

ALARM AWARDS 2007

Asset Risk



Developing Systems and Technology to Manage Property Risk

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Executive Summary

To provide services for the people of Darlington, 200 operational buildings, valued about £400m, are in use within the town. No two buildings are the same and there is a wide range of operating systems requiring positive and effective management. In recent years pro-active work has been undertaken to reduce property risk and protect people and assets resulting in a great deal of good practice being introduced across the Authority, with very positive results. It also identified other weaknesses and risks that required some positive management.

We had numerous policies, procedures and guidance available within the Council for property managers but no formal, standard approach. This resulted in different management standards from building to building, especially with managers and head teachers having diverse buildings experience and knowledge. In some cases they were not fully aware of their statutory responsibilities in respect of the many aspects of property management.

To address this and reduce risk for the Authority, a corporate approach to property risk has been introduced within the Council, incorporating a Property Risk Management computer system, developed 'in-house' by a member of our Estates Section, to assist the process. A responsible person for each building has been identified and they have been supplied with a newly designed Corporate Premises Risk and Facilities Management File to assist them. The File incorporates a standard file index and is designed to contain relevant information regarding each individual property. Data from the File is then input onto the Property Risk Management computer system, which also has online links to other internal property IT systems. Risk reports can now be obtained, not only for each property, but it allows us to identify areas of risk across the Authority, due to the standard corporate approach. In addition other IT systems have been utilised to assist the process.

This approach has also been extended to Council owned properties leased to third party occupiers and Council-occupied properties leased from third party landlords. Partnership working arrangements are now in operation with MENCAP, Housing Associations, Co-operative Bank and other partners along with long-standing arrangements with Zurich Municipal, Darlington Police and the Fire Service. This corporate approach to property risk has been well received by managers, head teachers and all partners and has contributed to many benefits. Theft and vandalism from property has been reduced; internal Departments are working together to manage property risk; property risk reports will enable us to effectively manage specific areas of property risk using technology designed 'in-house'; managers are now more comfortable and aware of their property management responsibilities and we now enjoy lower insurance premiums of £180,000 over two years and Gershon savings as a result of these initiatives.

Why was the initiative required?

The Council has 200 operational buildings to manage on a daily basis. Properties vary in size, character and value and include the Town Hall and other administration centres, over 40 schools, theatre, leisure centres, Arts Centre, crematorium, residential homes, works depot, market hall, community centres, golf club and many more. The Authority owns the majority of these premises, whilst leasing others from and to third parties. Around 4,600 members of staff, 16,000 schoolchildren and thousands of people each day use many of these buildings for services provided by the Council.

Each department and school within the Council has delegated responsibility for managing their buildings. The Corporate Property Risk Management Group has introduced a great deal of good practice within the Authority in recent years to manage and reduce property risk and positive results have been achieved. Even though there are appropriate policies, guidance and procedures in place within the Council, a risk to the Authority as 'corporate landlord' was recognised.

- ◆ There was no formal standard approach to property management
- ◆ The management of buildings ranged from excellent to poor
- ◆ Some properties did not have a designated 'Responsible Person', whilst some managers did not realise they were in fact the 'Responsible Person' for a property
- ◆ A number of properties leased to third parties had poor practices
- ◆ Managers and Head teachers were not fully aware of their statutory responsibilities
- ◆ There was uncertainty regarding facilities management responsibilities in respect of properties leased by the Council
- ◆ Preventative maintenance in some buildings was not being undertaken
- ◆ Little or no evidence of property management was available in certain properties for the Council to defend itself in the event of a future incident that may occur in that property
- ◆ Some maintenance was being undertaken by non CHAS registered businesses

Our approach

The first priority was to build upon the good work currently being undertaken within the Authority so that the good practice, already in existence, could be adopted across the Council. There was a need to introduce a standard approach to property management so that managers, head teachers and leaseholders followed the same standard processes to reduce property risk.

The Corporate Property Risk Management Group liaised with the Council's Estates and Facilities Management Teams to look at the feasibility of adopting this corporate approach. A new Corporate Premises Risk and Facilities Management File was designed containing a standard file index to

enable property managers and head teachers to collate information about each property in the same format across the Authority. The File was designed to contain all aspects of facilities management information including property surveys, fire risk assessments, business continuity details, statutory compliance, servicing, inspection and preventive maintenance information and dates, meter locations and readings, fire / intruder alarm details, heating, boiler, gas, water and electrical information etc.

To assist the management of property risk, our Estates Team developed a new 'in-house' Property Risk Management computer system to manage the data produced by these new Premises Risk and Facilities Management Files. In addition, links within this system have also been established with other internal IT systems for Asbestos Survey and Inspection Management Reports and Fire Workplace Audits and Risk Assessments. When these other systems are updated the appropriate information is now automatically populating our new 'in-house' Property Risk Management System. We now have online data available to enable us to view information about each property and to produce reports; not only for individual properties, but also across the standard sections of information the corporate approach has given us. We can identify and highlight potential risk areas across the Authority where management action can be directed to reduce\eliminate risk.

This approach was originally piloted in about 20 schools and properties across the Council. The initial reaction from property managers and head teachers was very positive. A number of their suggestions from this pilot are now incorporated within the Files. These Files have now been distributed within the Authority to over 95% of designated 'Responsible Persons' as well as to leaseholders.

Innovation regarding our approach

The Council feels that it has broken new ground with this corporate property risk initiative and positive benefits are being achieved. We have: -

- ◆ Introduced a corporate standard approach to managing property, incorporating a new Corporate Premises Risk and Facilities Management File for each property in a standard format that is user friendly and has been well received by managers
- ◆ Designed a new 'in-house property risk management computer system that collates information from these new Files, and incorporates online links to other internal IT property systems and the Council's Intranet system
- ◆ Worked with Zurich Municipal to adopt a corporate approach to manage statutory inspections using their web-based Crimson Management system
- ◆ Liaised with our Building Services Division who have now tailored their Service Level Agreements to link into the Corporate Premises Risk and Facilities Management Index to work

with property managers and head teachers. They have also developed a new IT system, Opti Time, to assist with scheduling and appointment management, to deliver these services

- ◆ Developed an online link from our 'in-house' computer system to CHAS website (Members area) to enable online verification of accredited contractors undertaking work for the Authority
- ◆ Developed a range of technology to assist the management of property risk enabling corporate online access to property information across the Authority
- ◆ The ability to produce management reports highlighting risk areas, either by property or by standard risk item, e.g. if issue arises with one type of boiler, we can now identify which other properties have that make and model and arrange preventative maintenance for each site
- ◆ New corporate approach assists business continuity; appropriate property information available within one file or accessible remotely online if property access denied
- ◆ Partnership working with other organisations to develop approach within leased properties, e.g. Three Rivers Housing, MENCAP, Co-op Bank, Zurich Municipal, leaseholders etc

Engaging Partners

The introduction of a corporate approach to managing property risk has enhanced partnership working within the Council. A Risk and Facilities Management Group meet regularly to manage this initiative, with membership from all Council departments. Schools and departments now work together to manage property risk whilst in those properties that are leased by, and to the Authority, our partners have adopted this initiative and work with the Council to manage property risk using our new Premises Risk and Facilities Management Files. Organisations such as Co-operative Bank, MENCAP, Pagebet, Three Rivers Housing Association and others accepted our approach, some reluctantly at first, but they now see the benefits of both parties working together to complete the various sections within the new file. The success of this approach has identified that certain statutory and cyclical maintenance was not being undertaken at all with each party leaving things to each other. Indeed some of our partners are now looking to adopt our practices within their own organisation because of the success of this initiative.

There is also partnership working with Zurich Municipal, Darlington Fire Service and Darlington Police. Representatives from these organisations attend the Property Risk Management Group meetings and have contributed to this and other property initiatives.

Evidence

The development of the use of technology, together with the corporate approach to managing property risk, has proved to be very successful. Managers, head teachers and leaseholders are now more aware of their individual responsibilities and there is now 'linkage' and a more 'joined up' approach within the Authority through this initiative. The Council has also seen a reduction in their property insurance claims as shown below. The lower number of claims contributes to the saving of time and resources within the Authority and demonstrates that the pro-active measures we have

Year	No of Claims
2003 / 04	38
2004 / 05	82
2005 / 06	55
2006 / 07	30

introduced are producing positive results for the Council. In addition the Council has negotiated an insurance premium reduction of £180,000 over two years with our Insurer as a product of our pro-active property risk management work. Gershon savings have also been recorded as a result.

Our Building Services Division has linked into this initiative by offering property maintenance, servicing and inspections services that are based on the standard file index as well as developing their automated workforce scheduling and appointment management system Opti Time to assist the initiative. Meanwhile our CCTV Unit, utilising technology within their Unit and their 24-hour a day service availability, now offer a new internal Fire and Intruder Alarm monitoring service for property managers and head teachers using Bold Communications hardware and software. In addition they now offer CCTV monitoring of property that has proved very popular in respect of property security, especially for schools. This 'linkage' within the Council has enabled the Authority to work differently to now manage property risk with positive results. We have also:

- ◆ Appointed an Estates Officer, a new post that is partly funded by the Corporate Risk Management Fund, to assist in the support, promotion and management of this initiative
- ◆ Improved communication within the Authority by utilising technology and benefiting from departments and partners working together to manage property risk
- ◆ Good attendance at property training seminars arranged for managers, staff and head teachers that links into the corporate approach to property risk management
- ◆ Increased awareness of property risk issues within the Council as a direct result of staff training and the development of a standard corporate approach
- ◆ Confidence and a willingness of managers, head teachers and partners to participate within this successful initiative
- ◆ Safer buildings to deliver Council services for all staff, children and users of property