
INTRODUCTION

"Altogether the challenges and the opportunities for property in Suffolk have never been greater. The task of meeting those challenges over the next year is one which should engage not just property officers and resource managers but councillors, service managers and indeed all the users of the council's 1,000 plus properties".

This extract from the Introduction to the December 2003 report has been at the forefront of a year of continuous development of services and the property portfolios within Suffolk.

We have witnessed the official opening of Endeavour House, the creation of Customer Service Direct and the opening of its first customer service centre at Stowmarket all part of the new corporate property strategy and an accommodation model which will change the way we work and improve the experience of the public in accessing services and buildings.

There are many other examples of teamwork producing positive outcomes for the people of Suffolk throughout 2004 consistent with the council's service priorities and evidenced in this report.

Looking to 2005 the government continues to focus on the need for local authorities to manage its property assets effectively in support of the capital planning system introduced by the Local Government Act 2003. New asset management guidelines will be issued by ODPM this year and these are likely to feature in future CPA processes. Much of this best practice is captured in "Property Strategy 2004" and will be implemented throughout 2005 and beyond.

The challenges and opportunities will continue, both national and local elections are likely, whatever their outcome the need for a customer focus, longer term asset management planning and teamwork will feature in the continuing development of properties and property services in 2005.

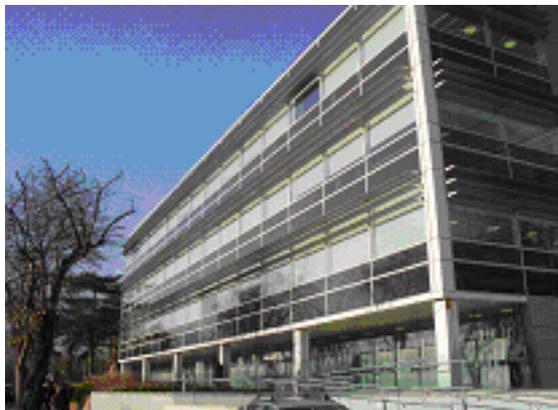
Brian Williams
Assistant Director Property

Ray Nowak
Portfolio Holder
(Finance, Physical & Human Resources)

December 2004

SECTION A – PROPERTY DIRECTIONS

This section highlights some of the projects we have completed recently. They show how we have applied the themes developed in last year's report: design quality and sustainable buildings; a partnering approach to procuring major new buildings; the changes demanded by e-government and better access to council services; and identifying and meeting community needs through Property Reviews.



***Endeavour House:
New headquarters opened April 2004.***

***Helping people to access services:
Customer Service Direct first customer
service centre opened at 54 Ipswich
Street Stowmarket November 2004.***



***Helping people to access information:
Wickham Market Resource Centre
opened August 2004.***



***Raising levels of achievement in schools 11 to 14 years:
Six Classroom Extension at Holbrook High School completed
September 2003***



***Reducing the number of lives lost through fire and accidents:
Newmarket Fire Station opened October 2004***

***Help more older people live
independently in their local
communities***

***Beccles equipment store opened April
2004***



MEDIUM TERM PRIORITIES TO MEET CHANGING NEEDS

The council has identified some key issues that it wishes to address over the next few years. They are derived from consultation with the public, government targets and areas of the council's work known to be in need of improvement.

A recent MORI survey recorded that 9 out of 10 Suffolk residents are happy with their local area as a place to live. In order to continue to meet the expectations of the public and maintain the positive feeling people have about the county the future needs to be considered and planned for by council services. Many of the changes expected to the demographic and economic position of the county will impact directly on the council's services, and in turn on their property needs in the future. The targeted use of scarce capital and revenue resources to deliver projects which impact positively on the councils' priorities will become increasingly important.

Capital programmes for Education, Transport and the "other services" block are developed using prioritisation schemes that are designed to help deliver the corporate priorities. The priorities, and examples of property projects completed in the past year which are contributing to meeting them, are outlined below:

Corporate priority	Examples of property projects
A Raise levels of achievement in schools, particularly for 11-to-14 year-olds	Secondary schools benefiting from major investment as part of the Education capital programme include: Kesgrave High School first phase completed 31 August 2004. Completion of new classrooms at Holbrook and refurbishment of science laboratories at Benjamin Britten (Lowestoft), Orwell (Felixstowe), Holbrook, Thurston, Copleston, Holywells & Westbourne (Ipswich) and King Edward VI (Bury St Edmunds).
B Help young people to get good jobs and reduce the chances of them getting involved in crime, drug-taking and anti-social behaviour	Completion of building work at Murrayside Community Education Centre has enabled the Ipswich Youth Social Inclusion team to be located at the centre. The team deliver programmes within the facility and within the community specifically targeted at helping young people at risk of exclusion.
C Improve the quality of life for children in care and their families.	Closure of 52 Belstead Road and 54 Crabbe Street and re-provision at Martlesham. Opening of "Highway House" in Ipswich as a "drop-in" facility and advice centre for vulnerable families. Completed work at four carers' homes providing foster-care for children with specific needs.
D Help more older people live independently in their local communities	New storage facilities opened at Beccles to improve the management of equipment to support older people live independently in their local community. "Very Sheltered Housing schemes" opened at Oak House, Stutton and Reydon. To meet increasing demand for secure facilities to support older people with dementia new units have been opened at "The Dell" and "Ixworth Court " residential homes.
E Encourage more people to use public transport	Endeavour House Green Travel Plan was implemented in April 2004. The results of a Travel Survey (November 2004) indicate that all sustainable modes of transport have benefited. The survey shows that 26% of staff had changed

	their mode of travel and, of those changing, most were making driver-only journeys before.
F Recycle or compost more household waste and reduce the amount going to landfill	Site extensions and re-provisions of Household Waste & Recycling Centre's at Bury St Edmunds, Newmarket, Haverhill and Beccles upon completion will contribute to the continuing improvement in recycling and composting which has increased from 39.8% in 2002/03 to 40.9% in 2003/04.
G Maintain our roads and footpaths to a higher standard	This priority has no direct property implications although good maintenance relies on a network of well located highway depots.
H Better co-ordinate our support for those communities which need it most	Children Centres being developed at: SW Ipswich, Haverhill-Clements, Lowestoft- North (town centre) and Kirkley. For people with learning disabilities new day facilities are being developed at The Jubilee Centre Mildenhall, Marguerite Jeffries Ipswich, and the Denes High School Lowestoft.
I Help people to access our services more easily and tell us how we can improve	Customer Service Direct created in partnership with British Telecom and Mid-Suffolk District Council with the first customer service centre opened at 54 Ipswich Street Stowmarket in December 2004.
J Support local businesses, develop the local economy and improve training opportunities	The council's five managed workspace centres provide 137 business units for rent. There have been 55 business start-ups, some 180 small business assisted and 140 new jobs created since this programme began. Hadleigh Business & Learning Centre opened January 2004 and on target to achieve 80% occupancy
K Reduce the number of lives lost or damaged by accidents or crime	Newmarket Fire Station opened October 2004. Brine Making tanks installed at Halesworth, Mildenhall and Great Blakenham depots to enable trials of pre-wetting salt to be undertaken and saline run-off to be recycled.

COUNTY FARMS

The County Farms estate is managed to meet clear objectives following recommendations approved by Executive Committee in 2001. Broadly the strategy is one of progressive rationalisation while substantially maintaining the area of the estate.

The management objectives are:

- Creating and managing a sustainable estate.
- Offering a range of holdings to provide realistic business opportunities.
- Securing greater revenue by the innovative use of resources for the benefit of both landlord and tenants.
- Tenants wishing to leave farming should be given the opportunity to do so
- Increasing, over time, revenue and capital income to the Council.

The following performance measures are in use:

- a) Projected 10- year internal rate of return, with a benchmarking comparison to other authorities, and actual figures for the last two financial years.
- b) Capital receipts
- c) Rights of Way created and upgraded
- d) Number of trees planted
- e) Sustainability projects supported
- f) Estate reviews completed

The performance targets for the estate have been largely met. There is a full report on the performance of the County Farms estate in section D.

PARTNERING

Executive Committee approved Property Divisions proposals, contained within the Property Performance Report 2003, detailing a partnering approach to construction projects.

The approach has enabled six major school building projects to be completed on time and within budget with two further projects due for completion in September 2005.

Suffolk traditionally builds schools of high design quality at less than average prices. Currently comparisons of the partnering (collaborative) approach with traditional methods of procuring major schemes within Suffolk are showing no significant difference in costs. However, to obtain further cost advantages and comply with the DFES requirement that capital funded projects should be collaboratively procured long-term alliances with consultants, contractors and suppliers are being implemented.

The partnering approach to project delivery has also been introduced for all reactive repairs, planned maintenance and minor works. Seven contractors have been appointed using "Measured Term contracts". Early indications are that response times, services satisfaction with the work done, and effectiveness of billing arrangements are above average. The extension of the existing arrangements for a further two years is being discussed with services. New indicators measuring time, outturn costs to forecast, and value for money are being considered.

PROPERTY REVIEW

Property Review is a key component in the drive for improving corporate asset management. It aims to support service improvement by identifying under-use, unsatisfied need, fitness for purpose, opportunities for partnership working and property sharing with other agencies. The focus of the reviews reflects the aims and aspirations of the county council's change agenda and new ways of working.

Public Access

Property Review is taking a lead role with Customer Service Direct (CSD) in delivering accommodation to support people access local services more easily throughout the county. The work involves identifying, developing and delivering customer service points along with colleagues from BT, Mid-Suffolk and other District Councils (who may join the joint venture company).

Property Review staff enabled the successful completion of CSD first customer service centre which opened in Stowmarket during November 2004.

St Edmundsbury

Property Review staff working with others are seeking to establish a multi-agency one-stop shop within the cattle market development. The Review team also working with St Edmundsbury and others are exploring the concept of a 'public services village' at Western Way and reviewing development opportunities at the South Close/Hospital Road complex.

Saxmundham

The redevelopment of sites in Saxmundham is being explored to provide improvements to the school sports facilities services at Saxmundham Middle School and deliver new services to both young and older people on the site. Further projects including a health centre are dependant upon third party funding and continue to be explored.

Ipswich

Working with consultants DTZ on County Hall exit strategy and Ipswich "Travel to work" area property rationalisation continues. Constantine House, Ipswich has been acquired for use by CSD as their HQ building.

Working with IBC, Health and other partners to provide a central public access point including exploring satellite public access and service delivery points within key estate areas of Ipswich.

Brandon

A pupil referral unit is to be opened in the refurbished building in 2006 and health, library and community facilities will follow in a phased development.

Courthouses

The Department for Constitutional Affairs (DCA) will assume responsibility for the administration of magistrates` courts and higher courts from 1 April 2005. On this date all property people and funding is to transfer to the DCA.

The properties to be transferred are detailed below:

Parish/Town	Name/Address
Lowestoft	Old Nelson Street, Court House, Lowestoft
Ipswich	Elm Street Courthouse, Ipswich
Mildenhall	Police Station Square Courthouse, Mildenhall
Sudbury	Courthouse, Sudbury
Bury St Edmunds	Old Shire Hall*

** The Magistrates Courts Committee and the Lord Chancellors Department largely occupy "Old Shire Hall". Discussions are in hand to determine whether the whole or part of the building is to transfer and the nature of the legal interest to be transferred.*

SECTION B – PORTFOLIO PLANS

Education: Schools

Children and Young People/Early Years Education

Lead Portfolio Holder: Tony Lewis

Property Resource at 31 March 2004

<i>Number of assets</i>	<i>343 schools</i>
<i>Net Book Value</i>	<i>£680.16m</i>
<i>Gross Internal Area</i>	<i>868,068m²</i>
<i>Condition of Assets (ODPM grades)</i>	<i>A (5) B (174) C (159) U (5)</i>
<i>Suitability of Assets</i>	<i>[DfES do not require this at summary level]</i>
<i>Pupil numbers</i>	<i>97.451 (Jan 04, excl nursery pupils)</i>
<i>Nursery units at 99 schools</i>	<i>3,803 (Jan 04)</i>
<i>Property Running Cost (Average)</i>	<i>To be collected</i>

Drivers for Change

Delivering the medium term priorities of the County Council especially:

- Raise level of achievement in schools, particularly for 11-14 yr olds.*
- Help young people to get good jobs and training.*
- Help more people to access our services more easily.*
- The development of integrated and holistic services for children, young people, their families through the young persons initiative.*
- The implementation of the Children's Bill and the Governments 5 yr Strategy for Children and Learners*
- Carry out the strategic planning, management and review of education facilities, so as to make a positive contribution of the raising of education standards, particularly in the light of the primary and 14-19 review and future opportunities likely to be available through Building Schools for the Future (BSF)*

Achievements

Building work commences on Moreton Hall (Bury St Edmunds) the first phase (150 places) of a 300 new primary school. Forecast completion date July 05 for Sep 05 opening.

1st phase of major extension at Kesgrave High School completed, to take the capacity to 1800.

Second phase of building programme underway at Cedarwood (Kesgrave) primary school to increase the capacity to 420 places. Completion date forecast Jul 05.

Major and minor and building works to over 180 schools completed,

Bids approved for access initiative projects in 82 schools with a value of £1.425m.

140 new places provided at the new Beaumont (Hadleigh) primary school.

<i>Targets and planned investment</i>	<i>2005/06 (£000`'s)</i>	<i>2006/07 (£000`'s)</i>	<i>2007/08 (£000`'s)</i>
<i>New (likely 300 places) primary school at Rendlesham Woodbridge</i>	<i>1,500</i>	<i>1,000</i>	
<i>New (likely 300 places) primary school at Cedars Park Stowmarket</i>	<i>1,500</i>	<i>550</i>	
<i>Amalgamation of Chantry Infant and Junior school Ipswich.</i>	<i>1,000</i>	<i>250</i>	
<i>Replace temporary accommodation with permanent extension King Edward VI Upper School, Bury St Edmunds.</i>	<i>450</i>		
<i>Open 8 children centres by March 2006 in Ipswich, Lowestoft, Haverhill, Saxmundham, Leiston and Reydon.</i>			
<i>Develop all schools by April 2006 to meet the governments "Extended schools" agenda.</i>			
<i>Access to a high quality part-time education place wherever possible integrated with childcare for all 3 and 4 year olds wherever wanted by 2008.</i>			

Social Care: Residential Homes, Day Centres & Supported Living

Services to Older People

Lead Portfolio Holder: Terry Green

Property Resource at 31 March 2004

	RESIDENTIAL HOMES	DAY CENTRES
Number of assets	17	4
Net Book Value	£13.2m	£0.365m
Gross Internal Area	30,000m ² (est)	1,800m ² (est)
Number of Beds/Places	574	278
Condition of Assets (ODPM grades)	B (16) U (1)	B (1) C (1) U (2)
Suitability of Assets	A (2) B (7) C (7) D (1)	C (2) D (1) U(1)
Property Running Cost (Average)	£70/ m ²	£32/ m ²

13 Residential Homes provide Day Centre Services e.g. lunchtime meals.

Drivers for Change

Achievement of 2 Star Status and improvement in key performance indicators

Reduce delayed transfers from hospitals

Fire Safety review of Homes for Older People

Suitability of premises generally and for the development of 'Intermediate Care'.

Move to a commissioning organisation and review of in house day and residential services

Moving to a locality management arrangement

Balance Social Care Budget and manage the impact of PCT budget deficits

Achievements in the past year

Development of new special needs units at "The Dell" and "Ixworth Court" Homes.

Opening of a new equipment store North-East Suffolk to improve delivery of equipment to the elderly.

Improved security and fire evacuation procedures at "Hawthorn Drive" and "Crabbe Street" Homes.

Thermostatic valve replacement programme completed.

Targets and planned investment	2005/06 (£000)	2006/07 (£000)	2007/08 (£000)
Dell, Beccles Completion of phase 2 of special needs refurbishment expected completion early 2005	175		
Place Court Haverhill provision of integrated day centre (for older people and people with learning difficulties) and office accommodation.		1,950	
Provision for compliance with reviews of fire safety arrangements at all older people homes.	400		

Social Care: Residential Homes, Day Centres & Supported Living

Services to Children Lead Portfolio Holder: Tony Lewis

Property Resource at 31 March 2004

	<i>Residential Homes</i>	<i>Day/Family Centres</i>
<i>Number of assets</i>	*4	9
<i>Net Book Value</i>	£0.59m	£1.5m
<i>Gross Internal Area</i>	2,700m ² (est)	4500m ² (est)
<i>Number of beds/places</i>	32	to be collected
<i>Condition of Assets (ODPM grades)</i>	B (3) C (1)	B (3) C (4) D (1) U (1)
<i>Suitability of Assets</i>	C (3) D (1)	B (1) C (5) D (1) U (2)
<i>Property Running Cost (Average)</i>	£80/ m ² .	£ 43/ m ²
* 1 Home due to close DEC 2004		

Drivers for Change

Achievement of 2-star status and improvement in key performance indicators
Reduction in Out-County Placements for children and increase foster care provision.
Safeguarding of children arising from implementation of the "Climbie" report.
New directorate for Children's services from April 2005.
Move to locality management arrangements.
Joint working with Health, Education, Housing & Police.
Balance Social Care Budget.

Achievements in the past year

Establishment of a joint asset management group with Education to assist the implementation of new services.
Project groups created in Gt Cornard and SW Ipswich to plan investment in new facilities supporting the development of integrated services.
Development of a new children's residential service at Martlesham with office space for advisory and training facilities.
Provision of temporary accommodation for Trinity Family Centre Felixstowe.
Four foster care schemes being developed to provide accommodation for children with disabilities.

Targets and planned investment

	<i>2005/06 (£000)</i>	<i>2006/07 (£000)</i>	<i>2007/08 (£000)</i>
<i>Completion of children's residential project at Martlesham including space to support foster care advisors and training</i>	300		
<i>Bury Family Centre. Provision of a new integrated family support service</i>		400	
<i>Sudbury "Chestnuts" Family Centre. Provision of a new integrated family support service.</i>	335		
<i>Ipswich "Stone Lodge" Family Centre. Provision of a new integrated family support service.</i>	390		
<i>Felixstowe "Trinity" Family Centre. Provision of a new integrated family support service.</i>		400	

Social Care: Residential Homes, Day Centres & Supported Living

Services to Vulnerable Adults

Lead Portfolio Holder: Terry Green

Property Resource at 31 March 2004			
	RESIDENTIAL HOMES	DAY CENTRES	HOUSES/FLATS
Number of assets	9	36	28*
Net Book Value	£1.23m	£8.29m	£0.343m
Gross Internal Area	3,400m ² (est)	12,500m ² (est)	No data
Number of beds/Places	Data to be collected	Data to be collected	Data to be collected
Condition of Assets (ODPM grades)	A (1) B (6) U (2)	B(17) C(3) U (16)	A(1),B(4),C(1) (U) 22
Suitability of Assets	(C) 5 (U) 4	(B) 8 (C) 14 (D) 4 (E) 2 (U) 8	Data to be collected
Property Running Cost (Average)	Data to be collected	Data to be collected	No data

*26 leases or licences, 2 freehold interests.

Drivers for Change

Achievement of 2 Star Status and improvement in key performance indicators

Partnership arrangement with the NHS for mental health

Modernisation of Social Care Services for vulnerable adults. Improvement of assessment and care management arrangements.

Movement to a commissioning role and the provision of services by others e.g. voluntary sector.

Joint working with other agencies in the provision supported housing for vulnerable adults.

Balance the Social Care Budget and managing the impact of PCT budget deficits

Achievements

Development of new community resource units at Denes High School Lowestoft, Jubilee Centre Mildenhall and Marguerite Jeffries centre Ipswich.

Opening of new workplace unit at Ipswich in partnership with Papworth Trust.

Completion of an extension at Burgess House Ipswich providing new office, toilet and lounge.

Completion of the reorganisation of John Turner house to improve respite care arrangements and relocate staff.

Targets and Planned Investment	2005/06 (£000)	2006/07 (£000)	2007/08 (£000)
<i>Strategy for respite care needs under review.</i>		500	
<i>Review of the assessment and care management arrangements at Bury Resource Centre Hollow Road as part of the commissioning strategy</i>		tbc	
<i>Review of the assessment and care management arrangements at Lowestoft Resource Centre Rotterdam Road as part of the commissioning strategy.</i>		tbc	
<i>Felixstowe Resource Centre Orwell School. Provision of a new day centre.</i>		400	

Offices & Administration Buildings

Resource Management – Property Lead Portfolio Holder: Ray Nowak

Property Resource at 31 March 2004

Number of assets	64
Net Book Value	£36 m
Gross Internal Area	66,400m ² (est)
Condition of Assets (ODPM grades)	(B) 33 (C) 11 (U) 20
Suitability of Assets	
Property Running Cost (Average)	Data to be collected

Drivers for Change

Improving access to services and accommodation are key goals in improving the delivery of services to the community. The relocation of strategic, democratic and policy staffs to Endeavour House in Ipswich; the creation of Customer Service Direct and its first customer service centre in Stowmarket are part of this strategy.

A network of such centres will create opportunities for joint use of office spaces with other agencies; and promote changes to the location of 'back office' staff.

Many of our present office premises are unsuitable, and do not support corporate, flexible and inter-agency working, which are increasingly important routes for provision of services to the community.

Investment now being planned to strengthen our computer network, will enable staff to work more flexibly in a range of locations. We anticipate that the ability to mix working from home, remote bases, and 'oasis' centres will help staff work more closely with their customers.

Achievements

Staff were relocated to Endeavour House in April 2004.

Constantine House was acquired and is being refurbished as the core location for the CSD partnership.

Disposal of St Paul & St Giles House to EEDA as part of the redevelopment of Suffolk College and the creation of a new university campus was completed.

CSD's first customer service centre opened at 54 Ipswich Street Stowmarket in November 2004.

Targets and planned investment

Consultancy group DTZ are assisting the review and forecasting of office needs as part of the strategic approach to service delivery using the CSD model and developing proposals to reorganise offices at the following locations:

***Ipswich:** Location of new Area Office being actively pursued and reduction in the number of existing offices.*

***Bury St Edmunds:** Together with St Edmundsbury and Suffolk Police options for office accommodation in Bury St Edmunds are being investigated.*

***Lowestoft:** DTZ are working-up options for office accommodation with Waveney DC.*

***Saxmundham:** Proposals are being worked up with consultants Vincent & Goring, to improve SCC property holdings in Saxmundham including SCC offices.*

County Farms Estate

Resource Management - Property Lead Portfolio Holder: Ray Nowak

Property Resource at 31 March 2004

Number of assets	116 holdings (as at 9 October 2004)
Net Book Value	£21.4m (as at 1 April 2003, 2004 valuation pending)
Area	5,510 hectares
Condition of Assets	ODPM grades not applicable.
Suitability of Assets	This is addressed by the Estate review programme

Drivers for Change

The County Farms Estate is held "for the benefit of the people of Suffolk". Most of the Estate is let to tenants with security of tenure for the foreseeable future. The Estate is being reviewed so it can be restructured and managed to meet these approved objectives:

- Rationalise the Estate as recommended by our consultants Bruton Knowles in December 2001
- Accelerate the programme of disposals to bring in capital receipts while maintaining top-quartile performance of IPF Ltd benchmark of Internal Rates of Return from Agricultural investment.
- Create viable holdings for tenants
- Negotiate appropriate arrangements enabling tenants to exit the farming industry with dignity

Create opportunities to enhance rights of way and public access

Stimulate the rural economy by encouraging business and job creation and farm diversification

Achievements

The first tranche of estate reviews are now substantially complete, with further reviews underway. Over the three and a half years since the review commenced £5.4 million pounds of capital receipts have been achieved, with a further £1.4 million agreed and with solicitors. 18,380 trees and hedging plants have been planted, with a further 5,430 scheduled for planting this winter. A significant development adjoining Sudbury is currently being promoted through the Babergh Local Plan in association with our development partners, Ashwell Developments.

Targets and planned investment

We will continue to implement the County Farms review*.

*All investment decisions will be linked to the implementation of the review. Investment will only take place which is justified either by the continued commercial running of the Estate, or in order to enhance capital receipts where sales result from the review.

2004/05 (£000)	2005/06 (£000)	2006/07 (£000)
-	-	-

Libraries & Heritage

Lead Portfolio Holder: Kathy Pollard

Property Resource at 31 March 2004

Number of assets	*44
Net Book Value	£15.1m
Gross Internal Area	1600 m ² (Est)
Condition of Assets (ODPM grades)	A (1) B (17) C (17) U (9)
Suitability of Assets	A (0) B (6) C (19) D (11) E (8)
Property Running Cost (Average)	£58m ² . (Excluding Staff Costs: Caretaking, Security, Handyman & Cleaning.)

*Excludes libraries located in schools.

Drivers for Change

SCC medium term priorities A, C, D, I & J

Compliance with national standard – all library service points to meet the requirement for proximity to population.

Part 3 of the Disabilities Discrimination Act 1995 requires all L & H services to be accessible to people with disabilities.

Archive storage to meet BS5454 and national guidelines for record repositories

BV report asked for an improvement to all children's libraries and internal and external signage.

Framework for the Future' (DCMS), 'Better Public Libraries' (CABE)

'Public Library Position Statement September 2004

SCC Public Access Strategy and the use of libraries as C stores

Achievements

Wickham Market Resource Centre opened August 2004. There has been an increase in use and membership and the new building has had a lot of favourable comments.

Needham Market Library was refurbished March 2004.

Children's libraries in Mildenhall, Beccles, Sudbury, Woodbridge, Aldeburgh, Eye and Southwold have been improved.

Completed fire prevention and suppression system at Bury Record office to protect irreplaceable contents.

Ipswich Library refurbishment is due for completion by 31 March 2005. The new layout increases the public space by reducing underused staff areas.

Clare library refurbished.

Stowmarket Library refurbishment is due for completion by 30 April 2005. The public area will be increased and a redundant garage turned into a new training room

Work to improve access by remodelling entrances and upgrading ramps has been carried out at Sudbury, Eye, Ixworth and Clare.

<i>Targets and Planned Investments</i>	<i>2005/06 £000's</i>	<i>2006/07 £000's</i>	<i>2007/08 £000's</i>
<i>Extension & refurbishment of Felixstowe Library</i>	<i>1,009</i>		
<i>Provision for fitting out Kesgrave Library</i>	<i>49</i>		
<i>Extension of Bungay Library, public toilet and lift</i>		<i>150</i>	
<i>Refurbish and upgrade security at Bury Record Office</i>		<i>481</i>	
<i>New Library, meeting room & community facilities at Kessingland</i>		<i>579</i>	
<i>New Furniture & Equipment at Woodbridge Library</i>		<i>300</i>	
<i>Kesgrave & Oulton Broad Library (part of Section 106 Planning agreement)</i>			
<i>Long-term: 11 service points will be relocated to improve access to services by customers.</i>			

Fire and Rescue

Lead Portfolio Holder: Peter Monk

Property Resource at 31 March 2004

<i>Number of assets</i>	35
<i>Net Book Value</i>	£15.3m
<i>Gross Internal Area</i>	13700 m ² (est)
<i>Condition of Assets (ODPM grades)</i>	A (1) B (28) C (5) U (1)
<i>Suitability of Assets</i>	<i>Standards of Fire Cover identified need for re-provision and re-location of some stations and the improvement and refurbishment of others.</i>
<i>Number of Appliance bays</i>	60

Drivers for Change

New National Fire Cover Standards enable local determination of stations.

Integrated Risk Management Plan enables changes in population and industrial densities to be quantified. Local reviews of existing capacity and response time when compared to these changes identifies the need for re-location of existing or new stations.

Development and introduction of new working arrangements for staff and the need to improve public access provision.

Staff recruitment, training and development.

Achievements

Newmarket fire station fully operational in October 2004.

Second Integrated Risk Management Plan issued for consultation December 2004

Targets and planned investment

Replacement of fire stations in Lowestoft, Ipswich, Hadleigh, Needham Market, Clare and Nayland and the refurbishment of remainder is being pursued via the PFI procurement route.

Extension of appliance bays on headquarters site to accommodate a new "Incident Response unit". Project funded directly from OPDM New Dimension and Civil resilience budget.

Non-operational Property Portfolio

Resource Management – Property - Lead Portfolio Holder: Ray Nowak

Property Resource at 31 March 2004

Number of assets	136 (56 surplus; 68 held for future use: 12 let Long-lease)
Net Book Value	£12.9m
Gross Internal Area	Not applicable to non-operational assets
Condition of Assets (ODPM grades)	No Data
Suitability of Assets	Not applicable to non-operational assets
Rental income 2003/04	£81,972

Non-operational Property Portfolio (NOPP) is a holding portfolio of property that is either awaiting operational use by a service (e.g. road schemes or new school sites), is surplus to requirements and will be sold or let on long-leases pending possible increases in future value or to enable SCC to exercise control over use.

Drivers for Change

The Best Value inspection of Property in March 2000 identified a need to manage the NOPP in a systematic fashion.

The portfolio is continually reviewed and monitored to ensure that properties held for future development are made available when they are required and surplus properties are sold as early as possible.

The portfolio is also managed in a way that minimises the council's costs and maximises rents, as long as the properties are available for use or disposal when required.

Review of future funding arrangements is needed to reflect projected changes in the balance of income and expenditure.

Achievements

In consultation with service departments the whole non-operational portfolio was fully reviewed during 2003/04. Target dates for disposal have been allocated to all surplus properties and anticipated handover dates identified for future use properties.

Since 1 April 2003 there have been the following movements in the portfolio:

- *4 operational properties declared surplus to requirements.*
- *4 new acquisitions completed for future use.*
- *12 disposals completed.*
- *21 properties are currently in the course of disposal or pending legal completion*

Targets and planned investment

35 properties are scheduled for future disposal.

38 properties are scheduled for handover for service use in 2004/05, mainly for major road schemes.

Continued review of NOPP through:

- *risk assessment to minimise trespass, damage, loss or injury.*
- *review of letting potential to ensure maximisation of rental income.*

Community Education

Services to Children, Young People and Adults

Lead Portfolio Holder: Tony Lewis / Kevan Lim

Property Resource at 31 March 2004

Number of assets	*47
Net Book Value	£9.0m
Gross Internal Area	12400 m ² (Est)
Condition of Assets (ODPM grades)	B (19) C (21) U (7)
Suitability of Assets	B (4) C (19) D (5) E (1) U (18)
Property Running Cost (Average)	£41/m ² (excluding staff costs: Caretaking, Security, Handyman, Cleaning)

**Excludes School Sites*

Drivers for Change

Development of the County Council's services for Children and Young People and Adult and Community Services

The County Councils Policy and Performance Plan 2004

Asset Management Plan, developed by the property directorate, for Community Education managed property

Adult and Community Learning 3 year Business plan

Adult Learning Post Inspection Development Plan

Youth Service Plan 2004-05

Connexions Business plan

A demographic assessment to inform the development of the Community education Service in Suffolk.

DfES Five Year Strategy for Children and Learners

Forthcoming DfES green paper 'Youth Offer'

Achievements

Haverhill Community Education Centre - Room divider, outside storage & refurbishment of outdoor court

Ipswich Curriers Lane Community Education Centre 2 year project – New building being planned to replace existing, design completed for a start in 2005-06

Ipswich Stone Lodge Community Education Centre - Update & upgrade building, project currently held waiting outcome from PCT review of need.

Murrayside Community Education Centre - Main reception & office accommodation, improved security and Portacabin removed from site.

Newmarket Foley House - Refurbishment for Community Education

Continued investment, via external funding from the Learning and Skills Council and Go-East, targeting disabled usage of community centres.

Targets and Planned Investment	2005/06 £000`s	2006/07 £000`s	2007/08 £000`s
<i>Felixstowe Ferry Residential Centre: Replace temporary classroom with one room extension to existing building.</i>	72		
<i>Ipswich, Castle Hill: Replace mobile Classrooms with purpose built facility - subject to financial support from the Learning & Skills Council (LSC).</i>	450		
<i>Ipswich, Bridge Ward – Identified area where service provision against need has been identified. Potential new build in association with partners.</i>		250	
<i>Saxmundham: Subject to the property review. extension to Saxmundham Middle School.</i>	73		
<i>Bungay: Community Education Centre - New build in partnership with Waveney District Council</i>			500
<i>Lowestoft: Colville House – New build on existing site partnered with LSC</i>		500	
<i>Reydon: Community Centre – New build on new site based on sale of existing site to local developer</i>		750	

Highways Depots

Environment and Transport Lead Portfolio Holder: Julian Swainson

Property Resource at 31 March 2004

Number of assets	9
Net Book Value	£2.4 million
Gross Internal Area	12,500 m ² (est)
Condition of Assets (ODPM grades)	B (3) C (6)
Suitability of Assets	C (9)
Property Running Costs (Average)	To be Collected

Drivers for Change

SCC medium term priority - Reducing the number of lives lost or damaged through accidents.

The statutory plans are the Suffolk Structure plan 2001-2016, Local Transport Plan 2001 and community safety strategy.

Improving winter maintenance whilst minimising the environmental effects of salt on flora, fauna, watercourses and historic buildings.

Neighbouring authorities have been threatened with enforcement action by the environment agency for storing salt in the open. Plans are required to ensure that all Suffolk County Council depots have salt stored under cover by 2007.

Achievements

Depots are geographically located to allow a rapid, effective and efficient response to winter conditions and highway emergencies. Depots are used as a base for salting and snow clearing equipment.

Over 20,000 tonnes of salt stored.

Brine making tanks installed at Halesworth, Mildenhall and Great Blakenham depots to enable trials of pre wetting salt to be undertaken and saline run-off to be recycled.

Currently 5 depots have salt barns, including salt domes at Mildenhall and Melton funded from the single capital pot.

Maintenance and provision of vehicles used in construction and maintenance.

Secure bases for vehicle storage and improved communication between contractors and SCC.

Purchase of additional temporary accommodation at Gt Blakenham to allow the co-location of partners on site and the creation of an oasis centre for corporate use.

Targets and planned investment

	2005/06 (£000's)	2006/07 (£000's)	2007/08 (£000's)
Provision for Brine making tanks to be installed at Rougham, Melton and Brome subject to outcome of current trial.	65	65	65
Additional 240m ² for garaging winter maintenance vehicles and plant at Rougham depot (after 2007/2008).			
Construction of Salt Domes at Brome and Depden during 2005. Lavenham provisionally programmed for 2006. Provision of a winter maintenance depot for the Lowestoft area in 2007/2008.	450	235	550
Provision for repairs and other measures to stop deterioration of reinforced concrete salt barns at Great Blakenham, Rougham and Halesworth Depots. (Finance from Building Maintenance fund)			

Household Waste & Recycling Centres

Environment & Transport

Lead Portfolio Holder: Julian Swainson

Property Resource at 31 March 2004

Number of assets 18
Net Book Value £1.1m

Drivers for Change

Environmental Protection Act 1990 - statutory duty to provide sites

Key Priority F- recycle or compost more household waste and reduce the amount going to landfill

HWRC Action Plan, August 2002 – to relocate, enlarge and close sites as appropriate to improve the efficiency of the service provided with particular regard to improving the recycling and composting performance

Waste Management Strategy for Suffolk, October 2003- policy is to optimise the number and locations of the sites, enhance service quality and to increase recycling

Best Value Performance Indices 82 a, b and d – improving the proportion and quantity of waste recycled composted and diverted away from disposal

Public Service Agreement Target 5 – achieving an agreed recycling target will be financially rewarded

Local Performance Indices HWRX and Mori Polls – improving the levels of customer satisfaction

Landfill Tax – rising costs of landfill which fall on the council

Legislation Changes-details outstanding on LATS, WEEE, COTEC

Achievements

Recycling and composting – increase from 39.8% in 2002/03 to 40.9% in 2003/04.

Management fees – commenced negotiations for reducing price claim

Increased range of items/materials recycled

Targets and planned investment

	2005/06 (£000)	2006/07 (£000)	2007/08 (£000)
<i>Bury St Edmunds – extension – completion by April 2005</i>	-		
<i>Haverhill – extension (revised proposal) – by Sept 2005</i>	400		
<i>Lowestoft – re-provision – project to be confirmed</i>	300		
<i>Ipswich – re-provision – project to be confirmed</i>	900		

Travellers sites

Resource Management - Property Lead Portfolio Holder: Ray Nowak

Property Resource at 31 March 2004

<i>Number of assets</i>	<i>2 – Ipswich and Kessingland</i>
<i>Net Book Value</i>	<i>£1.56m</i>
<i>Site Area</i>	<i>Ipswich – 5.04 ha</i> <i>Kessingland – 2.48 ha</i>
<i>Condition of Assets (ODPM grades)</i>	<i>(A) 2.</i>
<i>Suitability of Assets</i>	<i>Both sites are suitable for purpose</i>
<i>Number of pitches provided</i>	<i>62</i>
<i>Occupancy level</i>	<i>Both sites are full and have waiting lists for new tenants</i>
<i>Property Running Cost (Average)</i>	<i>Costs are dealt with by Ipswich BC and “Real Estates (East Anglia) Ltd as managing agents</i>

Drivers for Change

Demand for extra pitches exists for both sites. Central government estimates a need for 3,000 plots nationally by 2005.

Condition issues will be addressed by surveys and bids to the Office of the Deputy Prime Minister for finance to support site refurbishment.

Achievements.

Illegal encampments reduced by 49%. 2004 (29) 2003 (57) recorded events

Ipswich – “Community Room” funded by SCP bid and government grant providing accommodation for various agencies e.g. Education, Health visitors, after school clubs. Minor improvements to Gates, Site Lighting and Kitchens due for completion by March 2005.

Kessingland – similar facility to Ipswich which provides in addition a weekly GP surgery, the Community Room has recently had IT facilities with internet access provided.

A Neighbourhood Watch scheme has been set up at Kessingland, the first on a Travellers’ site in the UK.

Targets and planned investment

4 Additional plots at Kessingland.

Extensions to 21 buildings on the Ipswich site to provide additional space in Kitchen areas. (SCC contribution).

<i>2005/06 (£000)</i>	<i>2006/07 (£000)</i>	<i>2007/08 (£000)</i>
<i>100</i>		
	<i>58</i>	

Countryside Recreation Sites

Environment and Transport Lead Portfolio Holder: Julian Swainson

Property Resource at 31 March 2004

Number of assets	36
Net Book Value	£1.29 million
Gross Internal Area	1,700 m ² (est) 18 Buildings.
Condition of Assets (ODPM grades)	Buildings only. A(1),B((13),C(2),U(2).
Suitability of Assets	B(3),C(10),D(10),U(13)
Property Running Cost (Average)	Data to be collected

Drivers for Change

Suffolk Structure Plan 2001 – 06 - strategic objectives relating to protection of semi-natural environment and provision of leisure facilities

SCC medium term priorities – includes maintaining our roads and footpaths to a higher standard and helping people to access our services more easily

Countryside and Rights of Way Act 2000 - statutory responsibilities under Act to manage nature conservation sites.

Diversity and Inclusion Policy Action Plan – emphasis on need to address needs and cater for all sectors of the community.

Disability Discrimination Act 1995 – continued need to ensure access available where required under Act for people with disabilities.

Suffolk's Environment 1997 - Emphasis on need to safeguard scheduled ecological and archaeological sites and recognition of value and need to provide recreational open space as provided by Countryside Recreation sites.

Improving Suffolk's Heritage Services – Final Report of the Heritage Best Value Review–May 2004 – Key proposals include increasing public awareness access and involvement in our heritage services and seeking to maximise external and capital revenue for the county council's heritage services. This has led to a review of the provision of visitor facilities at all recreation sites being carried out during 2004.

Achievements

Completion of all weather car parking surface and disabled access path to toilets at Knettishall Heath.

Completion of phase 1 improvements to Clare Country Park Visitor Centre

- Repairs and decoration to old goods shed.
- Development and installation of new visitor information display
- Incorporation of wheelchair access ramp to the main doors serving the visitor centre

Development of a signed walk, along the river, at Bramford Meadows Picnic Site.

Development of new Picnic area and information points at Rodbridge Park Picnic Site and Toby's Walks

<i>Targets and planned investment</i>	<i>2005/06 (£000's)</i>	<i>2006/07 (£000's)</i>	<i>2007/08 (£000's)</i>
<i>Development of Brandon Country Park visitor centre and heritage features</i>	<i>350</i>		
<i>Repairs and reinstatement work to the footpath accessing the summit of Clare Castle, Sudbury</i>	<i>25 -30</i>		
<i>Installing disabled access trail at Knettishall Heath Country Park</i>	<i>25 -30</i>		
<i>Provision for improvements to toilet facilities at Rodbridge Picnic Site</i>	<i>tbc</i>		
<i>Completion of phase 2 of improvements to Clare Castle Visitor Centre</i>		<i>200</i>	
<i>Excavation of part of Dunwich Greyfriars and subsequent landscape reinstatement work</i>		<i>tbc</i>	

Managed Workspace

Environment & Transport: Strategic Development

Lead Portfolio Holder: Kevan Lim

Property Resource at 31 March 2004

<i>Number of assets</i>	<i>5: NE Suffolk Business Centre, Lowestoft; Riverside Business Centre, Lowestoft; E Suffolk Business Centre, Leiston; S Suffolk Business Centre, Sudbury; Hadleigh Business & Learning Centre</i>		
<i>Net Book Value</i>	<i>£760,192 (applies to NE Suffolk Business Centre Lowestoft & Hadleigh Business & Learning Centre)</i>		
<i>Gross Internal Area</i>	<i>5,200m² (approximate area)</i>		
<i>Condition of Assets (ODPM grades)</i>	<i>ODPM grades not available. Centres are all in good condition</i>		
<i>Suitability of Assets</i>	<i>No known building suitability issues</i>		
<i>Property Running Cost (Average)</i>	<i>No data</i>		
<i>Projected occupancy rates for 2004/05</i>	<i>NE Suffolk BC 97%</i>	<i>Riverside 89%</i>	<i>S Suffolk BC 98%</i>
	<i>E Suffolk BC 45% HBLC – just opened at Jan 2004 on target for 80%</i>		

The 5 Centres provide 137 business units for rent. There have been over 55 business start-ups, around 180 small businesses assisted and 140 new jobs created.

Drivers for Change

SCC medium term priority – strengthen the Suffolk economy and support new and small businesses

Recommendation of BV review of Economic Development: ensure sufficient provision of suitable sites and premises for business/encourage start-up and growth of small firms

Achievements

Riverside Business Centre, Lowestoft. Opened in 2002. Centre is vibrant, with a good turnover of healthy small businesses. High level of business start-ups, excellent networking, broadband connected by Enterprise Agency late in 2002.

North East Suffolk Business Centre, Lowestoft. Excellent overall occupancy rate including for new extension opened March 2003.

East Suffolk Business Centre, Leiston. Slow intake of tenants. Rental levels reduced, alternative options for Centre being examined.

South Suffolk Business Centre, Sudbury. Almost 100% occupation rate.

Hadleigh Business & Learning Centre. Opened Jan 2004.

Targets and planned investment	2005/06 (£000`'s)	2006/07 (£000`'s)	2007/08 (£000`'s)
<i>Contribution to EEDA Offshore Renewable Centre. SCC is a key partner in this £5.6m proposed development which will provide managed workspace.</i>	50		
<i>Development of the West Suffolk managed workspace project (Subject to finance)</i>			
<i>Development of the Felixstowe managed workspace project (Subject to appraisal of economic viability)</i>			

SECTION C - PERFORMANCE INDICATORS

ODPM (June 2004) recommended to Local Authorities that as part of best practice in the management of property assets the National Property Performance Indicators should be calculated using 2003 definitions and data from 2003/04. ODPM stated that they would work with other property organisations to develop the indicators with the aim of identifying those most suited for nomination to Best Value status in 2005.

Building condition and maintenance indicators

- Condition of buildings (ODPM 1a – excludes schools)
- Maintenance cost (ODPM 4a – excludes schools)
- Maintenance "backlog" (ODPM 1b - excludes schools)

Sustainability indicators

- CO₂ emissions (ODPM 4d – excludes schools)

Costs in Use

- Energy cost (ODPM 4b – excludes schools)
- Water cost (ODPM 4c – excludes schools)

Property service indicators

- Strategic Management costs – operational property (ODPM 3)
- Delivery of capital projects on time/ within budget (ODPM 5a/5b)

Other key PIs

- Agricultural investment property – overall average rate of return (ODPM 2c)
- Capital receipts (targets set by Executive Committee July 2001)
- Public buildings access for people with disabilities (BV PI 156)
- Office space utilisation (property internal indicator only at present)

Benchmarking

We are currently engaged in:

- COPROP: building maintenance contractors and services
- COPROP: satisfaction surveys for capital projects
- COPROP: homes for older people
- ACES eastern region estates benchmarking
- IPF AMP Network benchmarking scheme for the national ODPM PIs

Highlighted PIs = ODPM national property performance indicators.

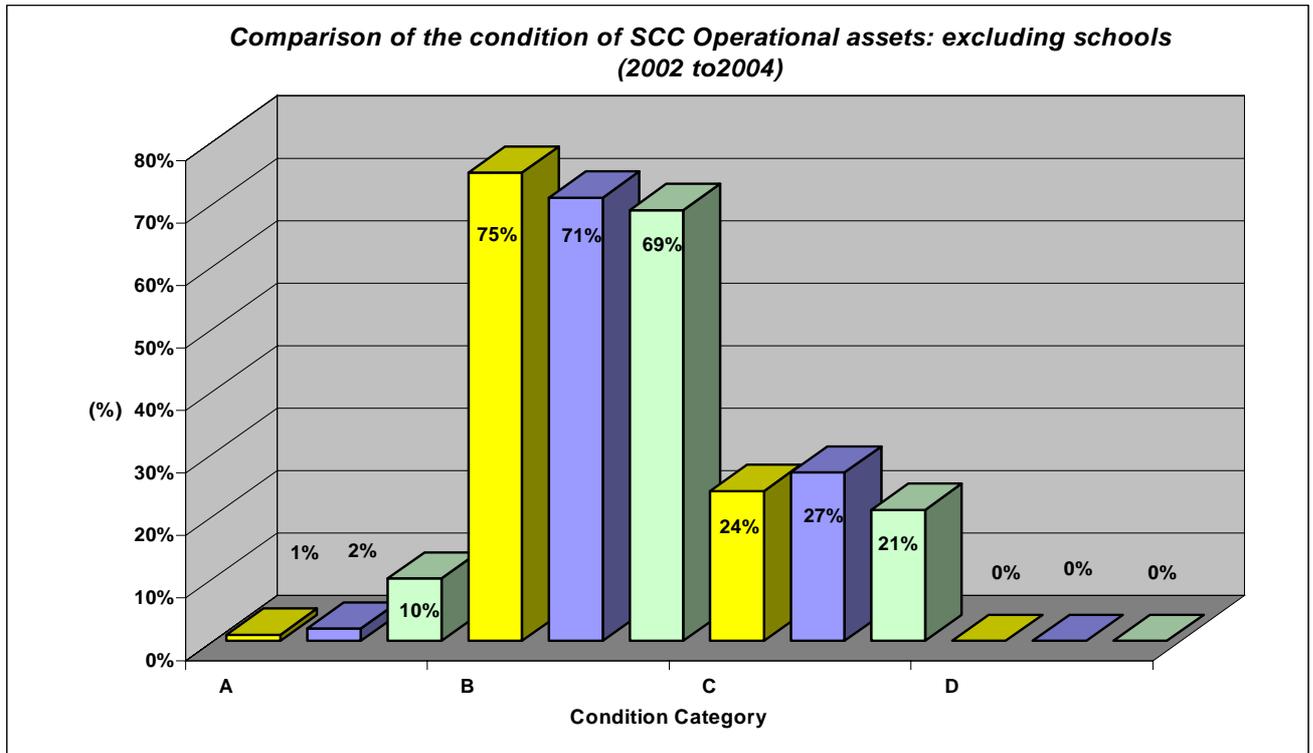
NB. The number of local authorities submitting data to the IPF AMP Network benchmarking for the national ODPM PIs (2004) is much less than (2003). Comparisons of our performance to others whilst valid may give a misleading impression of our performance this year and should therefore be used with caution.

Building Condition- Condition Assessment

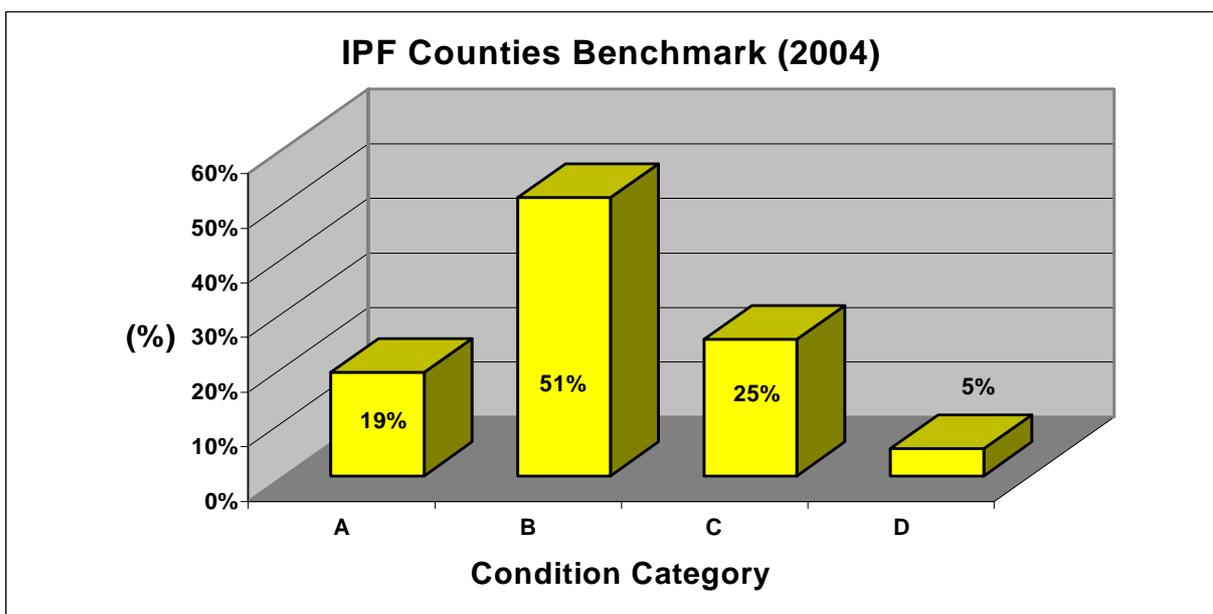
The evidence indicates a slight improvement in the condition of the portfolio with less Group C and more Group B properties. There are no properties subject to immediate closure.

IPF Limited supplied the benchmark data. 10 (19) Counties have recorded Condition data as at Dec 2004.

KEY: 2004, 2003, 2002



Comparing Suffolk's 2004 result with IPF Benchmark indicates that the condition of SCC properties is above the benchmark with proportionally higher A and B grades and less C and D grades.



Building Condition- Maintenance Backlog.

Backlog is defined as "The cost to bring the building from its present state up to the state reasonably required by the authority to deliver the service or to meet statutory or contract obligations".

The evidence indicates little change in the need to invest in repairs and maintenance if the improvement in the overall condition is to be maintained. Recent Five-year Forecasts of the value of "Backlog":-

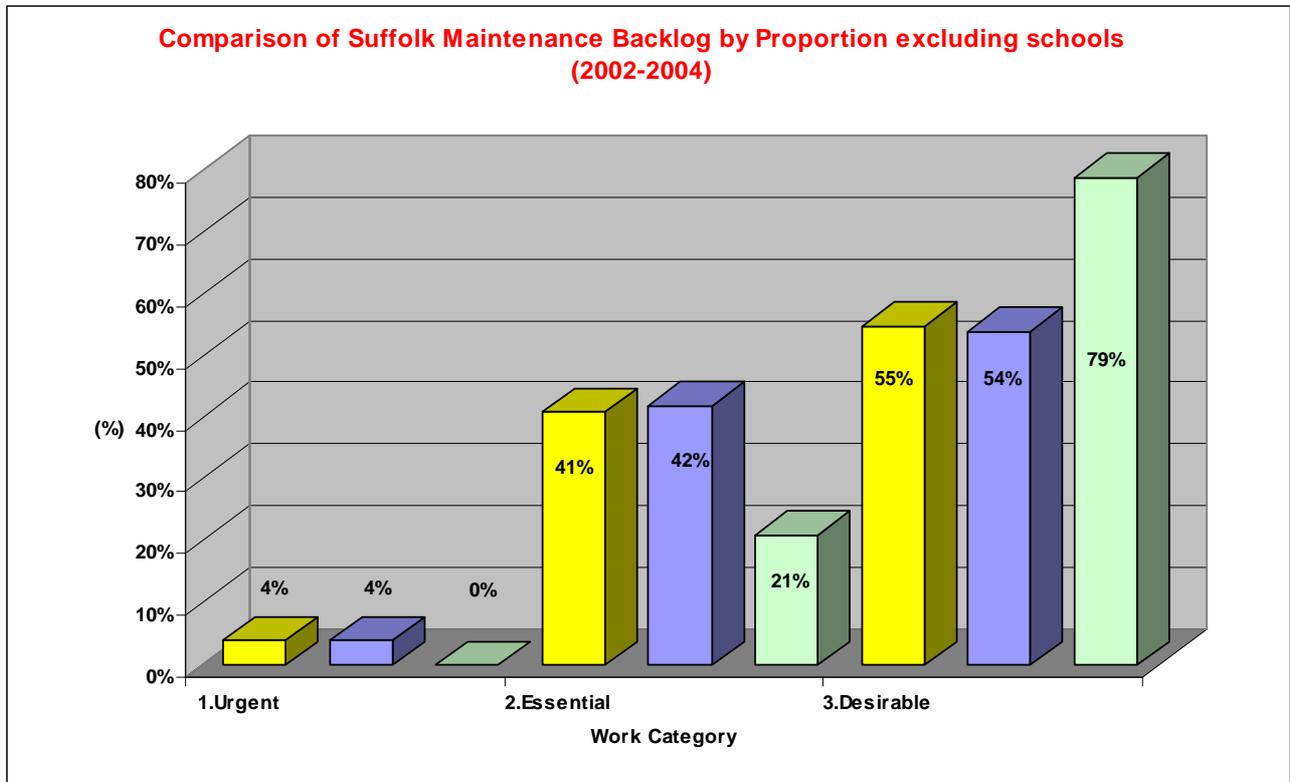
Years	£m
2004	14.2
2003	14.0
2002	7.5

The degree of urgency in undertaking the work is defined as follows:

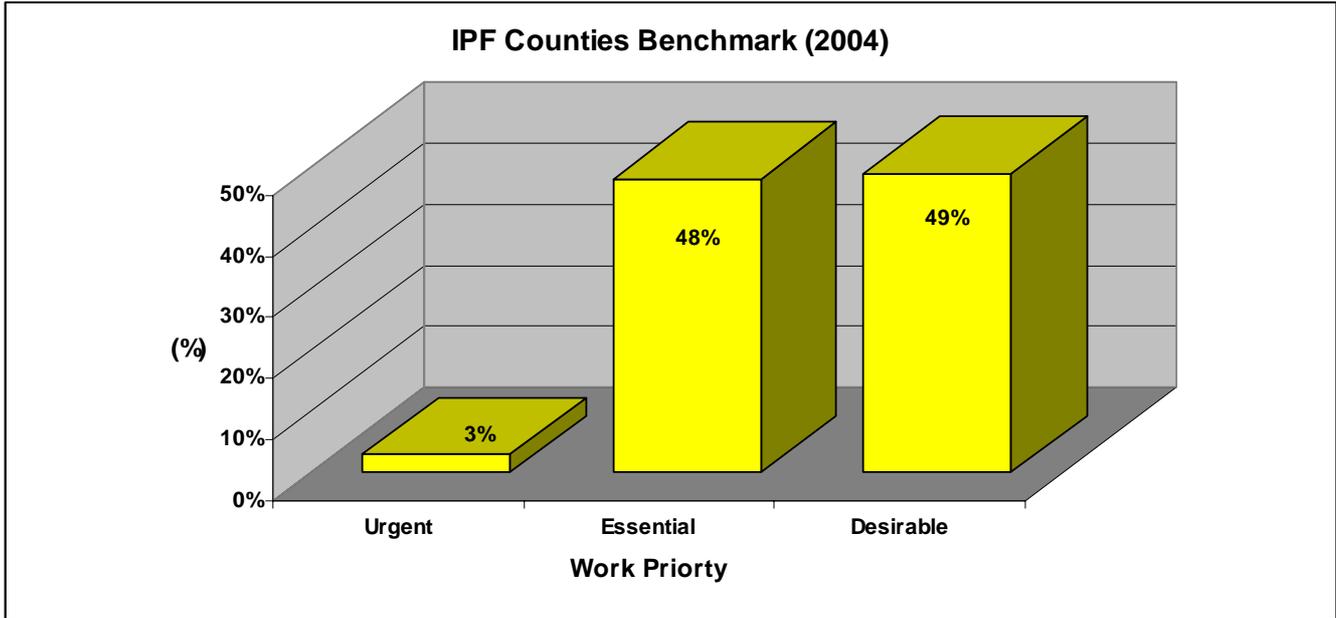
Work Category	Timing
Urgent	Work carried out within 1 year.
Essential	Work carried out within 2 years.
Desirable	Work carried out within 3 to 5 years

The degree of urgency in completing the above work is given in the chart below. 2004 results showing only minor changes to 2003.

KEY: 2004, 2003, 2002



Of those authorities participating in the IPF benchmark Suffolk's 2004 result indicates that the urgency of work is slightly better than average as less work is classified as "Urgent and Essential" and more regarded as "Desirable".



NB.

Suffolk does not have buildings in the context of the definition of Backlog, but does have a need to continually invest in repairs, maintenance and improvements. These activities prevent deterioration in the building fabric and seek to improve their overall condition.

Building Condition - Maintenance Costs

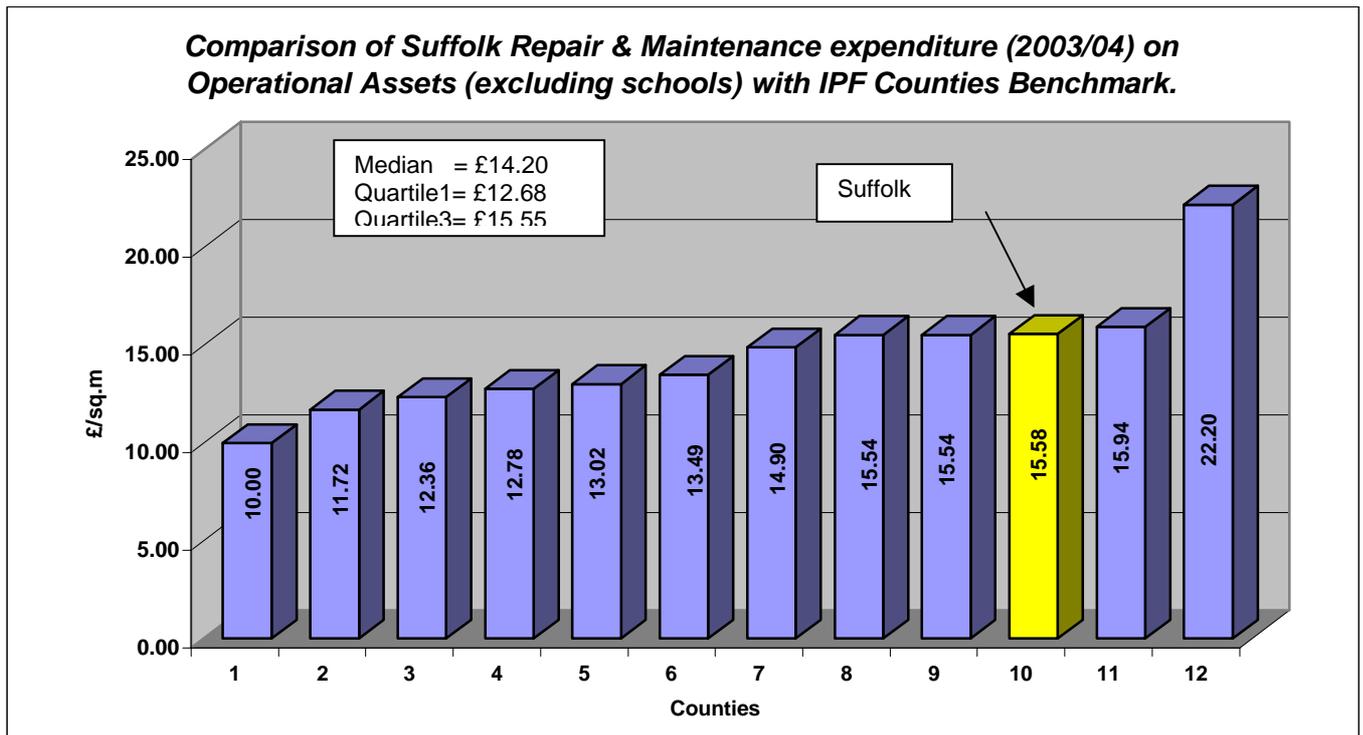
This indicator seeks to measure the change in Repair and Maintenance expenditure by measuring the change in (£/m²) spending on buildings in the non-school portfolio.

Repair and Maintenance expenditure includes both planned and reactive maintenance costs. While some of the change is due to the incidence of Planned works an additional £0.5m was approved in 2002 for repair and maintenance expenditure in 2003/04.

Recent results have been reported as follows:-

Years	£/ m ²	Movement since 2002
2003/04	15.58	175.6
2002/03	9.74	109.8
2001/02	8.87	Base

Comparing 2004 performance to other counties indicates that Suffolk is above average for the group (£14.42/ m²).



Sustainability Indicator – Carbon Emissions

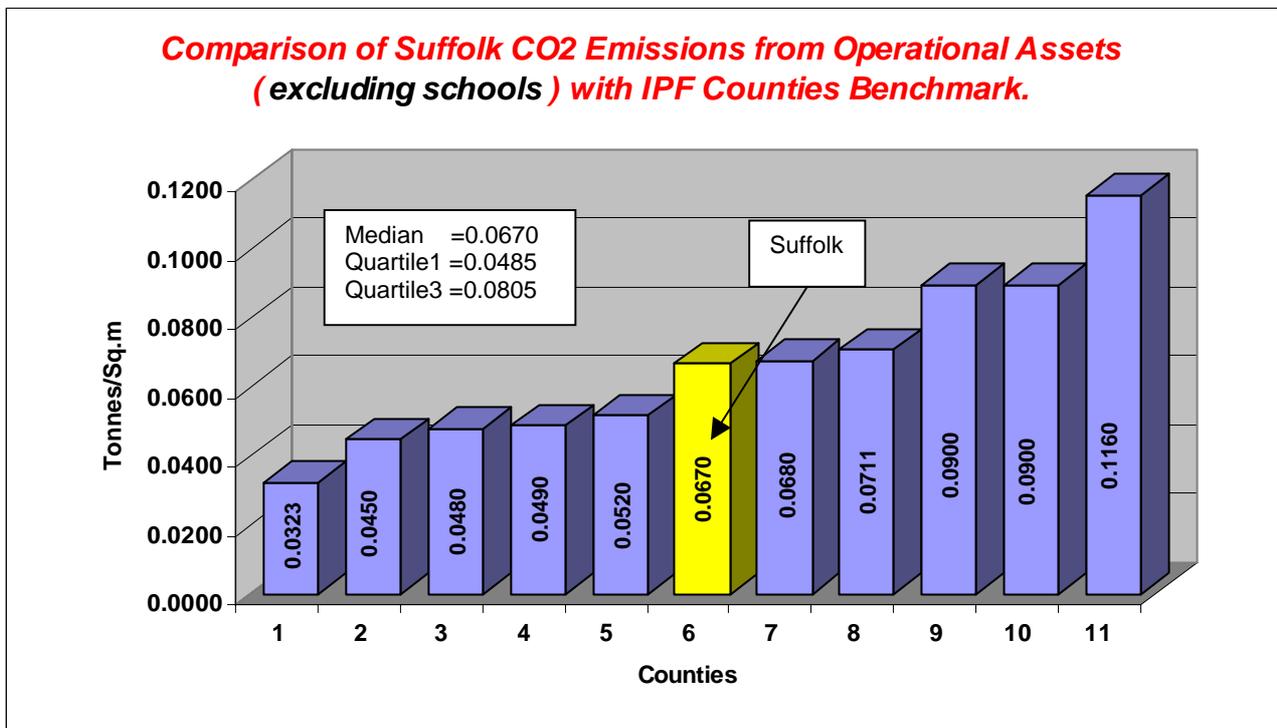
This indicator seeks to measure the improvement in the use and procurement of energy by measuring the reduction in carbon dioxide emissions from buildings in the non-school portfolio.

In recent years the following statistics have been reported :-

Year	Tonnes/ m ²	Reduction since 2002.
2004	0.0670	18%
2003	0.0738	10%
2002	0.0814	Base.

A tender exercise carried out during 2003 requested all suppliers to provide "green" electricity options. The successful supplier was able to provide all sites on the contract for the two-year contract period starting 1 October 2003 with energy from renewable sources reducing CO2 emissions by 30% on average over the contract period.

Comparing 2004 performance to other counties indicates that Suffolk is average for the group (0.0662 tonnes/m²).



Costs in Use – Energy

This indicator seeks to measure the change in the cost of energy by measuring the change in the Cost (£/m²) from buildings in the non-school portfolio.

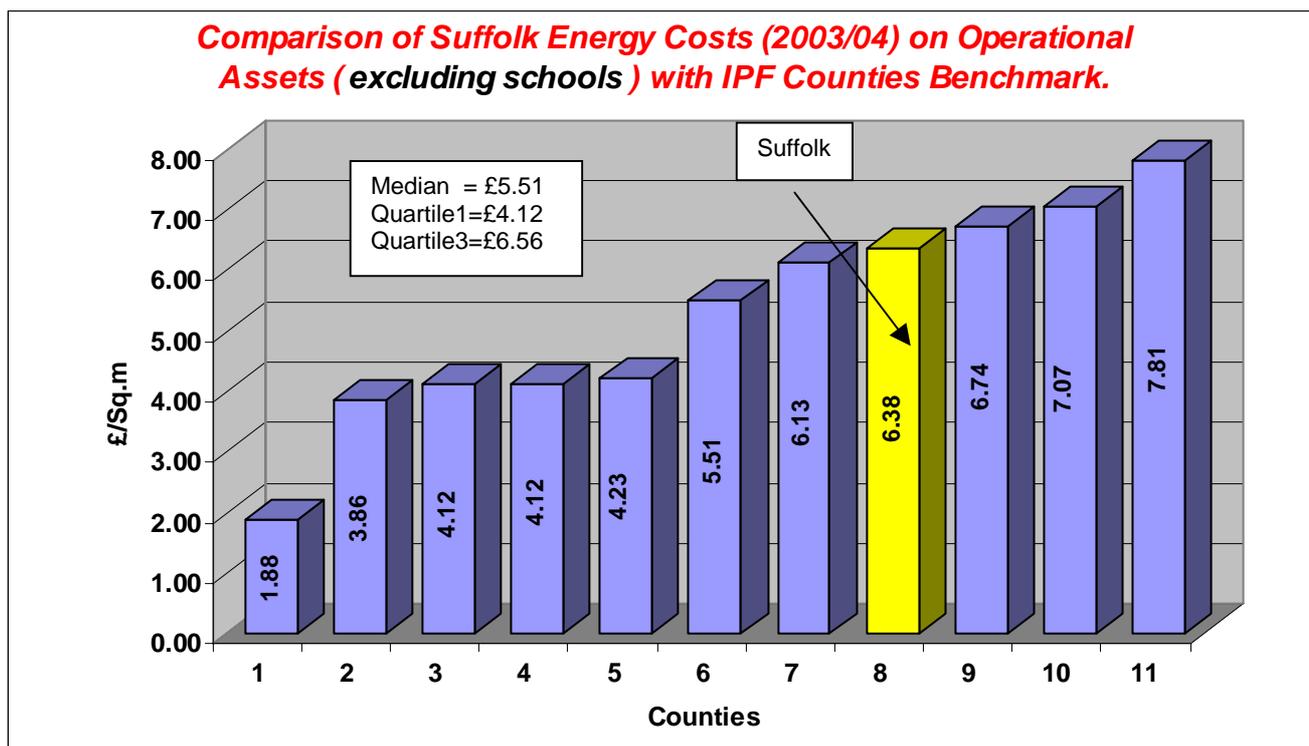
Energy cost includes expenditure on oil, gas and electricity for 2003/04.

Recent results have been reported as follows:-

Year	£/ m ²	Movement since 2002
2003/04	6.38	110.6
2002/03	5.88	101.9
2001/02	5.77	Base

Evidence that CO₂ emissions have been reduced was given at Page 32. However, both usage and price changes are contributing to a 10% rise in energy cost / m² since 2001.

Comparing 2004 performance to other counties indicates that Suffolk is above average for the group (£5.26/ m²) and therefore could improve on this performance.



Costs in use – Water

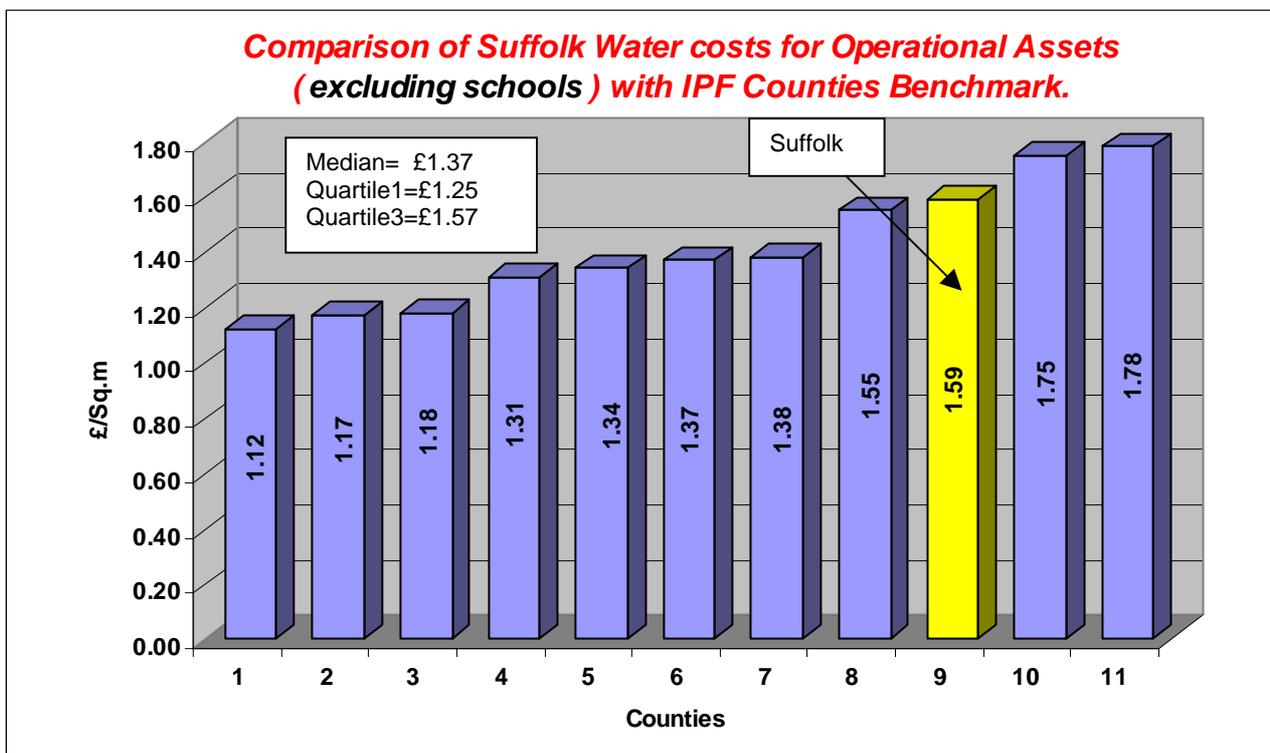
This indicator seeks to measure the change in the cost of water and sewerage by measuring the change in the Cost (£/m²) of supplies to buildings in the non-school portfolio.

Water cost includes expenditure on Water & Sewerage Measured and Unmeasured supplies for 2003/04.

Recent results have been reported as follows:-

Years	£/ m ²	Movement since 2002
2003/04	1.59	111.2
2002/03	1.43	No Change
2001/02	1.43	Base

Comparing 2004 performance to other counties indicates that Suffolk is above average for the group (£1.41/m²).



Property Service Indicators-Strategic Management Costs.

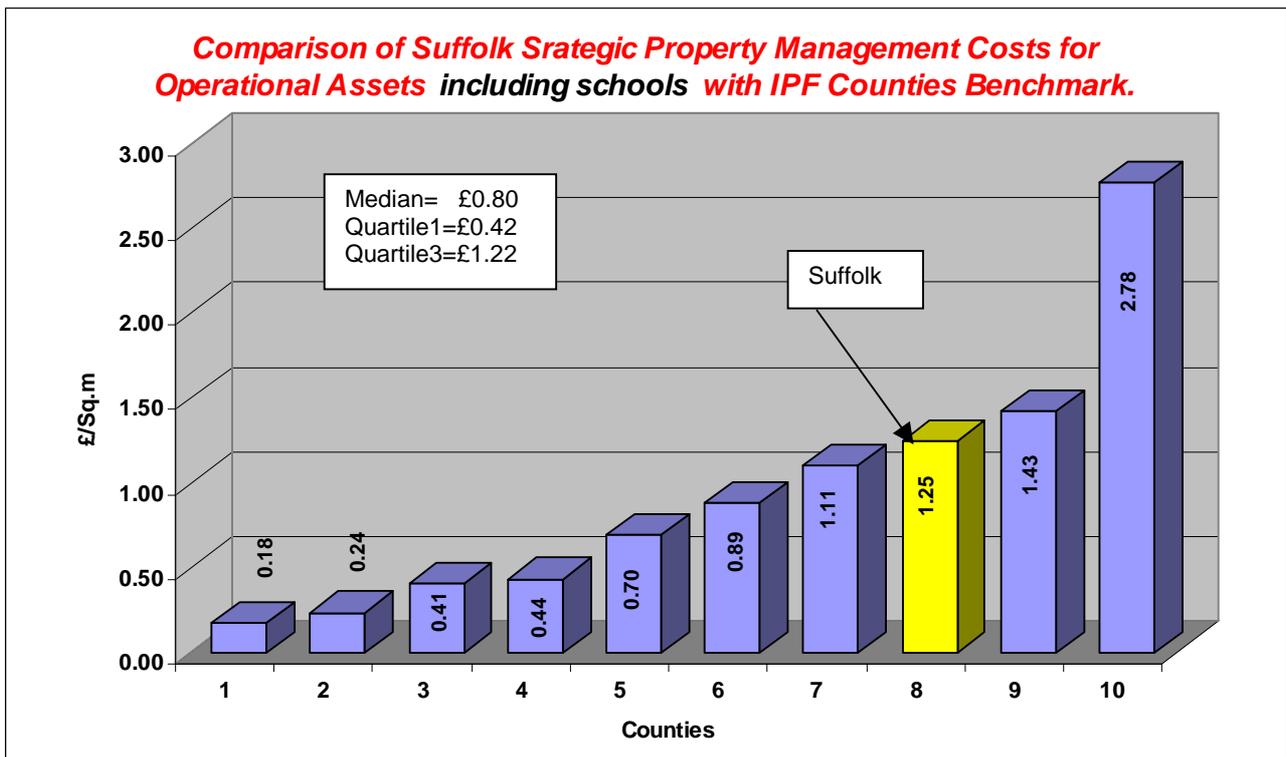
This indicator seeks to measure strategic property management services by measuring the cost (£/m²) of staff time engaged in long term decision making on Operational property including schools.

Staff cost includes Gross Employer Cost and a contribution to Overheads for 2003/04.

Recent results have been reported as follows:-

Years	£/ m ²	Movement since 2002
2003/04	1.25	105
2002/03	1.25	105
2001/02	1.19	Base

Comparing 2004 performance to other counties indicates that Suffolk is above average for the group (£0.94/m²)



Other Performance Indicators

1. Agricultural Investment Property.

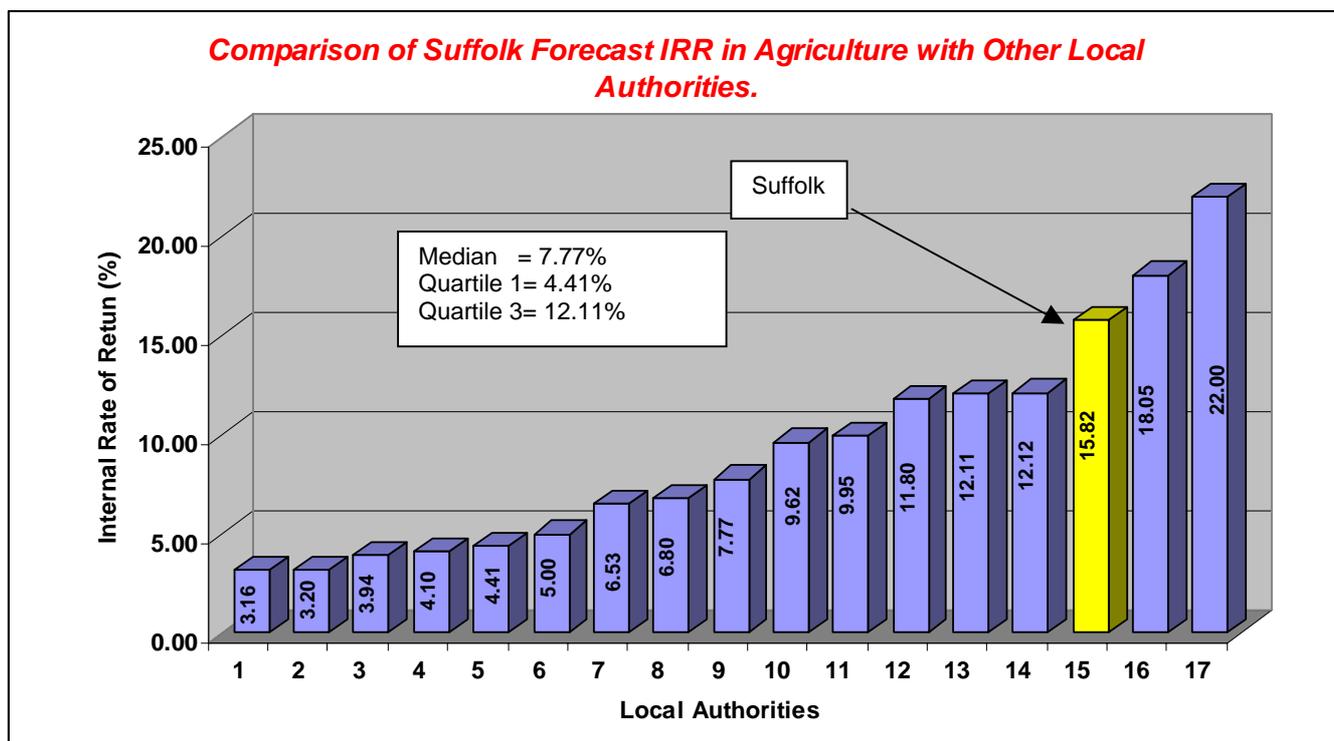
This indicator seeks to justify, from an economic perspective, whether the investment should be retained. The indicator forecasts the Internal Rate of Return from the investment for a 10-year period.

Recent 10-year forecasts have been reported as follows:-

Years	Forecast IRR (%)	Movement since 2002
2003/04	15.82	167.9
2002/03	17.00	180.5
2001/02	9.42	Base

The 2004 forecast of 15.82% compares favourably with current borrowing rates of 4.60% and is slightly down on last year owing to an adjustment of the value and timing of receipts from the Chilton Development at Sudbury.

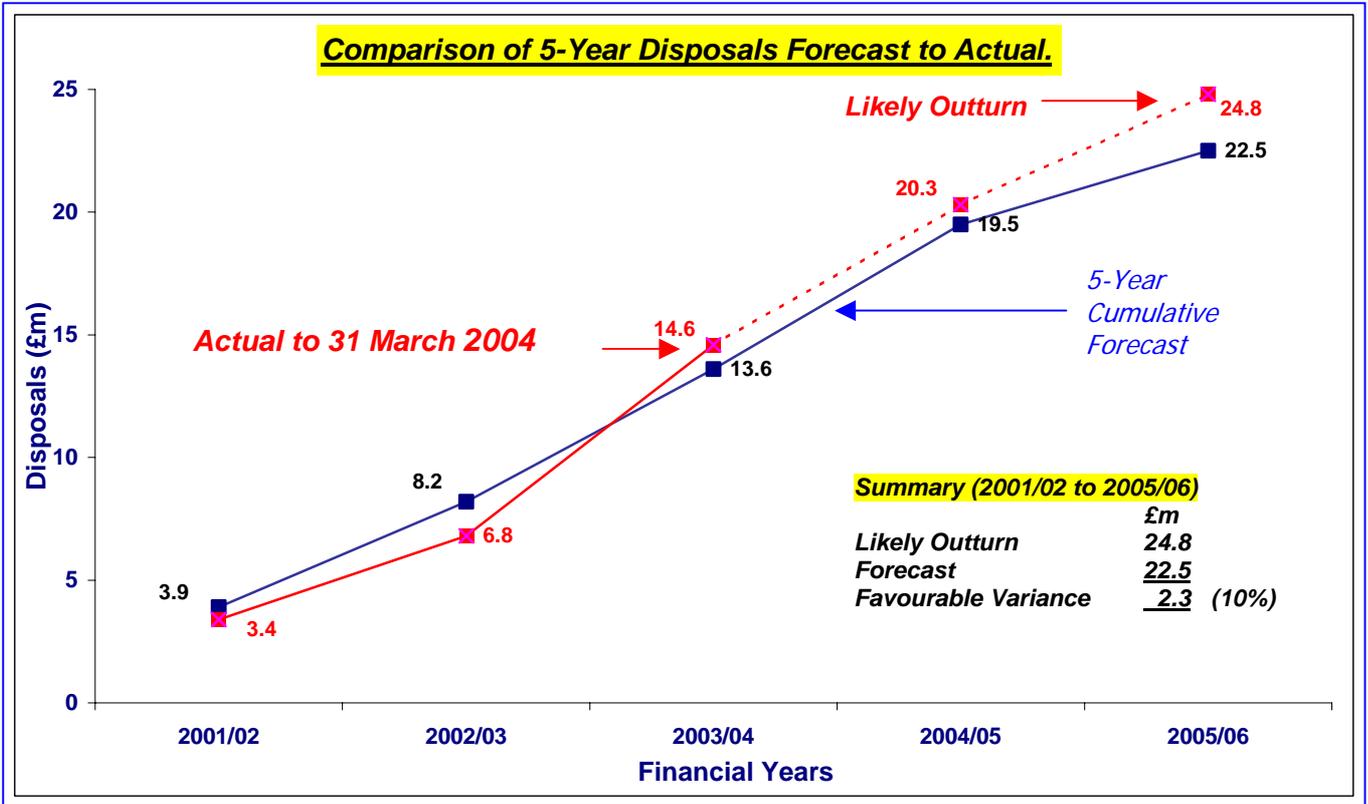
Comparing this forecast to other counties indicates that Suffolk is above average (9.20%) and likely to deliver top quartile performance.



2. Progress Report on 5-Year Disposals Forecast .

Suffolk is on target to achieve the 5-Year Disposal Forecast of £22.5m and exceed it by £2.3m (10%) based on data as at 31 December 2004.

The forecast for 2005/06 includes "re-provision" sales only and excludes corporate capital receipts for that year.



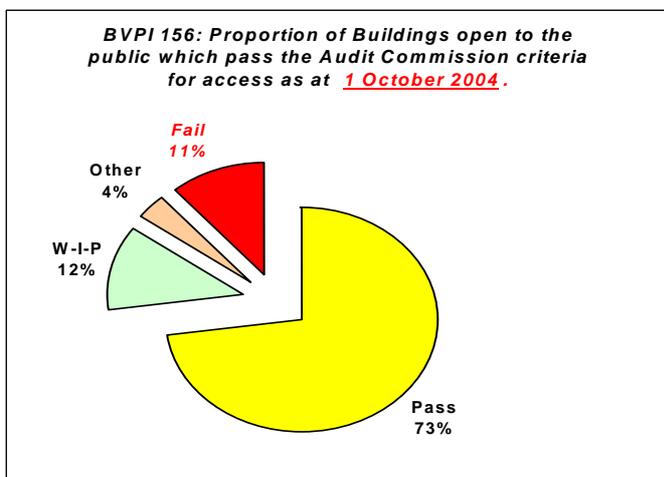
3. BVPI 156: Proportion of Buildings open to the public which pass the accessibility criteria.

The Audit Commission definition of "open to the public" includes all buildings where the public can reasonably expect to receive a service (without referral to a third party). The indicator measures the number of buildings which "PASS" the criteria.

All schools, community education, social care resource centres, residential homes, etc and fire stations are excluded.

(The effect of Section 3 Disability Discrimination Act 1995 which came into effect on 1 October 2004 is that disabled people have the right to challenge any service provider if they feel they have been discriminated against because of their disability.)

At 1 October 2004 the position is as follows:



Nos. of Buildings

Pass 77

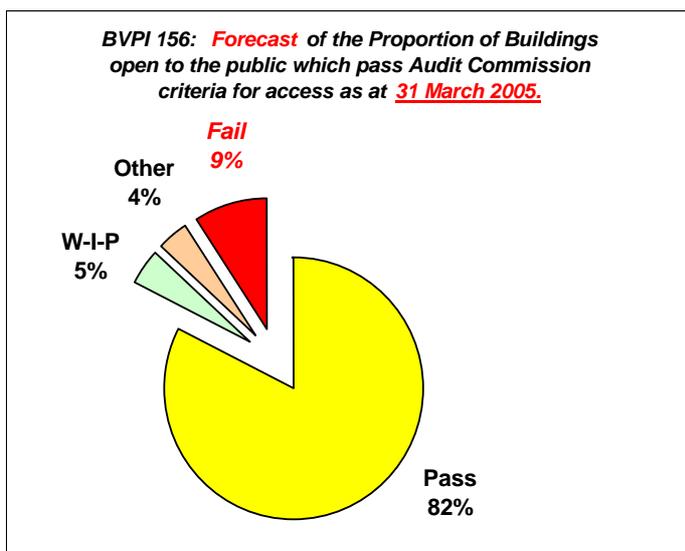
Work-in-Progress 13

Other Method of delivery 4

Fail 12

Total 106

We currently have a number of schemes in various stages of progress to improve the "pass" rate by 31 March 2005. The likely position at 31 March is as follows:



No of Buildings

Pass 89

Work-in-Progress 5

Other Method of delivery 4

Fail 10*

Total 108

*Schemes are in place to replace or alter these premises but may not be completed by 31 March 2005.

SECTION D - COUNTY FARMS ESTATE ANNUAL REPORT

1 Purpose and Introduction

The purpose of this report is to review the performance of the County Farms Estate and progress on the implementation of the county farms review.

This report is divided into the following sections:

- 1. Purpose and Introduction*
- 2. Background and Overview of the Year*
- 3. County Farms Review*
- 4. Estate Expenditure*
- 5. Internal Rate of Return*
- 6. Development Land*
- 7. Performance Indicators*

2 Background and Overview of the Year

The council's consultants, Bruton Knowles (BK), have commented on the farming industry and the background of the county farms review as follows:

"The County Farms Review has continued, once again, against a challenging economic climate, despite some short-term improvement in commodity prices last year. However, more particularly the uncertainty over the EU's Mid Term Review of the subsidy system has unsettled the process and rightly both Landlord and Tenants alike have been cautious of making long term decisions based on a rapidly changing raft of measures, which will affect all farmers and their futures.

"Even in those cases where the future strategy is clear the lack of final regulations has prevented both parties proceeding with total confidence that their plans will not fall foul of future administrative detail. The additional mechanics and delay involved in changes in occupation have frustrated both landlord and tenants alike.

"Despite some criticism, the progress of the review has been significant over the last twelve months although some of the final transactions have been delayed by the inevitable complexity of new subsidy systems and the perceived effects.

"These challenges are not unique to the County Council and are delaying restructuring in the tenanted sector generally. Findings from research BK conducted elsewhere in September 2004 illustrates the importance of this issue; over 75% of a sample of tenant farmers identified MTR issues as having a fundamental impact on their plans for the future and 68% confirmed that they were delaying any action until the situation was clear.

"Diversification and rationalisation have remained the main topic of conversation in agriculture throughout the review process and Suffolk County Council has addressed each issue on a case by case basis weighing up the merits in the context of the review as a whole. This in most instances has allowed Tenants to consider some significant opportunities promulgated from the initial interviews conducted in 2001.

"The Suffolk County Farm Review continues to be a concerted attempt to address some of the key issues on the estate in an uncertain agricultural economy allied to changing Tenant's aspirations and expectations for the future whilst still seeking to create a more sustainable estate and more viable businesses for Landlord and Tenant alike."

The County Farms Tenants Association have stated:

"At this moment in time, the European Agricultural Ministers are finalizing the Mid Term Review (MTR), a new system of paying subsidies to all farms across Europe. These new payments are to be on a decreasing scale, irrespective of any production, whilst being linked to environmental features on individual farms. This will affect tenants financially as the environmental improvements will have to be funded somehow.

"However, the details as to the exact monetary subsidy and the minimum cultural requirements have not been resolved yet and so frustration amongst tenants at being unable to plan both financially and agriculturally is all too common. Whilst the County Council review has been in progress for three years, these lengthy deliberations from Brussels have also delayed completion of many plans. This doubly exacerbates the frustration felt by some tenants where completions of negotiations have been on hold for some time.

"Having identified the problems Europe has thrown at us, the issues tenants have to address are in the agricultural marketplace. We face falling commodity prices – Wheat at £65/ton – last year £100/ton at Christmas, with raw materials going in the opposite direction – Nitrogen fertilizer at £140/ton – last year £115/ton.

"Whilst farming is always viewed in the long term, tenants are faced with difficult decisions to make and the sooner we see clarity from Brussels and the MTR, the better.

"We continue to enjoy good relations as an Association with the council, helped by our regular Liaison Group Meetings. We have healthy discussions where we both get an understanding on how the MTR impacts on the County Council and the Tenants. We have been assured that the review is ongoing and with uncertainty in agriculture, the Council need to be flexible. Tenants are also aware that they need to approach the Council with any plans they may have to further their own future businesses."

Issues of significance during the past year have been:

Continued implementation of strategy

The process of progressive rationalisation of the council's rural landholding is ongoing, and the process has now been extended to further estates. The in-house team within Property has taken a more active role in the implementation of the current round of Estate Reviews having capitalised on the knowledge and experience of Bruton Knowles in the first round of reviews.

Review Strategy and Implementation

The strategy of progressive rationalisation as recommended by BK and reported to executive committee is ongoing to ensure a flow of capital receipts from the review process, and to ensure that management objectives will be met.

Estate Performance

Total estate revenue income for the 2003/2004 financial year was £943,925. The operational surplus showed a reduction to £509,068 as anticipated in last year's report, due in part to the need to catch up with the maintenance backlog arising due to foot and mouth restrictions and the long-term sickness of the building surveyor.

Consultation

The following consultations have been held through the course of the year:

- *Two meetings were held with the tenants association liaison group.*
- *One meeting was held to which all tenants and councillors with county farms in their localities were invited.*
- *A further meeting with councillors with county farms in their localities was arranged.*
- *Officers were available to councillors and tenants on the corporate stand at the Suffolk Show.*

Mid Term Review (MTR) of Common Agricultural Policy (CAP)

The MTR of the CAP has introduced the Single Farm Payment, which replaces payments previously available under the arable, beef and sheep regimes. The new scheme will break the link between production and support.

In 2005, an eligible 'farmer' can claim a hectare of entitlement to receive subsidy on each hectare of eligible land occupied and declared. The farmer will receive an annual subsidy payment for the number of hectares declared in 2005. After the initial allocation, the entitlements will be freely transferable between farmers and may be leased with land.

By 2012 all occupiers will receive the same rate of Single Farm Payment per hectare, per year, but between 2005 and 2012 the payment will be based in part upon the area declared, and in part upon the historical subsidy claims made by the occupier in the harvest years 2000- 2002. Initially 90% is based on historical claims and only 10% based on the area occupied.

If the farmer has no land at his "disposal", he cannot be paid. If he has entitlements, which he has not claimed for three years, they will be cancelled and taken to the National Reserve without compensation.

To receive Single Farm Payments each year the occupier must meet cross compliance criteria relating to the environment, public and plant health, animal health and welfare, and livestock identification and tracing.

Once entitlements have been allocated, almost no farming decision (compatible with cross compliance) will make the Single Payment greater or smaller.

Tenancy Reform Industry Group (TRIG)

It was reported in last year's annual report that the Department for the Environment Farming and Rural Affairs (DEFRA) were showing a renewed interest in protecting County Council smallholdings from disposal pressures. To date this has only led to their voicing support for the continuation of smallholdings, and has not extended to further legislation or enforcement of some provisions of the 1970 Agriculture Act which could potentially require DEFRA to approve reorganisations or disposal from smallholdings estates.

The TRIG has however published a consultation document on good practice for Landlord and Tenant consultation with regard to the consideration of diversification proposals. While it is not yet intended to give the code any legal force, DEFRA have indicated that if it is not generally adopted within the industry they will seek to legislate on this issue.

3 County Farms Review Update

In 2000 Scrutiny Committee (Paper SC00/36) concluded that the primary purpose of the County Farms Estate should be changed and thereafter the Estate managed in a way that seek to maximise the benefits to the council and the people of Suffolk.

In July 2001, Bruton Knowles were selected as consultants to identify Estate Management Plan options and make recommendations for the future management of the Estate.

In December 2001, the Executive Committee accepted Bruton Knowles' recommendations for the future management of the Estate (Paper E01/146). The rationalisation of the County Farms Estate and amalgamation of the holdings has the objectives of:

- a) Creating and maintaining a sustainable estate.*
- b) Offering a range of holdings to provide realistic business opportunities.*
- c) Securing greater revenue by the innovative use of resources for the benefit of both landlord and tenant.*
- d) Providing adequate fixed equipment for the proper operations of holdings.*
- e) Tenants wishing to leave farming should be given the opportunity to do so.*
- f) Increasing, over time, revenue and capital income to the Council.*

These objectives were shared with tenants through a series of meeting through 2001 and 2002. Representatives of County Farms Tenants Association have been periodically updated. Progress in implementing the review is summarised in section 4.6.

Retirement

Due to the implementation of the mid term review of the common agricultural policy, where future subsidy streams are reliant on utilising the rights established by occupiers during the years 2000 – 2002, retirements have been avoided as they would impact on the revenue generating capacity of the land.

While tenants have entered into agreements to retire as part of the review process, they need to be actively engaged in farming activities in the 2005 harvest year to activate subsidy rights. This requirement has necessitated the establishment of contracting agreements between current and future occupiers to ensure that subsidy rights are not lost.

Land Allocation and Vacant Land

Due to mid-term review complications, agreements have been entered into with a number of former occupiers to secure subsidy rights. Due to the way in which payment entitlements are established, it would be imprudent in many circumstances for occupiers to claim the subsidy on land for which they have no long term security of tenure. In order to secure the county councils long-term position it has been necessary for some areas to remain in hand for SCC to establish payment rights before letting next year.

Rent

Rental income from the estate for the 2003/04 financial year was £914,751.

Rent Reviews

Although tenants served a number of rent review notices seeking rent reductions none were pursued given the uncertainties created by the Mid Term Review.

Capital Receipts

The capital receipts arising from the rationalisation of the farms estate are detailed in section 7. We are on course to exceed the 5-year target identified in the asset management plan.

Updating Tenancy Documentation

Much work has been undertaken this year in updating tenancy documentation to protect the authority's position with regard to the Mid Term Review of the CAP. This documentation will have to be kept under review as the legal situation is clarified.

4 Estate Expenditure

Maintenance expenditure for the current financial year will exceed estimated levels because of increased costs experienced in general property maintenance, and the volume of workload from outstanding works following backlogs identified in previous reports.

The planned cyclical painting and repairs programme for the current year has seen the completion of 18 farm properties and 4 cottages. Next year's programme will comprise some 22 farm properties and 3 cottages.

Normal woodland maintenance expenditure for the current year remains at anticipated levels but active response to ongoing Health and Safety issues highlighted with the Estates woodlands and perimeter trees will result in considerable increased costs, possibly in the current financial year.

Asbestos survey work to comply with legislation, to properties on the County Farms Estate has been put in hand with external contractors and although delayed, have commenced and will continue in the New Year. Funding of this is being investigated and may well result in increased budgeting costs.

The restructuring works on the Hadleigh and Corton Estates identified in lasts years report have been completed.

5 Internal Rate of Return.

Forecast Internal Rate of Return

The Office of the Deputy Prime Minister (ODPM) in June 2004 told Local Authorities that they would no longer be required to submit Property Performance Indicator information to them or their regional offices. ODPM has encouraged Local Authorities as part of best asset management practice to calculate the indicators using 2003 definitions and data from 2003/04.

The objective of this indicator is to demonstrate the justification, in financial terms, for retaining the Estate.

A forecast return of 16% (17% last year) for the 10-year period 1 April 2003 to 31 March 2013 has been consistent with the above guidance. Given local authority borrowing rates for a 10-year loan would be 4.6% currently forecast performance compares favourably with the cost of borrowing.

A comparison of the forecast return on the investment with 17 Local Authorities is at Appendix A. This indicates that Suffolk's forecast is top-quartile performance and maintains Suffolk's IRR within the top-quartile of the "IPF All Authorities benchmark" for agricultural estates.

Actual Rate of Return

*The variables in the IRR calculation are capital receipts, rental income, revenue and capital expenditure and the valuation of property assets. The forecast is an average IRR for a **10-year** period and when compared to the actual return for a particular **year** variances, both positive and negative, can be expected. The figures for the estate are:*

	<i>Actual Return (annual) %</i>	<i>IRR Forecast (10 Year) %</i>
2001/02	4.7	11
2002/03	12.3	17
2003/04	*Estimate 7.5	16

**Asset Valuation 1 April 2004 outstanding*

Annual variances arise from differences between forecast and actual in the variables listed above. Of particular note, however, are the variances surrounding the value and timing of capital receipts. In reporting progress on the 10 year forecast this variable is the most difficult to predict and the more likely to be the main cause of the variances.

Indications are that the actual return for the current year (2004/05) will be significantly better as sales are expected to be higher this year.

6 Development Land

Whenever possible development opportunities for County Farms land are investigated, promoted and protected. In this way future capital receipts are maximised and the council is able to have a positive role in future developments in the county.

Chilton Project Update

A major development to the north of Sudbury is being actively promoted, mainly on land currently part of the County Farms Estate. The total site area is 80 hectares of which 60 hectares is owned by the council. A development partner, Ashwell Property Group, was selected in July 2002, heads of terms were agreed in October 2002 and a formal partnership agreement was signed on 31 July 2003.

The Chilton package is the major development proposal in Babergh District Council's Local Plan Alteration No. 2 September 2001. The Local Plan second draft was published in May 2003.

Ashwell with Suffolk County Council and Babergh District Council have developed a detailed master plan for the project, which will deliver an integrated, high quality and sustainable mixed-use development that will maximise physical, economic and social benefits for the Sudbury area. The main components are likely to include approximately 700 houses, including 35% social housing, employment land leisure and community facilities, a possible retail centre, potential primary school, a development of eco. homes, together with sustainable transport links to Sudbury town centre and a significant woodland belt.

The planning inquiry is in progress at the time of writing, with the inspector's conclusions expected late spring 2005. Subject to the enquiries outcome, developments should commence July 2006.

Social Housing

A review of the whole Estate is under way to identify opportunities for social/low cost housing development. Property Division are working with district councils to identify sites which might not receive planning consent for further development other than as "exemption sites" for low cost housing.

7 Performance Indicators

Six performance measures and targets have been identified. These are updated as follows:

Projected 10-year rate of return (IRR)

A comparison of the forecast return on the investment with 17 other councils indicates that Suffolk's forecast is top-quartile performance and maintains Suffolk's IRR within the top-quartile of the "IPF All Authorities benchmark" for agricultural estates. The proposed target for the forthcoming year is to maintain top-quartile performance.

Gross Capital Receipts

The Asset Management Plan for the county farms estate, which was approved by executive committee in December 2001, set a five-year target for capital receipts of £7,210,000. Against this target the following have been achieved, or are with solicitors pending completion:

Financial Year	Completed Sales £	Sales with Solicitors £	Total Receipts £
2002/3	1,050,000		1,050,000
2003/4	1,372,856		1,372,856
2004/5	2,980,920	1,395,550	4,376,470
Total	5,403,776	1,395,550	6,799,326

Figures in italics include projections to year-end 04/05

Rights of Way Created/Upgraded

Opportunities have been taken throughout the review process to improve the existing rights of way network and increase public access. This year an upgrade from footpath to bridleway on the Hadleigh Estate has been dedicated, and we have reserved the right to create a further footpath within a tenancy agreement. We are awaiting a rights of way decision as to the preferred route to finalise this additional right of way.

Next year a target of two additional rights of way is proposed. It is hoped that an additional right of way will be created in Bardwell, and that the Sustrans Cycleway will commence on the Corton estate.

Trees Planted

Against an annual target of 5000 trees per annum the following have been planted on the county farms estate. The target for 2005/6 is a further 5000 trees planted.

<i>Year</i>	<i>Trees provided by SCC for tenants to plant</i>	<i>Trees planted as part of the development agreement at Chilton</i>	<i>Total Tree Planting</i>
2001/2	6160	0	6160
2002/3	4500	0	4500
2003/4	7720	2454	10174
2004/5 (<i>forecast</i>)	5430	0	5430

Number of Sustainability Projects Supported

Officers from Property Division have been liaising with district councils exploring the possibilities for utilising areas of the county farms estate for the provision of low cost housing.

One potential site has been identified in Mid Suffolk and we are exploring the options available to carry this forward.

The Chilton Woods development proposals also contain a significant element of low cost housing.

The proposed target for next year is to identify and bring forward sites for social housing.

Estate Reviews completed to date

The table below summarises the current review status of each estate. Due to complications and uncertainty surrounding the MTR of the CAP, many temporary arrangements have had to be put in place to secure historical rights to receive agricultural support.

The target set in last years review was for reviews to have started on all estates. The reviews have commenced on all bar three of the smallest estates

<i>Estate</i>	<i>Substantially Complete</i>	<i>Reviewed - no further action required</i>	<i>Underway</i>	<i>Not Commenced</i>
Bardwell			X	
Barking		X		
Bramford				X
Capel St Mary			X	
Cavendish		X		
Chilton	X			
Claydon				X
Cockfield			X	
Copdock			X	
Corton	X			
Debenham	X			
Felsham			X	
Freckenham			X	
Gt. Barton			X	
Hadleigh	X			
Hoxne			X	
Lakenheath			X	
Market Weston			X	
Middleton		X		
Mildenhall			X	
Rattlesden				X
Rickinghall			X	
Willisham		X		