

Leicester  
City Council

**WARDS AFFECTED:  
ALL WARDS**

**CABINET**

**2 FEBRUARY 2004**

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**PROPERTY SERVICES REVIEW  
IN ACCORDANCE WITH BEST VALUE PRINCIPLE -**

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**Report of the Corporate Director of Resources, Access and Diversity**

**EXECUTIVE SUMMARY**

**1. Purpose of Report**

This report details the Property Services Review in accordance with Best Value Principles, summarises the focus of the review, emerging issues and improvement activities.

**2. Recommendations**

Members are asked:

1. to endorse the Improvement Plan, which is attached to this paper.
2. to note the £126,000 per year savings which this review will generate.

**3. Report**

The organisation of this review was, initially, in accordance with the Protocol for Organisational Reviews. However, Property Services was also programmed for a year 4 Best Value Review, and since the initial review was very detailed and looked at fundamental issues of customer service and value for money, Corporate Directors' Board agreed that this could be the basis for a review in accordance with Best Value Principles.

It was clear that the previous structure for property services provision was not working well. The splitting of strands across 3 separate departments led to a fracturing of service, duplication and lack of clarity of roles. These in turn contributed to a breakdown in working relationships between property functions. In addition, the Trading Unit element (Design & Maintenance) was failing to recover its costs.

The Organisational Review therefore focused on reforming a unified Property Services Function with a trading unit that could be a sustainable business in the medium to long term. Its objectives were;

- i) to identify the range of services that should be provided by the property related functions within the Council, and who is best placed to deliver these services.
- ii) To identify how those functions could be organised in order to provide an integrated service.
- iii) To identify how property services can become a more effective , customer focused service.
- iv) To review the roles and responsibilities of the corporate mechanism for asset management.

Questions surrounding the Council's continued ownership of property assets are not addressed within this review, but will be looked at as a corporate issue elsewhere.

The activities of the new, integrated service have been tested against the four C's of the Best Value Process and our findings are set out in the full, Final Report.

In addition, the emphasis during this review has been to consult and engage with our customers (other Departments in the Council), and act upon the information they have shared with us. We were able to identify the 8 most frequently expressed issues that our customers had about our services. These ranged from a perception that our fees were too high, to criticisms about the transparency and consistency of Central Maintenance Fund (CMF) allocation. Each of these issues has been investigated as part of our review in accordance with Best Value principles, and the findings are also detailed in the Final Report.

From these analyses, we have drawn up an Improvement Plan, with 7 objectives which have been consulted upon with key Customer Representatives via the Strategic Resources Group, and has received the support of Corporate Directors' Board. Staff and Unions have also been consulted with and are already working with the new management team to implement the plan. The main objectives are ;

1. To design a service that is customer focused, has a strong service culture, meets customers cost and quality demands and produces an improved contribution to achievement of Corporate objectives.
2. To build the confidence of departments in the service and its staff.
3. Improve the competitive position of business units through a rationalisation of overheads.
4. Improve the performance of the service through embedding Performance Management into it.
5. To empower departments by making project information transparent and to improve the delivery on target of the service.
6. To ensure priorities are better reflected in the programme of work and understood by departments.
7. To improve cost and quality of service provided through more effective procurement processes

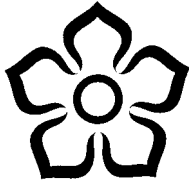
Much work has been done, and much work remains to be done. There are some difficult debates which need to be addressed, for example about the effects of treating part of the function as a trading unit, and there is a cultural change challenge for this function if we are to become a truly customer focused service provider.

**4. Officer to contact:**

Tom Stephenson  
Corporate Director of Resources, Access and Diversity

**DECISION STATUS**

<b>Key Decision</b>	<b>Yes</b>
<b>Reason</b>	<b>Significant effect on two or more wards</b>
<b>Appeared in Forward Plan</b>	<b>Yes</b>
<b>Executive or Council Decision</b>	<b>Executive (Cabinet)</b>



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**PROPERTY SERVICES REVIEW IN ACCORDANCE  
WITH BEST VALUE PRINCIPLES –  
FINAL REPORT & IMPROVEMENT PLAN**

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**Report of the Corporate Director of Resources, Access and Diversity**

**REPORT**

Attached is a full report of the new integrated Property Services review in accordance with Best Value Principles, and an improvement plan which management and staff are in the process of implementing.

**FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

**1. Financial Implications**

This review will result in £126,000 p.a. savings when fully implemented. However, there have been 3 redundancies resulting in immediate costs of £207,190 but when set against future salary costs result in net savings of £323,395 spread over coming years. Additionally, the improvement plan asks for approval of funds to address the building maintenance backlog.

**2. Legal Implications**

None.

### 3. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph Within Supporting information	References
Equal Opportunities	NO		
Policy	NO		
Sustainable and Environmental	NO		
Crime and Disorder	NO		
Human Rights Act	NO		
Elderly/People on Low Income	NO		
Property	YES	Relocation of staff into one site will have property implications but is necessary for integrated service.	

### 4. Background Papers – Local Government Act 1972

Best Value Review files (including Organisation Review scoping files, and Organisational Review files) held by Lynn Cave, Corporate Property Officer, Resources, Access and Diversity

### 5. Consultations

Strategic Resource Group, Corporate Directors' Board, RAD Policy Board, Staff and Unions.

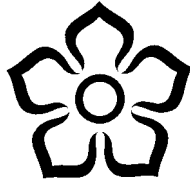
### 6. Officer to contact:

Tom Stephenson  
Corporate Director of Resources, Access and Diversity



PROPERTY SERVICES REVIEW IN  
ACCORDANCE WITH BEST VALUE  
PRINCIPLES – 2003

LEICESTER CITY COUNCIL



Leicester  
City Council

**CABINET**

**2 FEBRUARY 2003**

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**PROPERTY SERVICES REVIEW IN ACCORDANCE  
WITH BEST VALUE PRINCIPLES**

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**Report of the Corporate Director of Resources, Access and Diversity**

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## **1. Introduction & Focus of the Review**

The need for a fundamental review - indeed the rebuilding of a new property service - was established some time ago and that review is in train, with substantial progress having already been made. It covers not just the structure of the service but its business and customer processes as well as the relative roles and relationships within the service and with officers across the Council who have property related responsibilities. The aims of this fundamental review have been;

- 1.1 What range of services should be provided by the property related functions within the Council and who is best placed to deliver these services?
- 1.2 How these functions can be re-organised to provide an integrated service.
- 1.3 How property services can become a more effective customer focused service? Including addressing issues of value for money, the improvement of trading positions and improving the customer relationship management of the service.
- 1.4 To review the roles and responsibilities of the corporate mechanism for asset management.

This report sets out the position of the review work done so far, against Best Value Principles to ensure that there is an improvement plan which adequately addresses our customers' primary issues.

## **2. The strategic case for a Property Services function**

The council owns some £571 million worth of (non-housing) property assets (AMP 2003), and failure to provide professional management of that key resource would have a significant adverse effect on the Council's ability to deliver its strategic goals.

The Asset Management plan (AMP) is the fundamental basis of the provision and performance monitoring of property within the Council and the Corporate Property officer oversees the balancing of the different demands on our property assets from the day to day requirements of Service departments to the longer term needs and priorities of the Council.

Property and property related functions are fundamental to the achievement of the aims, objectives and goals contained in the Council's plans and strategies. There is, therefore, a strong relationship between the provision of property services and key Council strategies, including the Community Plan, Environmental Management Audit System, Corporate Equality Strategy and the Capital Strategy.



The more fundamental questions surrounding the Council's continued ownership of property assets is not addressed within this review but will be looked at as a corporate issue elsewhere (Corporate Directors' Board 30/09/03).

### **3. Organisation of the Review and Methodology (including Scope of review)**

The organization of the review was initially in accordance with the Protocol for Organisational reviews. However, the detail of the review was such that Corporate Directors' Board agreed the work undertaken could be the basis of a review In Accordance with Best Value Principles, keeping in line with the Corporate Best Value Programme.

The Review In Accordance with Best Value Principles went on to:-

- i) Undertake a gap analysis to identify any areas that the organizational review had not adequately addressed (e.g. feedback from other, recent best Value Reviews) and took action to investigate those issues.
- ii) Apply the 4 Cs to the services incorporated within the review theme; Challenge, Consult, Compare, Compete.
- iii) Produce an Improvement Plan for the service.

The role of Critical Friend was fulfilled by our external Consultants, IPF, the trading arm of CIPFA, who were involved in this review from the outset.

#### **Services included in the review**

The scope to identify which units to include was set after a series of Process Mapping Workshops. This information combined with business plans enabled us to identify the core requirements of property services in the council.

This review encompasses units and staff within 3 strands of service, originally across 3 different departments.

**Table 1. Business Units Included.**

<b>Business Unit</b>	<b>Role</b>
PROPERTY MANAGEMENT (initially in E&D Dept. but since April 2003, within RAD Dept.)	The role of this team is to optimize value and return on investment and strategic property holdings, and promotion of economic development through assistance to start up businesses
ASSET MANAGEMENT TEAM (initially in E&D Dept. but since April 2003, within RAD Dept.)	The role of this team is to establish property as a strategic resource and to establish effective review and reallocation processes, ensuring that property is utilized to optimum effect.
SURVEYING & ENGINEERING SERVICES MAINTENANCE (initially in Commercial Services but since April 2003, within RAD Dept.)	Planned and reactive maintenance works
ARCHITECTURE & ENGINEERING DESIGN (initially in Commercial Services but since April 2003, within RAD Dept.)	Capital works design, and specialist consultancy services.
PROJECT MANAGEMENT (initially in Commercial Services but since April 2003, within RAD Dept.)	Delivery of Capital projects.
CORPORATE PROCUREMENT-Central Maintenance Fund Management (RAD Dept.)	Procurement of maintenance works (planned), including health & safety management requirements and monitor contracts
OPERATIONAL PROPERTY MANAGEMENT (initially in TC&CR Dept. but since April 2003, renamed as RAD Dept.)	Day-to-day management of operational buildings and Facilities.
The Disabled Access Officer (initially in E&D Dept. now ERD Dept.)	This inclusion reflects the impact of DDA on property management and the corporate prioritization of improved access to services.
Parks and Open Spaces (Management of Allotments and Grazing Land) (initially jointly managed by E&D and Arts & Leisure Dept., now RAD Dept and Cultural Services & Neighbourhood Renewal Dept.)	The inclusion of this area reflects the outcome of the Local Environmental Services Best Value Review (year 3).

**Table 2. Business Units not included.**

<b>Business Unit</b>	<b>Role</b>
Geographical Information Systems (G.I.S.) Ordinance Survey Liaison Officer (OSLO) and Land Survey. (initially E&D Dept. now ERD Dept.) Bridge Structures, (initially E&D Dept. now ERD Dept)	Not exclusively property related units. Process mapping exercises and management discussion led to these being considered best placed in ERD.
Parks and Open Spaces (operational), (initially Arts & Leisure Dept. now Cultural Services and Neighbourhood Renewal Dept.)	The operation of these facilities is logically placed within Cultural Services and Neighbourhood Renewal.
Energy Management Team, (initially E&D Dept. now ERD Dept.)	There was considerable consultation on this service, including a Workshop exercise. It was felt that strong cases existed on both sides for where this function should be placed in the corporate structure. Clearly there is a strong “buildings” link and energy issues are amongst Property’s Performance Indicators. However, the function will remain within ERD Dept., but with a review by senior management programmed for later this year.

**4. Service Assessment – 4C’s**

**4.1 CHALLENGE**

4.1.1 In 2002 we engaged the services of an external consultancy (IPF) to work with us in the very early stages of this review. Their input was valuable in helping us to map our key processes, and to identify other models for providing local authority property services functions, which has assisted in challenging any preconceptions we may have held at the beginning of this process. Their findings were that our service is organized and structured in its processes toward a fairly traditional means of service delivery. The approach taken by other property functions who appear to be two to three years further on in their improvement planning is to focus on customer output requirements.

- 4.1.2 Our Scrutiny Director has provided us with feedback that challenges how, in this “Property Rich-Revenue Poor” council, we are addressing key issues around utilization of space and transparency, on the part of client departments, about space availability or voids, and what more needs to be done to embed the principles of Asset Management into the greater, organisational culture. A key question for the organization is *“How can Departments be encouraged to give up under utilized property so that capital can be released and running costs avoided?”*

He has also challenged us to ensure that the continued ownership of property by the authority is continuously reviewed and justified. In terms of non-operational properties, Internal Rates of return are key performance monitoring tools and will continue to be part of our AMP benchmarking criteria. For operational property, due consideration of other options in response to service delivery policy changes has to be made. (And, indeed, is already happening as part of the Cultural Services & Neighbourhood Renewal Dept. review – “The Project”).

- 4.1.3 External inspection and audits by the Office for Standards In Education, ISDA and the District Auditor all challenged us to address;
- i) Consideration of other options for service delivery
  - ii) Implementation of a competition strategy.

#### 4.2. CONSULT

- 4.2.1 Customer feedback indicated dissatisfaction with certain areas of our service and a reluctance to use our services. Therefore, working with our external consultants and in smaller internal groups led by Officers, we undertook about ten Workshops with staff and client representatives in order to identify key areas of concern.

- 4.2.2 The Workshops successfully engaged with the Clients in the development of a model for the future relationship between the Property services and Client/User departments and key messages for the future service were identified;
- a) Improve our appreciation and understanding of client needs
  - b) Inform clients with meaningful, timely and usable information on project and work progress.
  - c) Provide clear communication, responsibility and liaison paths for both customers and service providers.

- 4.2.3 Workshop exercises enabled us to identify that “what the client wants” consisted of;
- a) maintained facilities as a result of a managed programme of maintenance and Capital works, all being delivered on time, to budget and to quality.
  - b) Professional advice to a consistent level of quality, providing meaningful and useful information, to inform client decisions on options, and affordability of works.

4.2.4 A key consultative mechanism for this review has been, and will continue to be, the Asset Management Plan Implementation Team (AMPIT), which was established in May 2000 with the following terms of reference;  
“To develop, implement, monitor, and continuously review a quality Asset Management Plan for the Council”.

AMPIT is a sub-group of the Strategic Resources Group (SRG), chaired by the Corporate Property Officer (CPO) and made up of departmental Property Officers, the Financial Strategy Manager, key Property staff and officers involved in the preparation of the Community Plan.

Members of AMPIT were major contributors to the process mapping and Scoping exercises which informed this review. And the following issues were highlighted;

- a) Clients and property officers agreed that the core for comprehensive and holistic delivery of corporate resource policy is the integration of the AMPs and Capital strategy at corporate and service level into the Capital and maintenance Programmes/plans. The Maintenance programme and the Central Maintenance Fund in particular, are not linked in a demonstrable way to the AMP.
- b) SRG and AMPIT remits appeared to require clarification as to their responsibility for prioritization of Capital and Maintenance works. For example, in developing the capital strategy, one issue is the absence of a coordinating forum for assessing the contribution of schemes to improving Corporate Performance Management of Property. A second issue is the potential for schemes to be entered into the capital programme without any advice from Departmental Property Co-ordinators or from professionals in the Property functions.

4.2.5 Individual property functions utilize specific platforms for client consultation purposes. These have all been instrumental in the review to date, will all continue to be used, and where appropriate will be improved. See Appendix 1, “Stakeholder Consultation Table”.

4.2.6 Another major stakeholder in our service is the Government Office for the East Midlands (GOEM), which externally verifies our Asset Management Plans. Our 2001 and 2002 AMPs were both rated as “Good” which is the highest rating that can be achieved and indicates that we do have the processes and procedures in place to enable us to keep under review, on an ongoing basis, our property assets. (Our 2003 AMP is exempt from verification).

4.2.7 Trades Unions have been consulted and their nominated Representative’s comments are attached at Appendix 2.

## 4.3 COMPARE

### 4.3.1 Structure

1. We interviewed organizations in the Octopus Benchmarking Group to identify what their Property Services structures were and what staffing levels they had. Comparing these figures against our own, the overall numbers for asset and property management, investment and regeneration appear to be comparable with others. But there did (2002/3) appear to be an excess of numbers in the Construction and Maintenance services. However, the setting of appropriate staffing levels for the Trading Unit is hindered because we have no formal trading contract with our clients, and no way of knowing how much work we will get each year. (Incidentally, this is not a condition shared to the same degree with other Trading Units in the Authority.) Improved co-ordination of the Capital Programme is required to ease this.
2. With the assistance of our External Consultant, we reviewed the Performance Indicators used by other authorities and this indicated 5 broad areas for measuring performance in common use (IPF report August 2002 appendix A). These indicators and comparison with other organisations' operations enabled us to identify the key service and business processes that have to be managed to successfully deliver effective property services;
  - a) Strategic Development & Performance Management-
    - i. Prepare and develop strategies, plans, and programmes for service delivery
    - ii. Plan, develop and manage Investment performance- assess scope for investment and regeneration and prioritise and determine disposal and acquisition plan.
  - b) Meet Customer needs-
    - i. Understand briefs and client success criteria
    - ii. Assess suitability, sufficiency and condition
    - iii. Identify clients and agree occupancy of buildings
    - iv. Develop and prioritise Capital repair and Maintenance programmes.
    - v. Procure planned and reactive maintenance works and monitor contracts
    - vi. Manage reporting and monitoring information
  - c) Optimise value and return on investment-
    - i. Negotiate and fix lettings, purchase and sale prices
    - ii. Manage day to day landlord and tenant premises issues.

We recognize that our main areas of weakness lie in our ability to meet Customer needs, and this information has informed our new organizational structure (see Appendix 3, "Property Services Structure 2003").

#### 4.3.2 Charges/Value for money

1. The output of the familiarization and process mapping exercises was used by our external consultant as a basis to approach other Property Services for benchmarking information targeted at elements and areas in which Leicester could make early progress, e.g. levels of fees. Historically, our business units have set fee levels at about 15%. Our external consultant's data demonstrated a movement in the construction and property public sector is towards an average fee level of 10-12%.

Our initial findings (though we do not have a complete set of data yet) indicate that in some areas our fees were higher than other providers, notably for construction, and we have already adjusted our fees down, in the above case from 15% to 13½%. There were some efficiency and effectiveness issues producing this high fee level, but another influence is the high level of on-costs that we have to bear (see 5, below).

However, further investigation has revealed that this lower fee level may not be sustainable and has to be reviewed in light of the package of services included. See 4, below.

2. There are other areas of the Council that incorporate an element of Design Services within their remit. We have asked for comparable information in order that we can assess how our fees compare with other internal suppliers. It is proving very difficult to get this information.
3. We have also compared our charges and other KPI data against external suppliers of services. We have found that it is difficult to get our competitors to give us this information but have utilized a number of techniques to collect some data;
  - i) We have some historic data from the occasions when we have engaged the services of external suppliers to carry out specific projects e.g. external Agents are engaged for Right to Buy valuations and for specialist valuation services. (See Appendix 4 – Valuation Services Comparables).
  - ii) In March 2003 we placed a test advertisement in the local press and a national property industry publication, asking for expressions of interest in providing a wide range of property related services to the council. This will enable us to assess a) the interest level of the private sector in working for/with us and b) the levels of charges they are making. Overall, there was a good result in terms of levels of interest expressed by external organizations but no pricing data is available at this time.
  - iii) We have contacted other Council departments requesting details of works which they have commissioned from external suppliers, and in particular the fee levels charged and the cost and time predictability performance levels. We are still waiting for most of this data. All this data will enable us to objectively assess our clients' perception that we are expensive.

**Table 3: Externalized Commissions Data**

	<b>Function</b>	<b>External Consultant's Fee</b>	<b>Internal trading Unit's fee*</b>
<b>Project 1 (2003)</b>	<b>OVERALL FEE</b>	<b>15.78%</b>	<b>15.2%</b>
	Architects & Associated	8.5%	6.9%
	Project Mgt.	2.0%	1.9%
	M&E Engineer	2.4%	2.3%
	Structural Engineer	2.0%	1.6%
	TIME PRECITABILITY	Not available yet	
	COST PREDICTABILITY	Not available yet	
<b>Project 2 (Design&amp; Build-2003)</b>	<b>OVERALL FEE (inc. 6% Main Contractor fee est.)</b>	<b>14-15.2%</b>	<b>13.5%</b>
	Architects	4.0%	6.3%
	Project manager	2.0%	1.9%
	Q.S.	1.0%	2.0%
	Structural Engineer	0.5%	1.5%
	TIME PRECITABILITY	Not available yet	
	COST PREDICTABILITY	Not available yet	

- For Project of same overall cost

4. Our largest customer, the Education Department has given us an indication of the level of fees that would be acceptable to them. This was part of our Education Major Capital Schemes Trading Agreement discussions.

Our findings (through Octopus) are that Derby, Gateshead and Nottingham have all confirmed they could not match these low fees.

We have looked at the comparables that the Education Department has worked with to come to their fee suggestion and we have observed;

- a) the comparables are old (1999/2000)
- b) the comparables are largely private sector, often very small organizations and therefore subject to the skewing effects detailed in 5, below.
- c) the reality is that although small firms may submit estimates, they may not have the capacity or the expertise required to actually undertake more complex programmes. Our subsequent consultation with end users has evidenced this with some instances of quality problems when these small organizations were used.



In fact, when we compare our fee levels with those of the Benchmarking group (see Table 4 , “Octopus Fee Rates” below) we find that we are around the average. The largest discrepancy between our fees and the table average is 1.9%.

	Auth A	Auth B	Auth C	Auth D	National Las	Auth A Partner Consultant	Leicester	Overall Av
£000s	%	%	%	%	%	%	%	%
<b>New Works – Education, SS, Leisure</b>								
100-500	16.25	13.50	15.00	13.50	17.10	17.99	16.00	15.62
500-1000	14.30	13.50	15.00	11.00		13.87	15.00	13.78
1000+	12.50	13.50	15.00	10.00	13.50	12.23	15.00	13.10
<b>Refurbishments -</b>								
100-500	17.00	15.00	15.00	15.00	19.00	15.12	16.50	15.66
500-1000	16.00	15.00	15.00	13.00	15.13	16.52	15.00	15.09
1000+	13.50	15.00	15.00	12.00	12.02	13.09	15.00	13.66

**Table 4: Octopus fees 2001/2**

Further analysis of the Octopus data has revealed the following;

- i) None of our Benchmark group operate within the constraints of a Trading Unit status. Therefore, comparables are not strictly like-for-like.
- ii) The fee figure quoted for Leicester is “all inclusive”. None of our benchmark Group include the same range of services within their fees. Again, this means the data is not truly like-for-like.
- iii) Of particular significance is the matter of feasibility work. None of the fees shown include for this element. Our benchmark partners charge for feasibility work on a time or fixed fee basis, over and above the fee percentage. In our case we have a situation where clients have no distinct budgets for feasibilities consequently we have carried out very basic level feasibility work and tried to cover this in our “all inclusive” fee. As a result we have under recovered by as much as £135,700 (2002/3) on feasibilities alone. (This low level of detail then impacts upon our Time and Cost predictability performance).

Our new Trading Agreements for 2004/5 are therefore much more explicit about what is included in our fee and about the elements which will require an additional charge, if utilized.

5. The “Trading –Unit Effects”

a) Our investigation into the fees charged to other Departments for their externalized works has revealed that the “Trading Unit” status of our Design & Maintenance group places us at a severe disadvantage. The funding criteria of many schemes ( including English Heritage, and European Funds) means that our clients are not able to award work to our Design and Maintenance team because they would be unable to reclaim our charges, because the awarding bodies do not recognize our status as a trading unit. This is compounded by the fact that we have often been invited/encouraged to tender for such schemes, even though clients know we cannot succeed, and the work put into these tenders has been unrecoverable by the trading Unit. We will be exploring ways of overcoming this effect as part of our improvement plan.

b) Corporate on-costs effects;

Due to Leicester City Council's accounting policy, the “Trading Units” in this authority (including Design and Maintenance) carry the burden of contributions to corporate costs – which we have referred to in this report and background papers as “on-costs”. In 2003/4 these costs, for Design & Maintenance, will amount to £ 631,200 and £ 558,700 in 2004/5.

These charges are made up of the costs incurred through the identification, development and implementation of policies, procedures and operations, and are non-controllable by the trading unit itself.

The effect of these charges is 2-fold;

i) Since many other Local Authorities do not follow the same accounting policy, any direct comparison with other Authorities' fee rates is misleading. For example, we know that a geographically close Authority discounts the on-costs it charges back, by £400,000 and this practice has been approved by the District Auditor.

ii) The Private Sector would, generally, not incur such costs and if it did, would have the ability to seek alternative suppliers who may offer better value and or give a better fit to the Trading Unit's requirements. Thus, we find ourselves having to try to compete with organizations with much lower overheads. All our Private Sector comparables will be skewed, to some degree or other, by this.

**TABLE 5. On-costs Differences between Business Units**

<b><u>LEICESTER CITY</u></b>	<b><u>Design &amp; Maintenance</u></b> 2003/4	<b><u>Legal Services</u></b> 2003/4	<b><u>Design &amp; Maintenance</u></b> 2004/5	<b><u>Legal Services</u></b> 2004/5
Admin. Buildings	<b>181,100</b>	<b>134,000</b>	<b>192,400</b>	<b>138,900</b>
IT Corporate Customer	<b>6,100</b>	<b>6,800</b>	<b>2,900</b>	<b>3,200</b>
N223	<b>0</b>	<b>51,600</b>	<b>0</b>	<b>0</b>
RAD DMT Initiatives	<b>0</b>	<b>20,500</b>	<b>11,900</b>	<b>13,300</b>
N225	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,600</b>
RAD ICT & CA	<b>13,700</b>	<b>19,100</b>	<b>15,900</b>	<b>17,800</b>
RAD Financial services	<b>21,900</b>	<b>58,200</b>	<b>23,000</b>	<b>135,200</b>
RAD HR & Equalities	<b>12,600</b>	<b>0</b>	<b>45,600</b>	<b>0</b>
RAD Corporate Procurement & Business Services	<b>1,300</b>	<b>33,200</b>	<b>29,900</b>	<b>23,000</b>
RAD Operational Prop.	<b>0</b>	<b>2,100</b>	<b>3,200</b>	<b>0</b>
N230	<b>200</b>	<b>200</b>	<b>0</b>	<b>0</b>
RAD DMT	<b>0</b>	<b>74,700</b>	<b>28,500</b>	<b>64,500</b>
Directorate	<b>76,900</b>	<b>0</b>	<b>0</b>	<b>0</b>
Support Services	<b>122,600</b>	<b>0</b>	<b>0</b>	<b>0</b>
Business Support	<b>137,800</b>	<b>0</b>	<b>0</b>	<b>0</b>
Ordnance survey	<b>4,600</b>	<b>0</b>	<b>0</b>	<b>0</b>
Quality Assurance	<b>40,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
Workplace Nursery	<b>9400</b>	<b>10,200</b>	<b>0</b>	<b>10,200</b>
Chief executive's General	<b>3200</b>	<b>31,500</b>	<b>5,400</b>	<b>1,100</b>
ERD General	<b>0</b>	<b>0</b>	<b>200,000*</b>	<b>0</b>
<b>TOTAL</b>	<b>631,200</b>	<b>442,100</b>	<b>558,700</b>	<b>456100</b>
<b>FTE</b>	<b>69.78</b>	<b>60.35</b>	<b>69.78</b>	<b>60.35</b>
<b>Av. O'Head per FTE</b>	<b>£9045.57</b>	<b>£7325.60</b>	<b>£8006.59</b>	<b>£7557.58</b>

\*

Support staff transfers for whole of Property function, and, at this time (Dec. 03) still an estimate figure.

Table 5 indicates that there are discrepancies between the on-costs allocated to different Trading Units within the same Department at Leicester, with Legal Services per capita charge in 2003/4 being only £ 7325.60, which is 19% less than the Design & Maintenance Unit is charged. For 2004/5 the difference is less marked, but still represents a difference of 6%. These apparent differences will be investigated further as part of our Improvement Plan activities.

### 4.3.3 Performance

1. The Octopus Benchmarking Group was established in December 1999 as a comparator group comprising Leicester City, Nottingham City, Derby City, Coventry City, Gateshead, Southampton City, Portsmouth and Plymouth (subsequently replaced by Stoke City). These were the Authorities that the Audit Commission had put in our band as similar authorities. During the past 4 years, the group has developed and implemented the collection of 9 commonly useful performance indicators which include National Property Performance Indicators which are Government defined, as shown in Appendix 5: Octopus PIs April 2002 – March 2003, and summarized below;

**Table 6: Octopus Summary (2002/3)**

<b>PERFORMANCE INDICATOR</b>	<b>RESULT</b>
1. a) Gross Internal floor space condition b) Backlog of maintenance	Around group average Around group average- but very poor for Operational property
2. Internal rates of return	Around group average
3. Annual Mgt. Costs	Around group average
4. Repair & Maintenance costs	Around group average
5. Cost & Time Predictability	Poor
6. Commercial Voids	Good
7. Estate Management Costs	Good
8. Occupancy/running costs	Around group average
9. Rent collection	Good

Taking the 9 Indicators overall, we are around the average or better on 8 measures. On the Indicator where we perform poorly, we are 5 times poorer (Cost Predictability) and 10 times poorer (Time Predictability) than the best performing Authorities, and, significantly, both these are within the Design and Maintenance area. In general the Authority has recognized that this area needs improving as indicated in the Capital Strategy statement, in addition the review of Property Services has implemented changes (in dialogue with customers) to bring about improvements in this area, including Project Management training for both client and Property staff.

However, another area of concern remains our backlog of maintenance, where we have the highest Operational Property maintenance backlog of the whole group, as we also did the previous year.

We perform particularly well on the Indicator for Lost Income through commercial voids where we have the 2<sup>nd</sup> lowest loss. We also perform above the group average on estate management costs and rent collection.

However, even where we are poor or around average, a number of Indicators show an improvement against the previous year, which includes 2 of our Internal Rates of Return performances, Time Predictability, and CO2 Emissions. However, it is difficult to make year on year evaluations as the definitions of the PI's are still being adjusted (by the Government) and therefore, in a number, we have not collected like-for-like data.

Overall, our Octopus results bear up the feedback we have received from our customers during this review, certainly in terms of our weaknesses.

#### 4.4 COMPETE

4.4.1 One of the major themes of the engagement of our external consultants (IPF) was to ensure that our service has been adequately analysed by an external body. We also have to ensure that we can demonstrate how competition has been applied within the service, test that our procurement processes are defensible and we can demonstrate value for money. Where we are unable to provide evidence that we are applying competition we have used the consultant to help us identify the work required to remedy this.

4.4.2 Our consultant's conclusions were (IPF Phase 2 Summary Report -December 2002) that for the in-house professional property services to be cost effective and sustainable there is a need to be able to demonstrate competitiveness, and broadly, our rates are comparable. But to ensure the longer term competitiveness and sustainability of the service the principle findings were that we need to;

- i) Increase average fee-earning staff utilization by 5-10%
- ii) Increase productivity by up to 20%, as measured by an average reduction in fee levels for services provided, from 15% to 12%.
- iii) Reduce the overheads and cost base by 10%.

These are all inter-related, e.g. higher levels of productivity with an improved continuity of workload will enable reductions in staff numbers and the average overhead costs per unit of fee earning time.

An immediate issue is the existence of some central costs in the overheads that are at a disproportionate level in relation to the value added to property services (see also "Compare").

One of the ways to achieve the necessary resource management improvements is to ensure prioritisation decisions are well founded in pre-feasibility studies and investigations. This will promote better continuity of workload. We also need to work with our customers to improve the quality of brief, and more has to be done to manage the client/customer interface.

4.4.3 One theme of the process mapping workshops was Procurement. The results of our exercises indicate that commissioning and procurement of works seems to be variable, traditional and inconsistent. Because there process has been split between two departments, there has been no co-ordinated ownership of procurement of works and contracts – particularly in relation to the CMF works.

4.4.4 We identified that there are significant improvement opportunities in this area to introduce effective, innovative and more appropriate strategies for packaging and managing contracts. Key starting points are the adoption of a commonality of approach and practice, and improved communication and co-operation between strands of the property service, and between those services and our customers.

- 4.4.5 One of those opportunities is undoubtedly the formulation of an appropriate response to “Re-thinking Construction” (Egan, 1998).  
Within local authorities, there is a noticeable move away from traditional forms of contract towards more collaborative supply chain working. This will require more pre-planning, estimating and negotiating skills/time, a focus on Customers, and the provision of leadership to engage with professionals in a positive and creative relationship.  
In March 2003, we established a Working Party to work on a Procurement Strategy for the new property services organization. This will work in parallel with a corporate procurement group.
- 4.4.6 Design and Maintenance officers are currently working on a pilot Framework Agreement for the delivery of a programme of additional classrooms and mobile classroom replacements in infant and primary schools across the City, to the value of approximately £2 millions per year for the next 3 years (commencing Summer 2004).  
This partnered contract will embrace Egan and Latham principles incorporating collaborative working, guaranteed maximum prices, incentivised savings, monitoring and improving Key Performance Indicators and Supply Chain management.
- 4.4.7 Both the Business Plan and the customer workshops identify the core requirements of professional property services in this Council. This will enable the property function to structure itself on base-load activities and employ the private sector or public service partners for specializations, to address capacity difficulties and/or where it is apparent it is more cost effective to do so. There is evidence that this has been the practice for some time in certain areas of the service (e.g. Property Management, Asset Management) but Projects and Capital Works may be a key area to look at next to establish a balance between the internal use of expertise as the costs and fees will be included as part of the capital costs of the works.
- 4.4.8 Competitiveness issues were explored in the Process Mapping Workshop led by our consultant. The issue of clarity of project briefs and the need for greater explicitness about the services required were flagged up as issues to work on with our Client departments. These also link into the theme of the service needing to develop a mechanism for effective “Customer Relationship Management” which the new organizational structure has been designed to address by incorporating a Project and Customer Liaison role.

**5. Budget Analysis**

	<u>Costs</u>	<u>Income</u>
<b><u>1. Trading Units</u></b>		
Design & Maintenance (inc. Help Desk)	3,769,700	3,769,700
Admin Buildings (inc. Facilities Mgt.)	3,776,900	35,500
Internal Admin Building Income & Cost	708,400	5,144,400
<b><u>2. Non Trading</u></b>		
Project Mgt.	150,900	0
All Others (inc. H&S)	4,904,400	6,577,400
<b><u>TOTAL</u></b>	13,310,300	15,527,000

**Table 7: Budget Figures 2003/4**

**6. Conclusions: Key Customer Themes**

The following themes were those which most consistently arose during our review process;

**6.1. Fees**

**What departments are saying.**

Departments say that our fees across the range of services are high.

**Review findings**

In some cases fees are high but this is due to a number of reasons including productivity, methods of procurement, on costs and our pricing policy, which tends to be all inclusive (e.g. Legal fees, Land Survey, Clerk of Works and feasibility studies) making fees appear high. In other cases the problem lies more with the comparables being applied because there is a lack of truly “like-for-like” data.

Areas for attention include

- The agreeing of fees at outset.
- Clarity over what is included in fee.
- Ensuring that additional works are not carried out before agreeing an additional charge to cover it.
- Prompt variation advice to customers.
- Proactively looking for ways of reducing costs of schemes, and making customers aware of our efforts.
- Ensuring that all departments use our services, and do not procure directly or duplicate our roles.

## 6.2. Clarity of roles, responsibilities, duplication of roles and points of contact.

### **What departments are saying.**

Poor management of the services had led to:

- Poor working relationships
- Inefficient systems and processes
- Confusion for customers

### **Review findings**

The new structure addresses these issues and the key to this is to focus on the customer or service end user. The chain of management and communication will be clear and as short as is feasible. In itself, this will remove duplication. Other measures required are;

- Effective project management
- The establishment of new project management procedures
- Clarification of Energy Management team's roles and responsibilities.
- Delivery of management training where required.
- Cultural change.

## 6.3. Central Maintenance Fund allocation

### **What departments are saying.**

The prioritization of CMF budget is not transparent, consistent, or tied in to the Asset Management Plan. There are problems around roles and responsibilities, and customer contact points. Relationships with specialist functions such as Energy Management and Health & Safety advisors are poor. Departments are not happy with the service contract arrangements (see Item 6.7, below).

### **Review findings**

All the issues raised by departments need addressing. There are poor contract procedures and the formalizing of contracts, quality of service delivered, management of the contracts and the services delivered, all require attention. Other concerns include;

- Prioritisation of works to be improved through the introduction of a new process.
- Need to ensure contracts are properly tendered
- NSR to be re-tendered.
- Service Contracts need to be reviewed.
- Designated Contact Officers to be established for all main buildings.
- Site and Condition Inspections to be introduced.
- Quality Audit systems to be reviewed.



#### 6.4. Time and cost predictability

##### **What departments are saying.**

Our time and cost predictability is not sufficiently accurate.

##### **Review findings**

Performance is measured against the Octopus benchmarking group. This group is made up of eight comparable local authorities– Leicester, Derby, Nottingham, Portsmouth, Gateshead, Coventry, Southampton, & Stoke-On-Trent . Leicester's position (2002/3) is below the group average by 14% on cost predictability and 14% on time predictability, but is even worse when compared to the best group Performances.

We need to improve our performance in these key indicators within a defined timescale, and in terms of Time Predictability, we have already made a sizable improvement since 2001/2.

There are, however, strong links to other factors including accuracy of briefs but also to other wider client issues such as funding stream availability.

#### 6.5. Project Management

##### **What departments are saying.**

Departments are primarily concerned with time, cost predictability and poor communication and reporting throughout the project. They would like a one-stop approach with a key project worker as their point of contact.

##### **Review findings**

Project management skills need to be improved across all property services. The delivery of corporate and service requirements increasingly entails collaboration with the private sector and public sector partners and our property professionals need to be able to take on the programme and project management responsibilities necessary. Measures to be put in place include;

- Introduction of regular customer/client liason.
- Improvements to the terms of engagement.
- Clarification of works included at the outset.
- Pilot/introduce Supply Chain Management/Partnering with view to achieving up to 80% of projects by this means within next 4-5 years.
- Introduction of Contact Officers (as above, item 6.3)

## 6.6. Capital Works programme

### **What departments are saying.**

The link between Finance and Property professionals in agreeing the recommended programme needs to become more explicit. It needs to meet the requirements for corporate Property Strategy, service standards and objectives, sustainability and Whole Life Costing.

### **Review findings**

In order to deliver the corporate Property Policy, the AMP and Capital Strategy (at Corporate and Service levels) and the Capital Programme. Need to be fully integrated. This is not yet happening.

- The sharing of advanced planning information and more collaborative working between customers and property services is necessary to enable elimination of work on schemes that do not progress.
- A reduction of slippage on the annual programme of Capital schemes and improved management of risk should also be achieved.
- There needs to be more emphasis on feasibility studies, option appraisals and awareness/appraisal of practices such as the Gateway Scheme.

## 6.7. Service contracts

### **What departments are saying.**

Departments are not happy with issues around quality, suitability, price and delivery of service contracts (e.g. boilers in schools, heating systems and lift maintenance contracts).

### **Review findings**

Issues around service contracts link in with other key themes; the CMF allocation, consultation with Clients, improved communication including clarity of contact points. See 6.2, 6.3 and 6.5 above.

## 6.8. Landlord and tenant

### **What departments are saying.**

The current internal agreements are too complex and there is confusion over contact points and processes.

### **Review findings**

Internal agreements do require improvements. The clarity of the various parties' roles and responsibilities, simplification of contact points and a review of procedures to streamline processes are examples of improvement areas.

## **7. Improvement Plan**

The re-organisation of the Property Services functions into an integrated, customer-focused service is a huge challenge. The sustainability of the service depends upon our ability to effect a cultural change, where the service engages with, listens to and reacts to our Customers.

An Improvement Plan has been drawn up, consulted upon with key Customer Representatives via the Strategic Resources Group, and has received the support of Corporate Directors' Board. The senior Management Team of the new, integrated Property Services function (see attached "Property Services Structure", Appendix 3) is driving forward activities to meet the stated goals and objectives, and, as can be seen in the "Progress" sections, are achieving key milestones.

The Improvement Plan has, at its heart, the 8 key themes which our customers told us were of most concern to them.

<p><b>Improvement Objective</b>                  To design a service that is customer focused, has a strong service culture, meets customers cost and quality demands and produces an improved contribution to achievement of Corporate objectives.</p>		
<p><b>Establish a service staffing structure</b>                  Actions                  1) <i>Carry out an Organisational review in line with the protocol for Organisational Change</i>                  2) <i>Implement new structure</i>                  3) <i>Implement operational changes</i>                  4) <i>Market the new structure to clients and contractors</i>                  5) <i>Establish a Workload Group</i></p> <p><b>Manage cultural and service processes changes within the service organisation, to reflect customer requirements and Organisational priorities</b>                  Actions                  1) <i>Implement Performance Management for the Service's activities.</i>                  2) <i>Give consideration to developing a Customer Charter</i>                  3) <i>Raise profile of Corporate Property Officer</i>                  4) <i>Examine roles/responsibilities of AMPIT reps and their relationship to CPO</i>                  6) <i>Raise profiles of AMPIT reps across the Council.</i>                  7) <i>Increase involvement of AMPIT in key corporate areas e.g. policy on H&amp;S surveys.</i>                  8) <i>Review potential for further rationalisation of Departments' property utilisation and asset holdings.</i></p>	<p><b>User Focused Outcomes</b>                  1) Address concerns raised in OFSTED and DA reports                  2) Reduction in the complexity of client &amp; commissioning arrangements                  3) Improved understanding of customer needs                  4) Improved Project Management                  5) Improved information access for customers and users                  6) Establish a service that is responsive to customers' &amp; stakeholders' requirements.                  7) Establish a commitment to continuous improvement.                  8) Better support of key Corporate Objectives                  9) Clarity of Property decision making processes                  10) Speedier, co-ordinated resolution of property issues                  11) Effective use of assets                  12) Clarity of roles and responsibilities, particularly with regard to H&amp;S concerns (Asbestos etc)</p>	<p>Customer Issues Addressed                  #1- Fees                  #2- Clarity of roles                  #3- CMF                  #4- Time &amp; cost predictability                  #5- Project management                  #6- Capital Works programme                  #8- Landlord/tenant</p>
<p><b>Overall Timescale and Key Milestones</b>                  Final Review Outcomes signed off by Leader – 20 May 2003                  All Senior Manager post holders confirmed by 31.10.03                  Work Load Group set up by March 2003                  Ongoing review of trading position/ competitiveness of business units – look at alternative sources if necessary -to achieve sustainable business by 2005.                  PI's in place by July 2003</p>	<p><b>Overall Lead Officer</b>                  Lynn Cave</p>	

Cont'd

Physical rationalisation commence

April 2003

CLABS Review commenced to respond to service needs by July 2003  
Report to SRG.

AMPIT Action Plan/Work Programme in place by end January 2004

**Method of measuring improvement**

Organisational review signed off by Project Board – end June 2003

Impact of Work Load variations kept under review

Staff and customer surveys

Achievement of BV Improvement Plan Objectives

Local & ODPM PI's

TAGs

Landlord & tenant agreements for corporate occupations

Appropriate professional lead given on all property procurement/sales

Property proposals taken to Cabinet

BV /Organisational Reviews

Business Plans

AMP Benchmarking Indicators- particularly Internal Rates of Return by property category.

**Targets for improvement**

All Senior Manager Post Holders in post by 31.10.03

Staffing structure responsive to workloads

External Lettings surveys to show better than 80% "satisfactory or good" rating

Use Construction Services KPI surveys to set a baseline for future improvement targets

All PI targets met

0% TAGs going to arbitration

100% Landlord and tenant agreements achieve SRG approval

0 property procurement without professional lead from CPO

0 property proposals taken to Cabinet without AMPIT discussion

0 BV /Organisational Reviews signed off without property considerations documented

0 Business Plans signed off without property considerations documented.

Internal Rates of Return to be in upper quartile for our benchmarking group.

Regular and meaningful customer consultation/ survey exercises to be carried out in all areas and results fed back to customers.

**Overall cost/savings**

Cost of review, including consultancy fees

Savings of £126,000 p.a. from 2003/4

Potential to save wastage and duplication

**Resources needed and/or approvals needed/obtained**

Project board approval

CLABS review to bring all service elements together

Survey resources

**Progress;**

Consultation with Schools Development & Standards Agency

Project Board of customer representatives set up to oversee review.

External Consultants appointed to assist with benchmarking and general review/best practice.

Consultant's reports presented to SRG

A series of workshops held, involving key customers, for the scope of the review.

2<sup>nd</sup> tier recruitment completed 2002

3<sup>rd</sup> tier recruitment – slotting in completed 1.12.02 interviews held April & May 2003. 1 post re-advertised

4<sup>th</sup> tier structure signed off May 2003

Focus Interim Management Consultancy appointed to cover vacant posts w.e.f. 1.6.03

Work Load Group established March 2003

Relocation of RAD functions commenced February 2003

Interim Management Meetings Arrangements put in place from April 2002, until formal sign off of review.

PI's reflected in Business Plan 2003/4 and Asset Plan

New Appraisal System – training actioned for all managers- Summer 2003 and staff appraisals timetabled for completion September 2003.

Performance Management Training programme commissioned for Construction Services managers- Aug/Sept 2003.

CLABS Review – Report to SRG 8.7.03 outlining 12 Key Actions, followed by "Work in Progress" reports 5.8.03. and 19.8.03.

Briefing paper for Members "Property Disposal Policy" July 2003

Proposed AMPIT Model identified (SRG feedback meeting August 2003)

Property Management Annual Customer Satisfaction Survey actioned August 2003/Sept 2003.

Consultation meetings held with Head of Education (Property) throughout rationalization review process, and are ongoing.

Acting Head of Construction services carried out CSKPI surveys with key head teachers (March 2003) and report taken to CDB (May 2003).

July 2003, Building Surveyors made customer liaison visits to all schools (excepting religious funded grant schools) and report of findings made to LC 28.07.03.

Customer feedback cards – commenced use in Construction Services, August 2003.

Officers are liaising with the Service Director (HR) in current (Summer 2003) review of health and safety management within the authority and a key area for focus will be clarification of roles and responsibilities.

All Senior Manager post holders in place by mid-September 2003.

<p><b>Improvement Objective</b> To build the confidence of departments in the service and its staff</p>		
<p><b>Ensure the availability of the human resources and skills/competencies required for effective delivery of quality property services to the Council</b> Actions 1) Establish and cost up resource needs in light of new organisational structure 2) Assess &amp; evaluate potential options for capacity/capability delivery within budgetary constraints 3) Recruit to vacant posts within budgetary constraints 4) Identify Training needs</p>	<p><b>User Focused Outcomes</b> 1) Customer satisfaction</p>	<p>Customer Issues Addressed  #1- Fees, data capture etc  #2- Clarity of roles etc  #5- Project Management  #8- Landlord &amp; Tenant</p>
<p><b>Overall Timescale and Key Milestones</b> 1) Establishment lists agreed by October 2003 2) Managers carry out skills “Gap Analysis” by March 2004 3) Staff appraisals completed within 2 months of managers attending training and in any case by March 2004 4) Training &amp; development plans to be in place for all staff by March 2004 5) Professional Consultants Test Advert – March 2003</p>	<p><b>Overall Lead Officer</b>  Stephen Silverwood</p>	
<p><b>Method of measuring improvement</b> 1) Customer surveys and feedback 2) Post Project Completion Reviews with clients and suppliers. 3) Quality/competency issues identified and dealt with within agreed timescales 4) Performance management</p>		
<p><b>Targets for improvement</b> 1) 10% Maintenance and Capital Works surveyed within 3 months of Practical Completion 2) 100% Post Project Completion Reviews on all projects over £2 millions. 3) 100% Customers surveyed annually 4) All quality/competency issues identified and dealt with in accordance with Corporate Procedures</p>		
<p><b>Overall cost/savings</b> Performance Management Training costs. Potential for medium/long term savings through productivity improvements.</p>		
<p><b>Resources needed and/or approvals needed/obtained</b> Data capture systems Personnel and training support Improved e-mail/calendar system (Outlook)</p>		

**Progress;**

Focus Interim Management Consultancy appointed to initiate Project management stream into Design & Maintenance structure - commencing June 2003

Professional Consultants' Test Ad. Placed March 2003, vetting forms sent to respondents April 2003 – Vetting process in progress.

External Consultancy led workshops on conflict and attitude commenced July 2003 and an ongoing, 12 month programme for Conflict Management commissioned.

System in place and operational for Property Management New Lettings Surveys and Annual Surveys.

New Appraisal System – training actioned for all managers- Summer 2003 and staff appraisals timetabled for completion March 2004

Performance Management Training programme commissioned for Construction Services managers- Aug 2003. Delivery of training programmed for 14.10.03, 14.11.03, January 2004, February 2004 and March 2004.

Draft Action Plan to address Design & Maintenance Project and Business deficiencies, completed Dec. 2003, for implementation from 1.04.2004

Review of Design & Maintenance Help Desk role completed Dec. 2003 and actions put in place to include Customer Survey element with effect from March 2004.



<p><b>Improvement Objective</b>                  Improve the competitive position of business units through a rationalisation of overheads</p>		
<p><b>Initiate a high level debate about how costs are allocated and the impact upon Business Units' competitiveness</b>                  Actions                  1) Evaluate the costs involved                  2) Describe any problems the existing system causes for the business units                  3) Obtain details of other models for dealing with such costs                  4) Take a report to DMT</p>	<p><b>User Focused Outcomes</b>                  1) Clarity of value of services of provided by providing like for like comparables                  2) More competitive fee rates</p>	<p>Customer Issues Addressed                  #1- Fees</p>
<p><b>Overall Timescale and Key Milestones</b>                  1) Report to DMT during Mar. 2004.</p>	<p><b>Overall Lead Officer</b>                  Lynn Cave</p>	
<p><b>Method of measuring improvement</b>                  1) Highlight inequity of current approach compared with rest of market's approaches                  2) Produce comparable data which measures like-for-like services and charges</p>		
<p><b>Targets for improvement</b>                  1) Take any action recommended by DMT within 1 month of response</p>		
<p><b>Overall cost/savings</b></p>		
<p><b>Resources needed and/or approvals needed/obtained</b>                  Departmental Managers' support/approval</p>		
<p><b>Progress;</b>                  Officers are working on a paper for submission by the key milestone date – this to include results of consultation with Chief Financial Officer</p>		

<p><b>Improvement Objective</b>                  Improve the performance of the service through embedding Performance Management into it</p>		
<p><b>Actions</b></p> <ol style="list-style-type: none"> <li>1) Build Performance management objectives and performance Indicators into the unified service business plan</li> <li>2) Establish a programme of implementation</li> <li>3) Ensure mechanism for data collection and analysis is in place</li> <li>4) Ensure mechanisms for feedback to customers on progress of improvement plans and PI actuals.</li> <li>5) Implement</li> </ol>	<p><b>User Focused Outcomes</b></p> <ol style="list-style-type: none"> <li>1) Evidence of a process of continuous improvement</li> <li>2) Evidence of value for money service delivery</li> <li>3) Achievement of agreed outcomes.</li> </ol>	<p>Customer Issues Addressed</p> <p>#1- Fees</p> <p>#2 Clarity of roles etc</p> <p>#3- CMF improvements</p> <p>#4- Time &amp; cost</p> <p>#5- Project management</p>
<p><b>Overall Timescale and Key Milestones</b></p> <ol style="list-style-type: none"> <li>1) Local &amp; national Pis identified by 1.4.03</li> <li>2) Performance Management Implementation Programme formulated and in action by Feb. 2004</li> </ol>	<p><b>Overall Lead Officer</b></p> <p>Anthony Carter</p>	
<p><b>Method of measuring improvement</b></p> <ol style="list-style-type: none"> <li>1) Having available a set of smart objectives, identifiable outputs and mechanisms for accurate measurement</li> <li>2) Timely access to data</li> <li>3) Annual Staff survey</li> <li>4) Customer feedback/survey results</li> </ol>		
<p><b>Targets for improvement</b></p> <ol style="list-style-type: none"> <li>1) Achievement of PI targets</li> <li>2) Survey results to demonstrate improved staff awareness and understanding of PMF and impact on/of own jobs on service performance</li> <li>3) Performance reports available within agreed timescales</li> <li>4) Regular and meaningful customer consultation/ survey exercises to be carried out in all areas.</li> </ol>		
<p><b>Overall cost/savings</b></p> <p>Cost of Performance Management Training delivery.                  Possible Personnel support</p>		
<p><b>Resources needed and/or approvals needed/obtained</b></p> <p>Survey resources                  Data capture and analysis system                  Training/ training impact evaluation resources</p>		

**Progress;**

Pis in place and data collection commenced 1.4.03

Performance Management Training programme commissioned for Construction Services Managers- Aug. 2003. Delivery of training programmed for 14.10.03, 14.11.03, January 2004, February 2004 and March 2004.

Officers looking at existing user and customer liason meetings/For a with a view to a more structured approach covering a wider range of our services. For example, Design & Maintenance established monthly meetings with Education Dept Sept. 2003, and will be implementing monthly meetings with other Departments from February/March 2004.

Review of Maintenance Help Desk role completed Dec. 2003

Annual Staff Survey, in development, for delivery March 2004

<p><b>Improvement Objective</b> To empower departments by making project information transparent and to improve the delivery on target of the service</p>		
<p><b>Establish an effective communications infrastructure for Project &amp; programme Information</b> Actions</p> <ol style="list-style-type: none"> <li>1) Review all existing information systems and determine outstanding requirements for project management monitoring</li> <li>2) Set Project Plan for implementation of new system(s)</li> <li>3) Quality Assure Project Management systems</li> <li>4) Recruit to Project Manager posts</li> </ol>	<p><b>User Focused Outcomes</b></p> <ol style="list-style-type: none"> <li>1) Programme and project information accessible and meaningful to clients and users</li> </ol>	<p>Customer Issues Addressed</p> <ol style="list-style-type: none"> <li>#1- Fees</li> <li>#2 Clarity of roles etc</li> <li>#3- CMF improvements</li> <li>#4- Time &amp; cost</li> <li>#5- Project management</li> </ol>
<p><b>Overall Timescale and Key Milestones</b> Recruit Project Programmer posts by 1.6.04 Reviews of systems undertaken by May 2003 Identify and procure suitable Operating System by June 2004. Establish QA Work group within 3 months of appointment of Head of Finance, Maintenance &amp; Cost Information post Project Plan for System(s) implementation(s) set by March 2004.</p>	<p><b>Overall Lead Officer</b>  Anthony Carter</p>	
<p><b>Method of measuring improvement</b></p> <ol style="list-style-type: none"> <li>1) Delivery of quality, timely project and programme reports via Information Systems.</li> <li>2) Monitoring of level and type of report related queries.</li> </ol>		
<p><b>Targets for improvement</b></p> <ol style="list-style-type: none"> <li>1) 100% delivery of timely and accurate project and programme reports.</li> </ol>		
<p><b>Overall cost/savings</b> Costs associated with QA, and ongoing expense of re-accreditations, if externally verified. Possible cost if new software has to be purchased. Training resources for new software/systems</p>		
<p><b>Resources needed and/or approvals needed/obtained</b> All post holders in place. Software.</p>		
<p><b>Progress;</b> 1 x Project Programmer post in place – April 2003 Progressing Recruitment process for outstanding Project Programmer post – Dec. 2003 System Review commenced and “Gap Analysis” undertaken October 2003 PAMIS Action Plan implementation in progress for substantial completion by 31.03.04 “LAMP” replacement alternatives identified, project team working to 31.06.04 implementation. Initial review of QA completed Oct. 2003 and Action Plan in place for March commencement (with view to implementation of updated system by June 2004).</p>		

<p><b>Improvement Objective</b> To ensure priorities are better reflected in the programme of work and understood by departments</p>		
<p>Establish policy and procedures for Capital Works prioritisation, programming and execution/completion</p> <p><b>Actions</b></p> <ol style="list-style-type: none"> <li>1) <i>Prepare detailed and robust proposals for identifying all Capital Projects across whole of Council in advance of each fiscal year end</i></li> <li>2) <i>Prepare proposals for identification of funding streams for Capital Projects</i></li> <li>3) <i>Consult with clients to develop processes for service delivery</i></li> <li>4) <i>Consult with clients to develop work programmes.</i></li> <li>5) <i>Obtain approvals</i></li> <li>6) <i>Training/briefings -clarity of policy &amp; implementation of procedure</i></li> </ol> <p>Establish policy and procedures for Central Maintenance fund prioritisation, programming and execution/completion</p> <p><b>Actions</b></p> <ol style="list-style-type: none"> <li>7) <i>Prepare detailed and robust proposals for identifying all CMF works in advance of each fiscal year end</i></li> <li>8) <i>Consult with clients to develop processes for service delivery</i></li> <li>9) <i>Consult with clients to develop work programmes</i></li> <li>10) <i>Obtain necessary approvals</i></li> <li>11) <i>Training/briefings - clarity of policy &amp; implementation of procedure</i></li> </ol>	<p><b>User Focused Outcomes</b></p> <ol style="list-style-type: none"> <li>1) Project Management improvements</li> <li>2) A co-ordinated approach</li> <li>3) Clarity of roles and responsibilities.</li> <li>4) Single Point of Contact</li> <li>5) Better Budgetary control</li> </ol>	<p>Customer Issues Addressed</p> <p>#2- Clarity of roles</p> <p>#6- Capital Works programme</p> <p>#7- Service contracts</p>
<p><b>Overall Timescale and Key Milestones</b></p> <p>Proposals and consultation completed by March 2004</p> <p>Completion of training/briefings by March 2004</p> <p>Implementation March 2004 for 2004/5 programme</p>	<p><b>Overall Lead Officer</b></p> <p>Steven Silverwood (Capital Works/CMF) and Chris Ingham (CMF- strategy)</p>	
<p><b>Method of measuring improvement</b></p> <p>Client feedback on service delivery for Capital Works projects</p> <p>Client feedback on service delivery for CMF</p> <p>PI's</p> <p>Internal monitoring of programme of works to ensure compliance with policy/procedure.</p>		

**Targets for improvement**

100% Capital Works projects identified by 1.3.2005  
100% Client approval of briefs prior to commencement of Project  
100% prioritised CMF Programme to be approved by all customers by March 2004  
100% utilisation of CMF prioritisation procedure during 2004/5  
All miscoding (to CMF) eradicated during 2004/5

**Overall cost/savings**

Better work scheduling could lead to less bidding opportunities being missed  
Better budgetary control will lead to reduction in wastage.

**Resources needed and/or approvals needed/obtained**

SRG approval of policies and procedures  
Training support

**Progress;**

CMF Action Plan in development –August 2003, consultation document circulated and feedback obtained.

CMF Prioritisation – 1 consultation exercise completed and reviewed.

“Maintenance Matters” paper (CMF) completed Dec. 2003, consultation to be completed by March 2004.

Interim Project Management arrangements in place and priorities identified, including consultation with Customers on proposed improvements – August 2003.

<b>Improvement Objective</b>		
To improve cost and quality of service provided through more effective procurement processes		
<p>Establish a Policy for property services procurement</p> <p><b>Actions</b></p> <ol style="list-style-type: none"> <li>1) Form a working group to respond to “Re-thinking construction”</li> <li>2) Prepare an outline policy paper</li> <li>3) Set agenda and programme for procurement policy implementation</li> </ol>	<p><b>User Focused Outcomes</b></p> <ol style="list-style-type: none"> <li>1) Clarity of process by which property services may be procured</li> <li>2) Professional works and services delivered using construction and property industry good practice</li> <li>3) Wider service benefits through more consistent and more effective ways of working</li> </ol>	<p>Customer Issues Addressed</p> <p>#3- CMF</p> <p>#5- Project management</p> <p>#7- Service contracts</p>
<p><b>Overall Timescale and Key Milestones</b></p> <p>Working Group formed by December 2003</p> <p>Policy paper for implementation to Corporate Directors’ Board by November 2003</p> <p>Improvement Targets quantified by February 2004</p> <p>Pilot project in schools – Summer 2004</p> <p>Implement Supply Chain Management by Dec 2004</p>	<p><b>Overall Lead Officer</b></p> <p>Steve Silverwood</p>	
<p><b>Method of measuring improvement</b></p> <p>Policy approved by Corporate Directors’ Board</p> <p>Post Project Completion reviews</p> <p>Reactive maintenance /renewal &amp; cyclical work ratios</p>		
<p><b>Targets for improvement</b></p> <p>Improved project delivery timings and cost predictions*</p> <p>Improved quality of work*</p> <p>Reduction in backlog of reactive maintenance*</p> <p><i>* These reduction targets to be quantified</i></p>		
<p><b>Overall cost/savings</b></p> <p>Cost reductions over time through productivity/efficiency savings</p> <p>Sustainability improvements</p>		
<p><b>Resources needed and/or approvals needed/obtained</b></p> <p>Considerable financial injection to address backlog of maintenance</p> <p>Approval for full programme of Condition Surveys (“Building Health Assessments”) and funding.</p>		

**Progress;**

Research on other Authorities undertaken September/October 2002 and 1-Day Workshop for all departments with Barnsley Officers, took place August 2003.

Research undertaken 2002-2003 with our Benchmarking partners and a number of construction companies regarding response to "Rethinking Construction".

Professional Services Test Advertisement placed March 2003 - currently, reviewing potential for a Pilot Scheme.

August –work commenced with Education/Lifelong Learning – framework agreements.\*

Corporate Director has been liaising with EMDA and GOEM to establish an "East Midlands Construction Best practice Network".

Corporate Working Group established and first meetings took place in Summer 2003.

**November 2003 - Framework Agreement for the delivery of a programme of additional classrooms and mobile classroom replacements in infant and primary schools across the City, to the value of approximately £2 millions per year for the next 3 years (commencing summer 2004).**

"Property Team Procurement Steering Group" established Dec 2004, to operate with effect from Feb. 2004.



## **APPENDICES**

APPENDIX 1. Stakeholder Consultation

APPENDIX 2. Trades Union Comments

APPENDIX 3. Property Services (integrated) Structure

APPENDIX 4. Valuation Services Comparables

APPENDIX 5. Octopus PIs 2002/03

**APPENDIX 1**  
**STAKEHOLDER CONSULTATION**

SERVICE	FUNCTION	CONSULTATION METHOD	FINDING	CONCLUSIONS
Property Mgt..	Valuation Services & Operational Mgt.	Annual TAG Agreement negotiations	Clients had a perception that our charges are high.	1. issues around our charges, which are "all inclusive" whereas most comparables are not. 2. Ongoing work on our data capture and analysis systems is enabling us to respond to our Clients' requirements for greater detail about how charges have been generated.
Property Mgt..	All	1. New Tenant Survey (2002 on)	16% responded. 93% respondents rated service as adequate or better. (71% rated service as good or very good)	Small sample group – only 14 in total for Oct. 2002- Sept 2003.
		2. Annual Customer Satisfaction Survey (2002 on).	1. In 2002, 85% respondents rated our services as adequate or better. 68% said good or very good.	Possible issues of bad feeling caused through tenants' lack of understanding of contractual responsibilities.
			2. Repairs and maintenance flagged up as area for investigation	
Property Mgt..	Facilities Mgt.	Annual Admin. Building Survey	Leicester is Joint Top Authority of 26 surveyed, having least no. of bottom 3 scores. Main areas for improvement; poor ventilation/ temp. control and standards of cleaning.	Survey carried out by Local Govt. Facilities Management Forum.
Asset Strategy & Dev'tment	Asset Strategy	CMF Liason Meetings (ad-hoc)	Not regular or frequent – an average of only 1 per dept in 2002	Was managed as part of Corporate Procurement Function. New structure now in place.

Asset Strategy & Dev'ment	Regeneration	LRC/Property Officer Meeting	Regular meetings with Leicester Regeneration Company	Useful tool for addressing any incompatibilities arising from the 2 organisations' policies.
Mgt. & Property Inf.	Property Shop	Property Mgt. Annual Customer Satisfaction Survey (2002 on).	Generally, positive feedback from Tenants.	Included within Property Management Annual Surveys.
Design & Maintenance	All	1. LEA Major Capital Schemes Consultation	1. Fees are too high	Comparables are not like-for-like. Our services tend to be "all inclusive". Also, problem with burden of "on-costs" not borne by external suppliers.
			2. Time & Cost predictability not sufficiently accurate	Need to improve briefs and feasibility stages, and Project management..
			3. Monitoring/ project information is poor	Need to improve monitoring & communication.
			4. Methods of working need modernizing.	
			5. Project Mgt./liason poor.	
		2. School Heads Surveys	1. Poor communication and lack of involvement of school .	Issues of clarity of roles and responsibilities between LEA, Town Clerks and City Consultants.
			2. Poor working relationships within Property functions leading to omissions/inconsistencies.	
			3. Concerns about competencies.	
		3. Survey cards (pilot)	No data yet	

## **APPENDIX 2**

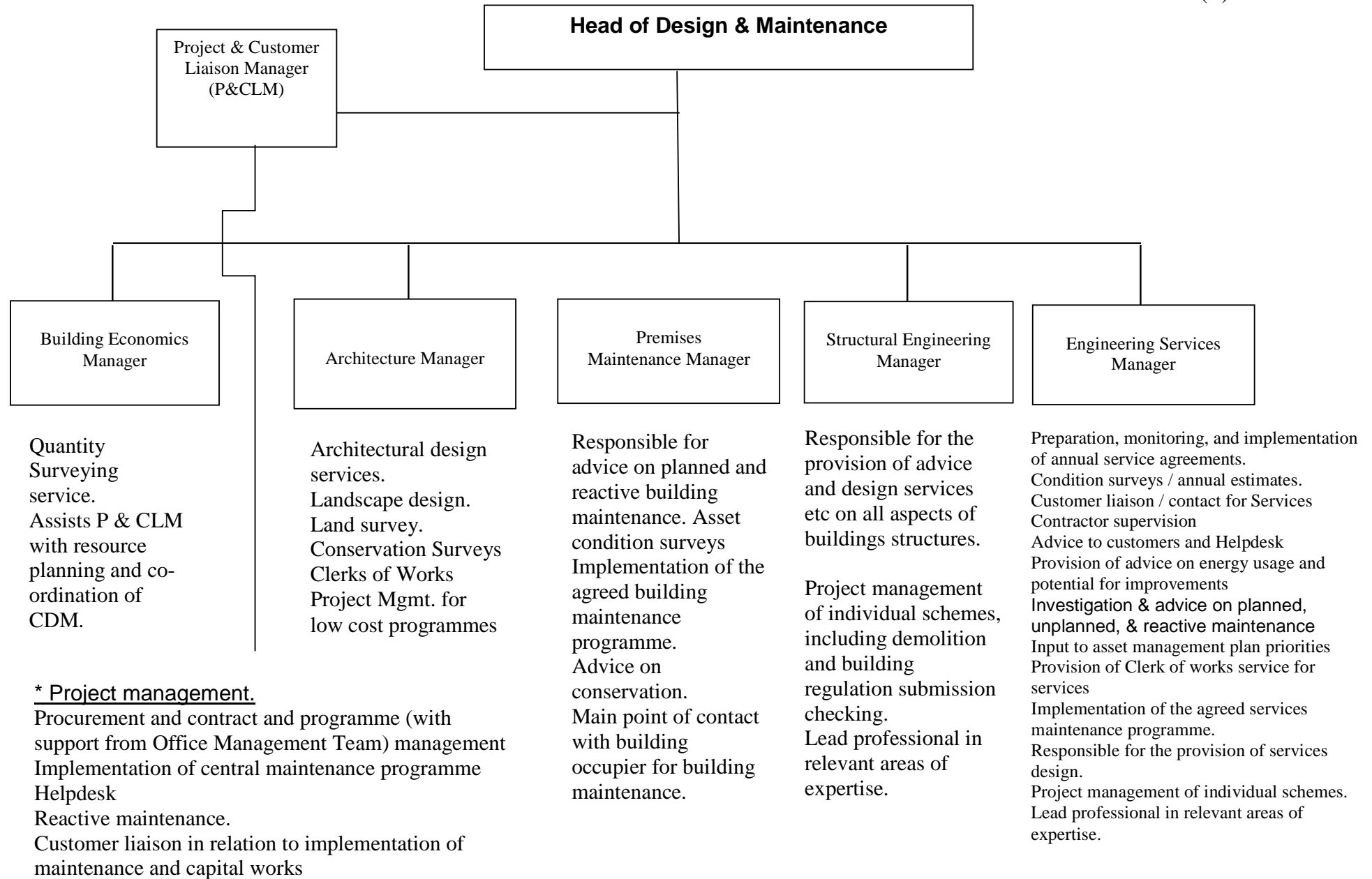
### **TRADES UNION STATEMENT**

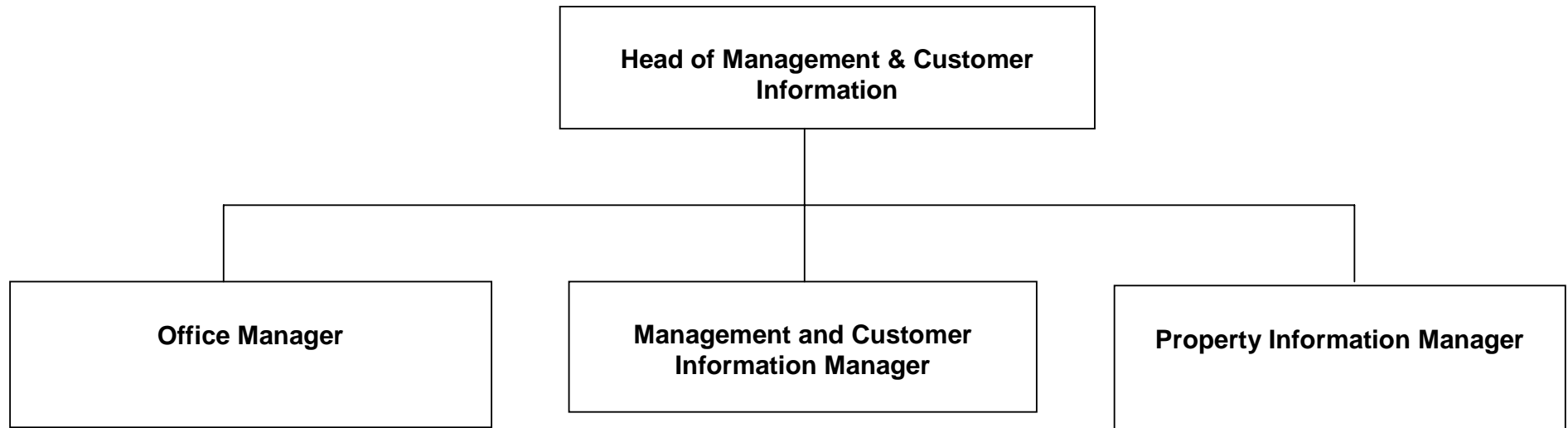
Unions are pleased that this review has taken place, and that all relevant costs and responsibilities are being brought together under the Service Director (Property) Corporate Property Officer, Resources, Access and Diversity, to ensure a consistent, professional and unbiased approach.

Unions will be encouraging members to achieve the improvement targets set out in the Improvement Plan, in recognition that such achievements will benefit both the staff and the organization.

Mark Challenor, Unison.  
November 2003



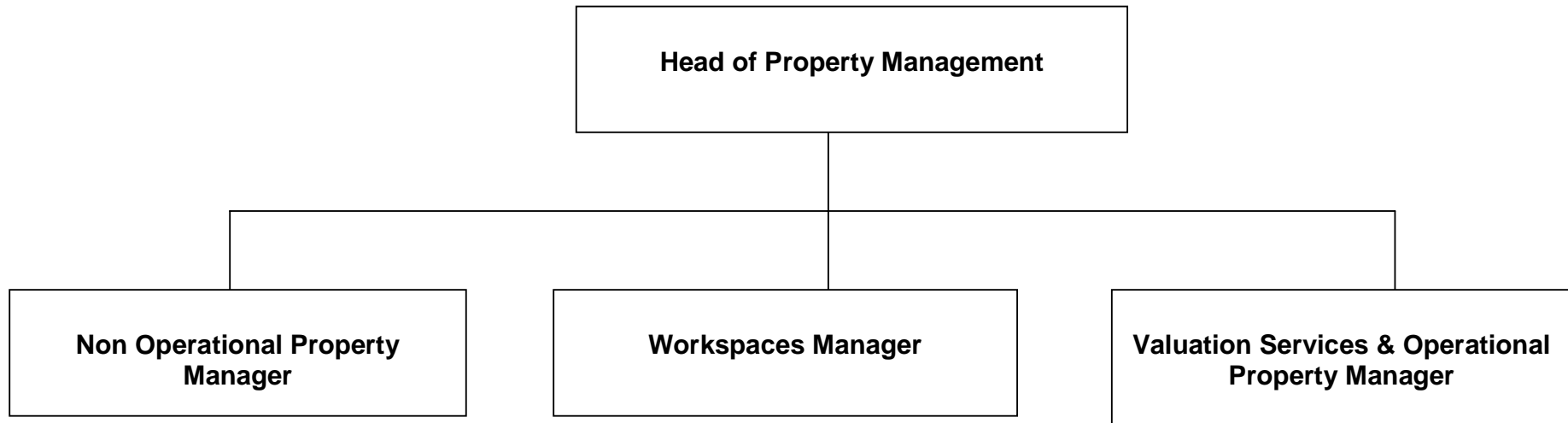




Programming  
 Co the ordination of a Quality Assurance /EMAS /Best Value/Business  
 Planning/Training Plans  
 Marketing Strategy  
 IIP  
 I T. Strategy and Coordination  
 Provision of Administrative Support

Data collection, analysis and processing  
 Fee calculation  
 Recharging  
 Administration of time recording systems  
 Rent and service charge invoicing.  
 Guidance and advice on costing systems and budget management.  
 Management and customer information.  
 Performance indicator monitoring

Management of PAMIS management and provision of plans and photos.  
 Production of advertising and promotional material.



Management of Non Operational Property. Negotiation and Agreement or Lettings, Purchase and Sales

Manages and operates Managed Workspace projects providing start up units for new and emerging businesses.

Management of operational property, negotiation and agreement of lettings purchase and sale. Day-to-day management of Centrally Located Administrative Buildings



**APPENDIX 4**  
**VALUATION SERVICES COMPARABLES**

<u>YEAR</u>	<u>EXTERNAL SUPPLIERS (Range)</u>	<u>INTERNAL CHARGE OUT FEE (Ranges) Inclusive of Legal Fees</u>	<u>AVERAGE INTERNAL RATE</u>
1998/1999	£ 75-125 exc. legal fees	Team Leader £57- 89	Median £62 incl. Legal fees
		Valuer £50.-64	
		Technician £35- 53	
1999/2000	£ 90-200 exc. legal fees	Team Leader £61-69	Median £69 incl. Legal fees
		Valuer £54-97	
		Technician £41-57	
2000/2001	£ 50-125 exc. legal fees	Team Leader £77-85	Median £65 incl. Legal fees
		Valuer £56-68	
		Technician £46-59	
2001/2002		Team Leader £64-76	Median £64 incl. Legal fees
		Valuer £62-87	
		Technician £41-61	
2002/2003	£110-125 exc. legal fees	Team Leader £74.21	Mean £65.67 incl. Legal fees
		Valuer £67.37	
		Technician £55.43	
2003/2004	£ 95-250 exc. legal fees	Team Leader £84.66	Mean £65.97 incl. Legal fees
		Valuer £62.64	
		Technician £50.61	

## Appendix 5

### OCTOPUS - PI'S 01/04/2002 TO 31/03/2003

Performance Indicator ODPM NATIONAL PI'S		Benchmark Group - Each Letter refers to a named Local Authority within the Group								Group Average
1. a.	% Gross internal floor space in condition categories A-D	Leicester	A	B	C	D	E	F	G	
<b>Operational</b>										
	A	4.61%	11.00%	1.31%	44.40%	13.00%	12.44%	14.00%	24.00%	15.60%
	B	74.74%	41.00%	54.90%	49.80%	32.00%	33.83%	39.00%	56.00%	47.66%
	C	20.39%	47.00%	38.57%	4.35%	54.00%	49.15%	44.00%	19.00%	34.56%
	D	0.26%	0.01%	5.22%	1.30%	1.00%	4.57%	3.00%	1.00%	2.05%
<b>Non-Operational (general)</b>										
	A	21.73%	12.00%	7.74%	3.80%	10.00%	48.38%	0.00%	2.00%	13.21%
	B	67.47%	63.00%	69.20%	91.20%	31.00%	31.98%	56.00%	91.00%	62.61%
	C	10.80%	23.00%	19.62%	4.80%	59.00%	17.88%	44.00%	5.00%	23.01%
	D	0.00%	2.00%	3.44%	2.00%	0.00%	1.76%	0.00%	2.00%	1.40%
<b>Non-Operational (surplus)</b>										
	A	1.54%	0.00%	0.00%	20.90%	0.00%	0.00%	0.00%	0.00%	2.81%
	B	43.03%	0.00%	0.00%	20.00%	8.00%	83.93%	0.00%	15.00%	21.25%
	C	52.72%	38.00%	62.84%	43.90%	61.00%	6.64%	83.00%	0.00%	43.51%
	D	2.71%	62.00%	37.16%	15.20%	31.00%	1.43%	17.00%	85.00%	31.44%
<b>b. Backlog of maintenance by cost for:</b>										
<b>Operational Property expressed</b>										
i) as total value		£36,577,939	£16,630,400	£39,038,000	£11,218,575	£53,610,000	£64,535,311	£21,650,000	£50,517,821	£36,722,256
ii) as a % in priority levels 1-4										
	1	25.29%	13.00%	6.39%	7.40%	4.00%	10.12%	7.00%	20.00%	11.65%
	2	48.50%	82.00%	65.80%	35.10%	60.00%	12.99%	84.00%	21.00%	51.17%
	3	26.26%	10.00%	27.81%	57.50%	36.00%	13.25%	9.00%	24.00%	25.48%
	4	0.00%	0.00%	0.00%	0.00%	0.00%	63.15%	0.00%	35.00%	12.27%
<b>Non-Operational (general) expressed</b>										
i) as total value		£3,523,439	£7,638,000	£5,695,000	£2,798,230	£3,160,000	£1,550,732	£110,781	£7,739,567	£4,026,969
ii) as a % in priority levels 1-4										
	1	21.17%	28.00%	0.75%	0.00%	7.00%	29.89%	8.00%	13.23%	13.51%
	2	54.55%	28.00%	7.24%	58.50%	53.00%	37.31%	49.00%	38.20%	40.73%
	3	24.28%	44.00%	92.01%	71.50%	40.00%	30.52%	43.00%	47.54%	49.11%
	4	0.00%	0.00%	0.00%	0.00%	0.00%	2.28%	0.00%	0.00%	0.29%
<b>Non-Operational (surplus) expressed</b>										
i) as total value		£4,906,767	125,000	£1,602,000	£681,041	£360,000	£484,596	£59,762	£148,000	£1,045,896
ii) as a % in priority levels 1-4										
	1	0.00%	60.00%	3.65%	58.60%	3.00%	24.61%	100.00%	75.00%	40.61%
	2	72.87%	20.00%	96.35%	23.80%	72.00%	50.21%	0.00%	25.00%	45.03%
	3	27.13%	20.00%	0.00%	17.60%	25.00%	25.92%	0.00%	0.00%	14.46%
	4	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>2. Current internal rate of return (IRR) for the portfolios expressed as an average for</b>										
a. Industrial		11.67%	12.00%	9.44%	15.92%	10.88%	8.36%	8.92%	16.28%	11.68%
b. Retail		11.62%	9.00%	9.78%	13.28%	12.60%	15.80%	10.85%	12.83%	11.97%
c. Agricultural ***		6.50%	3.00%	9.70%	14.49%	14.23%	17.22%	10.90%	0.00%	9.51%
		(Ag. Only)	(Ag. Only)		(Office)					

	Leicester	A	B	C	D	E	F	G	Group Average
<b>5. a. Cost predictability - % of projects where outturn falls within +/-5% of the estimated outturn, expressed as a % of the total projects completed in that financial year. (Comparison of estimated outturn project costs at "commit to Invest" with actual/estimated outturn cost at a practical completion or expiry of defects liability.)</b>									
All projects	43.00%	45.00%	89.00%	68.00%	33.00%	69.44%	74.30%	35.00%	57.09%
<b>b. Time Predictability - % of projects falling within +/- 5% of the estimated timescale, expressed as a % of the total projects completed that year. (Comparison of estimated timescale against actual timescale for project design and construction.)</b>									
All projects	40.50%	66.00%	60.00%	36.00%	46.00%	30.55%	94.00%	60.00%	54.13%
<b>Local PI's</b>									
<b>Valuation &amp; Estates</b>									
<b>Financial Return</b>									
<b>1. a. Commercial voids - lost income</b>									
(i) Full year lost income	£166,086	£921,157	NA		£570,000	£20,155	£103,250	£120,000	£316,775
(ii) Lost Income as % of forecasted returns	3.08%	6.00%	NA	7.80%	7.12%	0.23%	1.90%	6.00%	4.59%
<b>2. a. Annual management costs as a % of gross annual rental income</b>									
(i) Operational					NA	24.00%		9.90%	16.95%
(ii) Non-operational	9.11%	7.26%	7.84%		NA	7.83%	15.19%		9.45%
<b>Valuation &amp; Estates</b>									
<b>Value for Money - FM</b>									
<b>3. a. Occupancy/running costs per sq.m (p.a.)</b>									
(i) Space occupied per person	13.48	13.46	11.6		13.38		13		12.98
(ii) Cost of occupation									
a) Per person	£1,768.34	£2,032.00	£1,263.00				£2,700.00		£1,998.33
b) Per sq.m	£131.15	£151.00	£108.00				£210.00		£150.04
<b>4. a. Efficiency of Rent Income Collection</b>									
(i) Total Rent collected of total rent invoiced	95.73%	88.00%			95.70%	98.00%	99.17%	95.88%	95.41%
(iii) Arrears expressed as a % of total rent invoiced	4.27%	12.00%			4.12%	2.00%	3.00%	4.12%	4.92%