes. The regeneration of Barcelona.

SATURDAY 13 NOVEMBER

9.00 RIBA Exhibition of 20th Century British Housing. Meet at the Workstation.

9.30 Presentation on Regeneration in Sheffield,
Bob Kerslake, Chief Executive, Sheffield City Council.

10.00-1.00 Tour of regeneration schemes in Sheffield, including the Heart of the City Project, the Lower Don Valley, the Canal Basin and Truro Works / Cornish Place housing.



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SCALAAGM to be held on 11 Nov. 1999

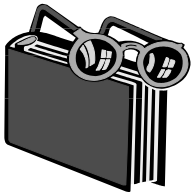
Notice of meeting to be held at Sheffield Town Hall

As the date of SCALA '99 is close to the next issue of SCALAnews, when the agenda and minutes will be distributed, early notice is being given to members of the AGM which is being held at 17.00hrs. on Thursday 11 November.

Proposed agenda:

- 1.0 Apologies
- 2.0 Minutes of the last Annual General Meeting
- 3.0 Report of the President
- 4.0 Report of the Secretary and Elections to Council 1999
- 5.0 Report & Financial Statement for year ending 31 March 1999
- 6.0 Investiture of President for 1999/2000
- 7.0 Presidential aims & objectives for 1999/2000
- 8.0 Investiture of the Vice-President for 1999/2000
- 9.0 Reports from the Chairmen of Committees
- 10.0 Reports from the Regional Co-ordinator and Convenors
- 11.0 Any other matters notified to the President
- 12.0 Close of meeting

NB: There will be a Regional Convenors Meeting after the AGM



SCALADIARY

SEPTEMBER

- 2/3- RIBA/SCALA conference- 'Schools in the Community: Lessons for the Future' at the University of Sheffield (for info. Tel/fax Alan Tyler on 01438 718954)
- 16- NW Region meeting at the Liverpool football ground, Knowsley
- 17- SCALA Professional Affairs Committee
SCALA Policy Committee
SCALA Council at RIBA
- 24- Eastern Region meeting at Huntingdon

OCTOBER

- 15- Midlands Region meeting at the National Skating Centre, Nottingham

NOVEMBER

- 11/13 SCALA '99 in Sheffield (for further information see the back & centre pages)

NOVEMBER

- 16- South West Region meeting at Taunton

DECEMBER

- 10- SCALA Professional Affairs Committee
SCALA Policy Committee
SCALA Council at RIBA

CIPFA/SCALA 16th. Series of workshops on Construction & Property Services: 13 Sept. London, 15 Sept. Durham, 16 Sept. Leeds, 20 Sept. Builth Wells, 21 Sept. Preston, 23 Sept. Stratford on Avon, 30 Sept. Taunton, 5 & 6 Oct. Scotland, 7 Oct. London.

CIPFA/SCALA 17th. Series of workshops on Construction & Property Services: 17 Nov. London, 19 Nov. Taunton, 23 Nov. Leeds, 24 Nov. Durham, 29 Nov. Builth Wells, 30 Nov. Preston, 2 & 3 Dec. Scotland, 6 Dec. Stratford on Avon, 8 Dec. London.

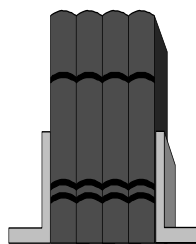
For info. on the CIPFA/SCALA Advisory Service on Best Value workshops for Construction & Property Services contact Ed. or CAS direct on 0208 667 1144



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*Book
list*

SCALAPUBLICATIONS

A list of publications currently available from SCALA

APPOINTMENT OF CONSULTANTS DOCUMENT

The latest edition of this best selling document is available. It now incorporates adjudication clauses to comply with section 108 of the Housing Grants, Construction & Regeneration Act 1996.

"I am impressed with it's succinctness and the straightforward language in which it is written..... I shall be recommending that the Head of Property Services considers using it in future"
Alan Moore, Principal Solicitor at Worcestershire C.C.

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*Featured in the
lead article in
Building Design
on 4 June '99*

1. Building Maintenance Expenditure by Local Authorities (NEW EDITION)- The results of the only authoritative survey of maintenance expenditure on local authority buildings between 1977/78 & 1998/99 Normal price £70 (Add. Copies £35) Discount price for SCALA members £50 (Add. Copies £25).

2. CCT GUIDE: A guide for clients to CCT for architectural and related professional services in accordance with the requirements of the Local Government Acts 1988 and 1992. First Copy £35 or £30 to SCALA members - Additional copies ordered at same time £18 each

3. CCT Experienced -The report of a SCALA NW Conference on the experiences of authorities in the N W who were in the first CCT tranche. £3 per copy

4. SCALA Report: The Enabling Authority : Property Management and Construction Related services. First copy £18-Additional copies ordered at same time £10 each

5. SCALA Guide to the Construction (Design and Management) Regulations

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- An invoice will be sent with the publications ordered (no payment with order)

***** NEW PUBLICATION *****

PROFESSIONAL INDEMNITY COVER

This SCALA Occasional Paper draws together up to date legal and insurance advice from a wide range of sources. It deals with the complexities associated with working for public sector linked companies, trusts and the like, and the implications of working on projects that hover around the margins of l.a. business are described. Also the constraints that preclude local authorities from offering indemnity cover for their elected members. It concludes with a model indemnity clause that is offered as a reasonable foundation for use by professionals in affirming cover for their public sector work.

only £5 a copy from David Kimmins at the above address



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**Mukund
Patel**
*Chairman
of the
Technical
Committee*

AMP's and their role in providing additional capital funding for school building and maintenance

Introduction

Government, because of its commitment to education, is making significant additional capital funding available to schools sector. Over the next three years, through various policy initiatives about £6 billion will be available to clear the maintenance backlog and improve school buildings. It is important that this money is used efficiently and as effectively as possible.

Capital improvements have a key part to play in helping to raise educational standards. These, together with improved maintenance and better use of premises, are part of the agenda of reform and modernisation of the Country's schools, helping to make them become focal points of learning for the whole community. As part of this process, Authorities and schools will need to develop plans for the efficient procurement, management and improvement of capital assets, using innovative, sustainable and energy-efficient solutions.

A key element in ensuring that this happens will be the Asset Management Plans prepared by Authorities in partnership with schools and dioceses. AMPs will provide the means through which likely future needs are assessed, criteria for prioritisation are set and informed decisions on local spending are made. Decisions based on AMPs should lead to greater efficiency in the use of capital and improved educational outcomes. The decisions will be more transparent than at present, and should therefore be seen to be fairer.

Where sound processes and good AMPs are in place, it will be possible for the DfEE to operate with a lighter touch, giving Authorities more assurance of predictable longer term funding and greater discretion to pursue national and locally agreed priorities.

AMPs Framework

LEAs will be responsible for preparing the AMPs, which will cover all types of state funded schools in their boundaries. An AMP will provide an agreed ba-

sis for local decisions on spending priorities. AMPs will have the following main elements:-

1. **Local Policy Statement** - This will set out how an Authority proposes to develop its AMP and roles and responsibilities of all partners, including schools and the dioceses. It will also explain the basis on which information about premises will be calculated and criteria and the mechanism that will be used for determining priorities.

2. **Condition Surveys** - These will provide a systematic, informed and objective assessment of the physical state of the premises and the work needed to bring the premises up to suitable state of repair and to specify any breaches of legislation. The Survey would normally be non-initiative and visual and would cover all buildings on school sites and playing fields.

3. **Suitability Assessment** - Will focus on how well premises are helping in delivery of the curriculum, and contributing towards raising of educational standards at the school. Assessments for both teaching and non-teaching spaces should consider

- ◆ number and sizes of spaces
- ◆ environmental conditions;
- ◆ fixed furniture and fittings;
- ◆ ICT infrastructure;
- ◆ health, safety and security issues
- ◆ economic use of premises.

Assessments should be linked to improved attainment levels and there will need to be a clear link capital investment and better standard when priorities are determined.

4. **Sufficiency Needs** - This will identify any capital works arising from the Authority's statutory duty to provide sufficient school places and also need to remove surplus places. Authorities will need to consider their School Organisation Plans and carry out capacity calculation for their schools, and think corporately about efficient use of assets, and in doing so take into consideration needs of the local community. Authorities will also take into account the consequences of Class Size and Early Years Plans.

5. **Determining Priorities** - Prioritising



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need is going to be the most important and sensitive task in developing AMPs. Authorities will need to work with schools and dioceses to develop Authority-wide views on premises priorities. These views can be used as the basis for identifying and prioritising the most serious and urgent needs at specific establishments. Authorities will need to include in Local Policy Statements the methodology to be used for determining priorities and will need to ensure that the methodology has the full support of schools and dioceses.

6. **Option Appraisal** - Having prioritised need, Authorities will need to work up feasibility studies and consider the costs and benefits of alternative solutions. For some repairs and minor capital works, the solutions to particular premises problems may be clear cut. For larger projects, however, consideration of a range of options is needed. Analysis of the main lifecycle costs and benefits of each option will help to establish the most effective and economic solution. Details on these are given in the Treasury's 'Green Book'.

In prioritising projects, Authorities will also need to look at the best way of funding them, including:

- ◆ borrowing by Authorities supported by DfEE credit approvals;
- ◆ capital grant provided to Authorities by the DfEE through the New Deal for Schools;
- ◆ private investment seeking a return through PPPs (usually underpinned by PFI credits issued by the DfEE).

7. **Implementation** - This stage will involve procuring the buildings in efficient and economic way. Authorities should aim to provide quality buildings based on sustained development con-

cepts. In procuring the building authorities would need to demonstrate that they are meeting targets, recommended in 'Rethinking Consultation' report.

DfEE will, early in 2000 issue guidance on implementation stage of AMPs.

Appraisal of AMPs

DfEE will appraise all LEAs AMPs to ensure that they are robustly but together, and that LEAs partners were involved in the process. It will also check AMPs for consistency and robustness, if necessary, by checking a sample of schools and ? for further information on same school.

Appraisal will involve marking each LEAs AMP. Where the AMP is upto the required standard LEA will receive its capital allocation, which it can then use to address its priorities. There may also be ? of funding over a number of years.

Where the AMPs is not upto standard, DfEE will require further information on individual projects and will then determine and direct the funding.

DfEE will issue guidance on how it will carry out the appraisal of AMPs.

Programme

Following guidance has been issued so far.

- Section 1 - AMPs Framework
- Section 2 - Premises Information and Data Systems
- Section 3 - Condition Survey
- Section 4 - Suitability Assessment
- Timescales for the remainder as follows -
- Data Transfer Format I -August 1999
- Consultation on Sufficiency Guidance and Capacity Assessment-September 1999
- Guidance on Appraisal- October 1999
- Section5-Sufficiency Guidance-Dec. 1999
- Section 6-Options Appraisal-March 2000
- Section 7-Implementation-March 2000
- LEAs key target dates for developing

- November 1999- LEAs provide their Local Policy Statements to DfEE for approval
- December 1999- LEAs complete collections of Premises data and Condition Surveys.
- March 2000- LEAs transmit Premises data & Condition Survey results to DfEE database.
- June 2000- LEAs complete suitability assessment.
- September 2000- LEAs complete sufficiency assessment.
- October 2000- LEAs transmit suitability data to DfEE.
- December 2000- LEAs transmit sufficiency data to DfEE.
- December 2000- 90% of LEAs have operational LEAs.
- January to September 2001- DfEE appraisal of LEAs AMPs
- December 2001- DfEE announce appraisal results and 2002 / 2003 funding allocations.
- April 2002/2003- Funding allocated on AMP's available to LEA's●

For further information contact Mukund Patel on Tel/fax: 0171 273 6151/6762



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Andy Beard

City Architect Sheffield Design & Property

Asset Management Plans for schools: Experiences from a pilot authority

How Sheffield Design and Property got involved.

Ironically, it was Sir Keith Joseph, then Secretary of State for Education, who invented the terminology "crumbling schools" after a visit to some of Sheffield's education buildings. Not a lot happened until changes in both Education Director and Government created the right environment for a new approach. Fresh from leafy Hertfordshire, the new Director was appalled at the state of the City's schools, and sought assistance for his depleted Planning and Buildings Section to develop a Premises Strategy. I took up a temporary secondment in the Education Directorate with a brief to develop the strategy, and rapidly found myself at the helm of a new voyage for which the DfEE had developed the jargon of Asset Management Plans.

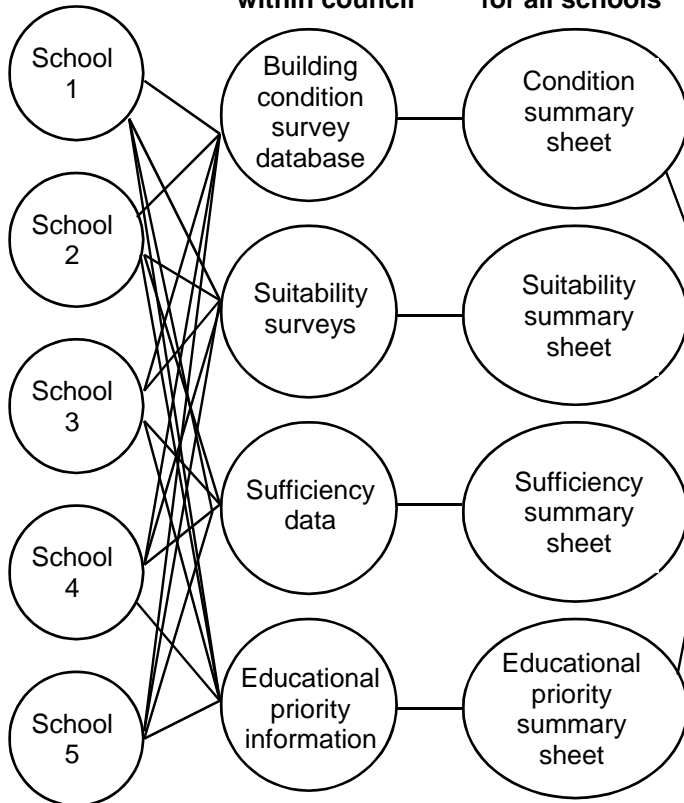
ORGANISATION OF DATA FOR AMPs

The first discovery was that there was plenty of premises information around the Council, but all quite unco-

ordinated. Also the quality of a lot of it was suspect. The first task, therefore, was to bring it all together so that a comprehensive overview of all school premises could be achieved. Within a period of three months, a desk study was completed and given the title of Preliminary Asset Management Plan. It was basically a spreadsheet of all schools, sector by sector, with basic information on condition, quality of the learning environment, capacity issues and educational priority. The first three of these are what the DfEE now call condition, suitability and sufficiency. The strategic element of the Plan was a brief summary for each school of any proposals already formulated, and the possible funding mechanism.

The preliminary AMP was a radical change from the previous capital planning methodology, in that it set out in a transparent way how decisions had been derived for New Deal for Schools bids and PFI proposals. It restored confidence with schools and, most importantly, it demonstrated what work was necessary to develop a full AMP.

School data sheets Various databases within council Summary sheets for all schools



The full AMP

Considerable work has been carried out over the last 18 months developing the first comprehensive AMP. It is due for completion in the autumn but will still require further work on suitability. The first stage was a resurvey of the condition of all schools. A database was developed in house and the survey of 200 sites carried by my Division using Psion hand-held computers. The system has been a great success and we have subsequently received commissions from other Councils to survey their schools, including the States of Guernsey.

The methodology for assembling the data and analysing it has changed little from the Preliminary AMP, the main differences being more comprehensive information and the following of DfEE guidelines. The overall structure is shown in the diagram on



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the left.

The second column shows the various databases that have been established, and the first column indicates how all the data for a particular school is brought together in a set of School Data Sheets. These will incorporate information from the Asset Register, so giving a very valuable summary of all the relevant information on each school in one location.

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The third column shows the various summary sheets of data for all schools for each of the relevant criteria, and will isolate the key issues for each school. The Asset Management Plan summary in the fourth column brings together the key issues from each category for every school, and identifies proposals to address these issues, as well as funding mechanisms.

Lessons from preparing the Sheffield Schools AMP

The schools AMP has been a major corporate effort : it is not possible for any one part of a local authority to tackle it on its own. In Sheffield, the Education and Architects Departments both played crucial roles. But Property Surveyors, Structural and Services Engineers, Quantity Surveyors, Town Planners, Maintenance Staff and the Building DLO have also all made valuable contributions. Because the AMP is a dynamic document, the multi-disciplinary approach will continue.

Another important lesson has been the value of starting simple and developing complexity as experience and the volume of data increase. Although it may be tempting to go for the all singing all dancing AMP from day one, we have found many benefits from producing the simple desk study at the outset and then building on this experience.

The AMP has also been enormously useful in demonstrating the need for investment in Sheffield schools, and explaining priorities. The work has helped to justify bids under New Deal for Schools and for PFI projects. These have resulted in £66m new capital allocations in just 18 months. It has also enabled the Education Directorate to justify its share of capital programmes.

AMPs for other service areas

The success of the schools AMP has encouraged other service areas to adopt a similar approach to planning for their own property. The Architects Division have now been commissioned to prepare an AMP for Social Services, and the Education methodology is being adopted to their particular circumstances. Again, the model of starting with a desk study is being applied. Other Services are expected to follow, and eventually it is anticipated that they can all be brought together to provide a Council-wide property strategy.

The DETR are understood to be planning to introduce the AMP concept for all local authority capital allocation processes. It is likely that AMPs will underpin the 'single pot' approach to capital funding in due course. The DfEE consultation paper on future capital planning gives plenty of clues as to how the overall system may work for non-education buildings.

Conclusions

The requirement to produce AMPs for schools is putting a considerable burden on LEAs. However they should be seen as an opportunity rather than a threat, particularly for architects departments. If they are prepared thoroughly, they will ensure that a Council's investment policies are effective and give value for money. They will also assist successful funding bids.

AMPs require a substantial amount of technical input. Not only is there considerable work required to produce, analyse and update condition databases, but there will also be a need for feasibility studies and option appraisals to develop the proposals element of the Plan. Successful AMPs will be the product of good team working between all the relevant departments of Councils, and there is clearly a significant potential role for Architects departments. Preparing AMPs may not be glamorous work, but it is the foundation for future capital programmes. Local authority architects need to get stuck in and help client departments get the most out of the process ●

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*The work
of the
DETR &
DTZ Pieda
Consulting*

Measuring performance in the management of local authority property

Earlier this year the DETR commissioned DTZ Pieda Consulting to undertake a review of the management of property in Local Authorities and to propose guidelines for the future. The review primarily focused on the strategic management and performance of land and buildings that were not schools and housing. In this article Alan Tyler reviews the progress to date and some of the preliminary findings.

The guiding principles behind the study were:

- ◆ To collect information on approaches taken by Local Authorities in registering their assets and managing their use through asset management plans.
- ◆ To inform Government proposals for a single pot allocation system based in part on local authorities performance in managing assets.
- ◆ To gain a clear picture of comprehensive and innovative methods in asset management and the corporate strategies of authorities on asset management
- ◆ To seek to establish good/best practice and performance measurement in asset management and developing asset management plans.
- ◆ To supplement the work of organisations such as CIPFA, COPROP, FPS, Audit Commission, DfEE on asset management, particularly in relation to local authority land and property which is not schools or housing.

The Questionnaire

The basis on the research was a postal questionnaire sent to 193 local authorities across the country, giving a good mix of size and background. There was an excellent response to the questionnaire with an 85 % return rate (163 replies). The analysis of these replies gave a sound structure to the report. These were backed up by 20 in depth case studies of local authorities looking at a limited range of issues.

The information from the questionnaires produced a number of emerging issues, which assisted in the development of the research. These were:

- ◆ **Wide Variety of Techniques**
Asset management is undertaken in many differing ways across local authorities and there are very few standard methods that can be established.
- ◆ **Low Level of Strategic Planning**
Few authorities had either a corporate or a service property plan in place and thus it was not easy to put in place a strategic plan for their property portfolio.
- ◆ **Property Asset Management Fragmented**
The ownership of property was often spread over a number of service committees each of whom jealously guarded "their Property". This trend was also increasing though the increased use to delegation of budgets. There was also a tendency among some to treat property as a "Free Good".
- ◆ **Little Difference in Approach Between Size of Authorities**
The scale of the activity and the refinement of the process varied with the size of the authority, but it should be possible to set out standard guidelines that could apply to all.
- ◆ **Limited Performance Measurement**
Benchmarking and other forms of performance measurement were under way in many authorities but were still in their infancy. Development was not helped by the lack of corporate objectives and the need to link property performance to such objectives.
- ◆ **Limited Evaluation of Completed Projects**
Surprisingly they found that few organisations evaluated their completed projects with clients and users. The link to continuous improvement is paramount here for without such information improvements in the future cannot be achieved.

Case Studies



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As noted previously 20 authorities were visited for an in depth discussion as a result of the information received from the questionnaire. The sample sought a representation across authority types aimed at identifying best practice. The information from the case studies could be grouped under four main headings and within each of these further interesting issues emerged.

- ◆ **Asset Management Planning**
Generally it was felt that progress in this area was limited and had a variety of levels and quality. Progress was greatest in the education field where there is a requirement to produce plans in order to obtain funding. The message was that asset plans would eventually be needed across the stock and the sooner authorities realised this and commenced on the process the better.
- ◆ **Performance Measurement**
The case studies backed up the information found in the questionnaires; that is that there is limited activity and it is often not related to the objectives of the authority. There were also significant difficulties with the quality and reliability of the data being used. (Benchmarking clubs overcome this problem by standardising the data requirements) In addition there was little evidence of comparisons being made with other sectors.
- ◆ **Capital Projects**
Generally capital projects were planned on an annual basis and funding regimes reinforced this process. In order to gain best value out of the resources available there was a clear need to extend programme planning to three/five years.
- ◆ **Data Management**
There were changes occurring in this area but there had not been a great improvement since the Audit Commission's report into property management in 1988. Delegation of responsibility for property matters was also causing a number of problems especially in the assembly of corporate data.
(Interesting to note that the Audit Commission is currently revisiting the 1988 report with a view to rec-

ommending improvements under the best value regime)

Future Development

DTZ will be reporting to the DETR with their draft findings in July 1999 and will then be producing a set of good practice guidelines. At this stage it is thought that these are likely to cover:

- ◆ **Management and Decision Making**
Is there a corporate strategy? Is property considered as a long-term resource?
- ◆ **Asset Management Planning**
The total portfolio across the country is huge (in excess of £127 Billion). Small increases in efficiency good mean large rewards. Is there a need for a requirement for Asset Management Plans across all service elements?
- ◆ **Performance Measurement**
Benchmarking is an essential element in understanding the problem, but it often requires other methods to start to resolve the problems. It is essential that PI's reflect the objectives of the Authority and that you " Measure what is important not make important what is measurable". Whatever you do you need to start now as the process takes time.
- ◆ **Capital Planning and Evaluation**
Possible changes to the methods of funding will place a greater emphasis on longer-term planning and the use of clear option appraisal process that are demonstrable.
- ◆ **Data Management**
Good quality information is the key to better asset management and it is essential that authorities develop systems that are used and owned by the clients as well as the property professionals.
- ◆ **Quick Start and Five Year Review**
All these processes take time to implement and so the guidance is likely to give advice on starting the process and on how to develop it over a period of time.
The important message is the need for Property Professionals and their authorities to start now and not wait until the process overwhelms them●

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Developing an integrated approach to asset planning

*Phil
Roberts*

*Head of
Facilities
Herts C.C.*

Hertfordshire County Council is now in its fourth year of a formal asset planning process. The purpose of Asset Planning in Local Government is to ensure that there is a good match between physical resources and the operational requirements of the various service departments within the Authority. As a result the Council's policy is that asset planning should be fully integrated into overall service delivery by service departments. Property should be held and managed for no other reason than to enhance service delivery to the community. In Hertfordshire, the impetus for the implementation of a formal asset planning process came with the break up of a central property department and the delegation of property management responsibilities to service departments. Tony Comer, Head of Asset Management Division, in 1994, introduced the present system of asset planning. A number of studies by the Audit Commission (for example *Capital Gains* published in 1996) have shown that there are significant financial benefits from a well planned approach to Asset Management. Current initiatives by the DfEE and the DETR are linking approval of funding for capital projects to the existence of appropriate asset management plans. Hertfordshire has supported a number of these studies. Robert Soar, formerly Head of Contracts, represented the Authority on the CIB report on Briefing the Team.

Our annual planning cycle begins each year with the preparation by service departments of service strategies linked to local policy statements. The County Council believes that it is important that property is placed in the context of service need, and not the other way round. Following the preparation of the service strategy, a service property strategy is prepared which:

- Ensures that property decisions are clearly related to policies
- Challenges assumptions through a rigorous process
- Brings clarity to property requirements and priorities

These strategies are approved by Members in June/July each year. In January, Policy Committee is also asked to approve the annual Asset Plan. The purpose of the Asset Plan is to provide Members with the opportunity to consider the whole property issue and give clear overall direction for the handling of the County Council's Estate. The plan set out details in three areas:

- Property policies, strategic activities and corporate targets
- Administrative arrangements of the asset planning process
- Roles and delegations of members and officers

The Property Board, an officer group representing all the main service departments with property interests, carries out preparation of the asset plan. As a result of this process, corporate policies have been adopted for the management of energy and water, office space standards, and access to buildings. More recently, Policy Committee has considered targets for the estate in line with those promoted in the Egan Report (*Rethinking Construction 1998*) as well as the DETR Construction Best Practice Programme. Their purpose is to link policy objectives through strategic activities to three-year improvement targets. For example, a policy objective for improving the predictability of project cost and time is linked through the strategic activity of improving management information to a target for a 5% increase in performance over each of the following three years. This approach also supports the Government Construction Clients' Panel initiative Achieving Excellence, announced earlier this year. So far, targets or improvement objectives have been set in the following areas:

- Sufficiency and suitability of property in use
- Statutory compliance of property in use
- Reduction in the environmental impact of property
- Improving the predictability of project cost and time
- Reduction in the time to acquire property
- Maximisation of external funding for



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- property acquisition
- Use of materials to reduce waste and hazard to health
- Reduction of accidents on site
- Reduction in defects on handover
- Protect property values through adequate maintenance
- Reduce revenue costs of property in use
- Maximisation of property rationalisation and disposal

Underpinning the asset planning cycle is a programme of guidance and development workshops managed by the Asset Management Division, and involving Service Departments and the County Council's partner, Amey Property Services.

Change in the use of the estate arising from these plans is monitored and managed by a Property Re-use and Rationalisation Group. This is an officer group that tracks properties as they move from the possibility of undergoing change through to the completion of change. The authority recognised that there needed to be an effective way of making sure that assets that were no longer required were either recycled or disposed of, and that properties that remained in use were adequately maintained and utilised. In accordance with the prime property policy, the bulk of the County Council's assets are held for service delivery purposes only. However, some assets are held in advance of known need (reserve sites, land for road improvements) or where land and buildings are being prepared for disposal. Property that is surplus to requirements is redeployed, either to disposal or re-use for direct or indirect service delivery. Over the past ten years the County has become increasingly successful at identifying and releasing surplus assets. The disposal programme now meets much of the County's capital requirements.

By far the most difficult area for the County Council has been establishing an effective property database. This is partly because of the size and complexity of the estate that includes over 1500 sites across the County, as well as significant headquarters complex and a large rural estate. Developing and maintaining up to date data on the whole of this estate, particularly given the complex delegations to service departments,

is challenging. In order to comply with the DfEE requirements for the schools asset management plan, the existing schools database is being upgraded and replaced by GENESIS, a package that may eventually be extended to include all the remaining estate. Significant investment is also being made in the digitisation of the County Council's Terrier. The objective is that the whole of the estate record will be capable of being accessed through a common Geographical Information System. We are currently working with Katalysis, the consulting arm of Chesterton, in evaluating the accuracy, availability and sourcing of our property data. In a further use of new technology, Roger Fairholm in Asset Management Division is preparing web based access to information about the asset planning system and the programme of work through CONNEX, the County Council's Intranet site. This will provide a better gateway to all County Council staff who need to access information about the asset planning process. It is hoped that this will support the development of community plans and also multi agency working with the County Council's partners in the county.

The County's Asset Planning system has been the subject of a case study by DTZ Piedad Consulting on behalf of the DETR. It is hoped that some of our experience will be useful in determining future DETR guidance on the preparation of non-schools asset management plans. Our experience over the past four years has shown that effective asset management is not simply a matter of data analysis or technical evaluation. It is much more about raising awareness of and attitudes to property when decisions are made about service delivery. The asset management process has ensured that property is on the agenda of each member and officer committee. It has also established a clear corporate role in setting policy and improvement targets. It has also made sure that we are well placed to respond to new Central Government thinking on Best Value in property and asset management ●

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Property in it's proper place in local government: Presented to a CAS 14 Series workshop in Taunton

**Robert
Lee**

**Head of
Strategy
Devon C.C.**

As the title suggests, this was a wide ranging presentation highlighting the strategic role of property in the local government portfolio and the challenges and opportunities for support services that result from this. Starting with the differing perspectives of local government property Robert moved onto the organisation and delivery of services and how to achieve your primary goals. He also looked at the influence of best value and previous advice on property management, the role of Asset Management Plans (AMP's), possible future guidance and performance measures before reaching his conclusions.

Robert established his ethos for property management early by stating:

I am interested in more than property services, more even than property. I am interested in property alongside and integrated with the other factors of production (people, property, management skills and IS/IT) and service provision. Neither property or it's management are islands and we need to address Best Value collectively, not each in our own corners.

The value of looking at property in the widest possible sense was illustrated by comparing the £35m pa running costs of Devon's £650m estate to the £3.5m it costs to run property services. A 10% saving on the former is worth considerably more than the latter! Integration not isolation, which is all part of the latest joined up government theme.

The various views of property from a local government perspective were shown as follows:

- Working environment for service delivery *eg. education, social services*
- Direct service provision *eg. housing*
- A marketing tool *eg. economic dev.*
- Investment *eg. retail*
- Control *eg. town centre*

Property needed to be looked at in terms of finance, physical as well as functional/space aspects, and possibly prestige. The time horizons varied from annual servicing, through the normal

maintenance/development and election cycles, to 25 years or longer for a PFI contract with numerous stakeholders involved in every aspect.

Other important aspects in successfully managing property are strategic resources management and organisation, together with integrated service delivery. No one service can be taken in isolation illustrated by the overlap between social services 'meals on wheels' and school meals, or library facilities used by both schools and the community. The need to consult and the single pot approach to local government finance emphasise the need for such an approach which requires radical changes in the strategic management of an authority to succeed. The traditional system of individual chief officers reporting through a management board should be replaced by bodies responsible for corporate, service and resource strategy implementing uniformly agreed policies with responsibility for what is done, the information required to achieve it and the necessary monitoring. This thematic approach is shown in the 5 primary goals that Robert helps to achieve through the property function using sustainability as a foundation:

- Develop and educate people
- Promote a healthier and safer Devon
- Protect and care for people in their communities
- Protect and enhance Devon's environment
- Work for a prosperous Devon

A series of slides showed how these goals cut across individual service issues and the groups which they serve which could themselves be overridden by national factors, such as the Crime and Disorder Bill, which could influence more than one goal. Robert pointed out that there are conflicts of interests to overcome of which the Chatham House rules on confidentiality are an example.

Best value guidance is seen by Robert as service orientated contributing only indirectly to cross cutting issues and the strategic role of property which he ex-



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pressed as follows:
Neither property, nor any other resource, is an island unto itself. Rather it only has purpose in the context of the reason for holding it in the first place. Robert ran through reports dating from 1979 which sought to maximise the return from property focussing on the latest DETR efforts to achieve good asset management practice, guidance on AMP processes and a framework for monitoring performance in property. The aim is to highlight surplus property and achieve a justifiable level of assets relative to need by surveying 200 local authorities, leading to 10 case studies with a final report by the end of June. If successful the single pot for funding related to benchmarking criteria will be implemented in 2001/2 providing a financial incentive for efficient and effective strategic property management. Robert speculated that the DETR report would indicate the following:

- Need for more forward service/goal planning
- Ageing and widening investment gap
- Backlog of maintenance
- Partnership and sharing necessary at early stages of development
- Need for a holistic approach to new initiatives *eg. travelwise, flexible working, IS/IT developments*

- Need to differentiate between different types of authority and property

The AMP was seen as the ideal tool for relating resources to goals and likely to be endorsed by the Audit Commission. Robert identified key performance measures for property which would enable an authority to compare with others with a view to being in the top 25%, which he saw as less important than the speed of change.

In conclusion Robert identified three key areas to work on:

- Focus areas- *corporate and service planning, AMP's, performance monitoring/incentives, reviewing and reporting*
- Competencies- *strategic, functional and personal*
- Networking- *partnership and learning*

The major steps that need to be taken, which Robert has highlighted in the previous paragraph, show that in his view local government is in the 'last chance saloon'. It can be put right with a corporate approach and a lot of hard work with the dividends resulting from this making the effort well worth while●

Robert Lee can be contacted on 01392 384635.

*Book
and
website
review*



OUTPUT SPECIFICATIONS FOR PFI PROJECTS: A 4Ps GUIDE

A comprehensive guide to preparing a good Output Specification, with particular reference to a Schools PFI project, has been produced by the Public Private Partnerships Programme (the 4Ps). Whilst the guide is particularly valuable to Local Education Authorities and schools, much of the advice and the detail given is also relevant to PFI projects in other local authority service areas, and is of value to private sector firms and PFI advisors. The cost is £75 (inc. postage) or £20 to local authorities and other public bodies.

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MAKING REGENERATION HAPPEN:

The Role of Architects and the Public Sector



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The scope for public sector architects has not been so great for two decades. Those that can adapt to new methods and work successfully with their various local authority clients (and external partners) will be in big demand. Those that cannot may be sidestepped. To be successful architects need to be flexible and innovative. They must be aware of new developments in other authorities, and be prepared to take on new roles.

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