



APPENDIX 1

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Chesterfield Borough Council
Asset Management Strategy

2023 to 2027

July 2023



Foreword

Chesterfield Borough Council is committed to ensuring that its land and property assets work to the benefit of the borough, as well as enabling the council to deliver its services as efficiently and effectively as possible.

The Council Plan sets out our vision 'Putting our Communities first', together with three priorities:

- Making Chesterfield a thriving borough
- Improving quality of life for local people
- Building a resilient council

The commitment to our communities to maximise social value, deliver inclusive growth, provide good quality housing and attractive green spaces and achieve net-zero carbon by 2050, can all be driven forward through the way in which the council uses its assets for the benefit of the borough.

This asset management strategy will set the framework for how we manage our property portfolio effectively over the next four years. It will guide our strategic property decisions to ensure we manage our property portfolio efficiently and sustainably so it will remain fit for the future and support the way future decisions are made concerning disposal, acquisition and the use of property assets to maximise overall benefits across the borough.

Over the next few months, members and officers will seek to develop a costed and achievable delivery plan, using this asset management strategy to guide the priority activities. Whilst that plan is being developed, activities will focus on progressing the stock condition and net-zero carbon assessments, progressing appropriate asset disposals, maximising income from the commercial estate, supporting the delivery of a number of major growth projects and the development of a corporate landlord policy. The latter will seek to set out appropriate governance arrangements and define the activities to be delivered through that policy, which will then support a re-definition of the way in which land and property is managed across the council.

There will be challenges to the delivery of the strategy as the council seeks to tackle the wider financial constraints that are being placed upon it, however having a strategy that can maximise the use of land and property to support this position will be critical.

Councillor Amanda Serjeant

Deputy Leader and Cabinet Member for Finance and Asset Management

July 2023



Executive summary

This strategy seeks to provide a clear direction of travel for the successful and effective management of the council's non-housing assets over the next four years. It provides an overview of the council's land and property assets and sets the context and drivers that will affect the way in which the assets are managed.

The main elements of the strategy are:

Vision – overall aim for the strategy

To actively manage and rationalise our land and property assets in line with the vision and priorities set out within the Council plan, ensuring that our assets are safe, efficient, fit for purpose, sustainable and provide value for money for the communities of Chesterfield.

Asset management policies

- Corporate landlord – to adopt a corporate landlord approach to the management of our land and property, including providing a clear governance structure for performance, programme management and decision making; clear policies and procedures, reporting and monitoring arrangements; and putting in place resources to deliver a corporate landlord approach across the council
- Compliance and property maintenance – to keep our properties safe, dry and secure through the implementation of an appropriately resourced, well-managed, rigorous compliance regime and a repairs and renewals programme with evidence-led maintenance plans, which are based on an appropriate balance of investment between planned and reactive maintenance
- Commitment to net zero carbon emissions - to seek to protect the environment by adapting and managing our estate to meet the councils climate commitment to net zero by 2030, in line with the council's climate change strategy and including the consideration of initiatives that support green growth
- Land and property rationalisation – to drive efficiencies through regular asset management reviews of our land and property assets, ensuring they are managed efficiently, provide the right space, in the right place and on the best terms
- Disposals and acquisitions – to dispose of, or acquire land and property as part of the delivery of the outcomes from the rationalisation programme, in line with the council's overall vision and priorities set out in the Council Plan, with particular focus on maximising social value, inclusive growth and the contribution to net-zero commitments



- Use of capital receipts - to reinvest capital receipts, secured through the disposals programme, into the land and property estate to fund maintenance, decarbonisation and investment activity to support the delivery of the asset management vision
- Commercial estate management – to maximise income generation and overall social value from the existing land and property portfolio through proactive estate management recognising the importance of delivering value for money to support council service delivery and the medium-term financial plan
- Supporting growth and housing strategies – to use our assets to support development opportunities and maximise inclusive growth in the borough, as part of the delivery of the council’s growth and housing strategies
- Innovation and technology – to promote a culture of innovation that optimises the use of technology to support new ways of working across the Council

Strategic objectives – to provide direction for activities from 2023 to 2027

- Developing and delivering our Corporate Landlord approach
- Investing in decarbonisation whilst keeping our assets safe and well maintained
- Delivering a land and property rationalisation programme
- Maximising income and overall value from the existing commercial estate
- Using our land and property to maximise inclusive growth opportunities across the borough

The strategy sets out the challenges around resourcing in the current financial climate, and with the expectation that additional resources, that have not yet been identified, will be required to deliver this strategy.

A delivery plan is being developed, in line with a corporate landlord policy and the re-definition of the delivery of land and property management functions across the council. This work will identify any additional resourcing requirements and Council will be asked for the appropriate approvals. Current activities are focussed across each of the strategic objectives.

Key outputs and outcomes are articulated in more detail in section five, all targeted at achieving the overall vision.



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1.0 Introduction

- 1.1 Chesterfield Borough Council has a large real estate portfolio which includes commercial land and property, social housing, and the council's own operational estate. Much of the portfolio is efficient and effective, providing value for money for Chesterfield residents and businesses.
- 1.2 This Asset Management Strategy, AMS, provides an overview of our non-housing land and property assets and sets out the council's approach to strategic management of these land and building assets. Housing revenue account, HRA, assets are noted within the plan, but the detailed management arrangements for these assets will be included within the development of the long term HRA business plan.
- 1.3 This document sets out an overall vision, policies and objectives to guide the key activities needed to successfully manage, maintain and develop our assets, over the next four years, in line with the council's overall vision and priorities. It should be recognised that many land and property decisions can take longer than four years to come to fruition, but it is important to set out the activities to be prioritised over a shorter time period.
- 1.4 The strategy has been developed in consultation with elected members and officers from across the council and in the context of the Council Plan and other key policies and strategies, including the growth strategy, housing strategy, parks and open spaces strategy and climate change strategy. It will also provide a key input to our financial and service planning and support delivery of the Medium-Term Financial Plan, MTFP, whilst ensuring compliance with our capital and investment strategies.
- 1.5 This new strategy builds on our previous achievements and will ensure that the council is agile, innovative and forward thinking in the management of its property assets. Over the term of this strategy, it is the council's ambition to review and rationalize the use of all assets to ensure that the real estate portfolio is well managed and maintained and that it continues to positively support the council's financial position and deliver the council's priorities for service delivery, including delivery of our climate change objectives.
- 1.6 The strategy also prioritises the need to ensure that assets are managed and maintained in line with statutory compliance and health and safety legislation and are fit for purpose to deliver the council's responsibilities in terms of its statutory and front-line services. The net zero carbon commitment will guide the direction of the planned maintenance programme in a drive to de-carbonise the current estate, linking in with the opportunities for securing external government support for particular projects.



2.0 Context

Overview of land and property assets

- 2.1 The Council has over 60 operational buildings, covering administrative buildings and depot facilities, as well as those providing services directly for the benefit of the public. There are over 720 individual commercial rental opportunities, set across factories and workshops, office accommodation, retail and leisure, and agricultural land. Across the parks, open spaces, play and sports areas there are over 200 distinct assets, including 28 allotments.
- 2.2 The value of these assets, as they are reflected in the council's accounts, is estimated at £138m. Including the value of the housing revenue account assets at £423m, takes the total value of the Councils assets to over £550m.
- 2.3 Appendix 1 sets out the current breakdown of the overview set out above. This appendix also includes details of the properties held within the housing revenue account.
- 2.4 Over the period of its previous asset management strategy and in pursuit of the delivery of its Council Plan priorities, Chesterfield Borough Council has extended and strengthened its property portfolio, building a new Leisure Centre at Chesterfield's Queens Park, together with 3G football pitches, a multi-story car park at Saltergate, the adjacent new Northern Gateway Enterprise Centre and a six story office development at Waterside. There has also been significant delivery of new social housing provision at several sites across the borough. In addition, investment in parks and open spaces have resulted in improvements to play facilities. These assets have helped to improve service provision within communities.
- 2.5 In July 2021 the council also acquired The Pavements shopping centre in Chesterfield town centre. This was a strategic acquisition for the council, which was appropriate from a value for money perspective, but also gives the council control of a significant proportion of the town, which in the long term will help to facilitate a Southern Gateway regeneration project to the overall benefit of the borough.
- 2.6 Commercial property lettings have largely performed strongly, both across the Borough and within Chesterfield Town Centre. The Council has delivered top quartile performance in the management of its commercial property portfolio, generating annual revenues of £4.1million. During the pandemic the council supported its tenants through a range of initiatives to assist with financial pressures. Having such a large real estate portfolio has helped Chesterfield Borough Council to counter ongoing economic uncertainty and reduced public funding.



- 2.7 Essential repairs and maintenance have been undertaken across the property estate to ensure that it continues to provide safe and appropriate accommodations. The council is currently progressing a significant £20m project to refurbish the Stephenson Memorial Hall, which houses the Pomegranate Theatre and the Museum, and the adjacent public realm on Corporation Street.
- 2.8 The introduction of agile working for employees across the Council has resulted in better utilization of the Council's operational estate. This generated vacant accommodation space at Chesterfield Town Hall which has been leased to voluntary sector organisations and to Derbyshire County Council, supporting a reduced public sector footprint within the town. A project is also starting to move the Customer services centre and operational teams from the Revenues hall in the town centre, into the Town Hall. This will maximise the use of the town hall accommodation and deliver cost savings, as well as being able to consider the reuse, lease or sale of the Revenues Hall.

Operational/ service-based properties

- 2.9 The Council's operational property portfolio comprises of office and operational buildings which are situated in the community, such as Chesterfield Town Hall, the Customer Service Centre, Queens Park Leisure Centre and Healthy Living Centre, outdoor markets and the Market Hall, theatres, museums and car parks, alongside more complex operational sites such as Stonegravels depot.
- 2.10 Chesterfield Borough Council's operational property portfolio has undergone a degree of rationalisation over recent years, but there remain further opportunities to make better use of our operational buildings. Paragraph 2.8 above, sets out the progress in relation to the customer service centre moving into the Town hall. A car parking study is currently underway that considers the future requirements for car parking, the opportunities for investment in green technologies within the car parks to contribute to reducing carbon, as well as regeneration opportunities if there is surplus car parking capacity.

Non-operational/ commercially focussed properties

- 2.11 The council's commercial property portfolio consists of income producing assets, such as business parks, office space, industrial estates, shopping centres and retail property, together with other commercial buildings and operational space located within the Borough of Chesterfield which is let to tenants.
- 2.12 Office space includes the council's Enterprise Centres, which provide managed work space for a range of businesses from start up to larger



businesses; part of the service offer is also to provide business support activities for those businesses to help them grow and establish themselves within the borough.

- 2.13 This property portfolio generates income levels of £4.1million per annum and is valued at over £38.8million, providing a 10.5% return. The recent acquisition of the Pavements Shopping Centre provides significant opportunities to re-purpose the centre and strengthen our commercial property income.

Commercial land

- 2.14 The council holds a significant amount of land which typically is let for agricultural or equestrian/grazing purposes. It generates a small rental income and releases the council from ongoing maintenance and running cost liabilities. The council will continue to pursue opportunities to enable some of this land to be developed through regeneration activity and deliver capital receipts.

Parks and Open Spaces and Play Portfolio

- 2.15 The council has nearly 280 parks, sports, recreation and play areas in addition to 29 allotments and 8 woodland areas – totalling nearly 510 hectares. There has been over £8.5 million investment over the last ten years (70% from external funding) in the council's parks and open spaces. Masterplans and management plans are in place for the main parks with four having Green Flag awards. In addition, over the last 10 years £1.542 million has been spent on improvements to play areas.
- 2.16 The recently approved parks, open spaces and play strategies set out the importance of continually reviewing the quality and quantity of park, open space and play provision, including the consideration of rationalisation opportunities to make best use of the space and potentially raise funds for capital improvement schemes to the retained stock.

Existing asset management arrangements

- 2.17 The current asset management arrangements are focused on the corporate property and technical services team having key responsibilities for statutory compliance, reactive repairs and planned maintenance works across the land and property estate and managing the significant commercial property portfolio. Significant legal advice and support is provided to this team by the property, procurement and contracts law team and the economic development team.



- 2.18 In addition, there are a range of facilities management activities that are completed by service premise managers. They are responsible for the day-to-day statutory compliance requirements and ensuring health and safety compliance within operational areas. Soft facilities management, such as cleaning, caretaking and catering, are provided through either the service teams themselves, or arrangements with other bespoke teams across the council.
- 2.19 A number of key areas of compliance are currently lead and coordinated within the corporate health and safety team, including asbestos management and fire risk assessments. There is also a key link between the corporate health and safety team and premise managers in terms of the property related health and safety requirements to keeping a building safe.
- 2.20 The majority of property repairs and maintenance budgets are pooled into one central fund, managed by the facilities maintenance team, which is an effective approach to managing properties and finances. The council is seeking to extend this central coordination approach through the development of a corporate landlord approach to the management of its land and property. The aim being to drive closer collaboration across services to achieve improved governance in the strategic management of its assets and greater assurance of health and safety compliance around day-to-day premise management. To support this approach significant investment in new IT software and technological solutions will be needed.
- 2.21 Since the council brought back in-house the property and technical services teams in 2020, there is an opportunity to further embed a corporate landlord approach into how we develop and re-shape these service teams going forward. The aim being for the service to provide a professional, ambitious and dynamic property service, working with services across the council and in partnership with our customers, building occupiers, suppliers and partners to optimise asset performance and income in the delivery of our property services and enabling a corporate landlord approach to be supported across the council.



3.0 Key drivers, opportunities and challenges

Council Plan

3.1 The council's real estate portfolio is a major resource and is integral to the delivery of many services across Chesterfield. It is vital that these assets contribute to the council's vision and priorities, as set out in the Council Plan for 2023 to 2027.

3.2 The councils overall vision is 'Putting our Communities first'; with three priorities to:

- Making Chesterfield a thriving borough
- Improving quality of life for local people
- Building a resilient council

3.3 The development and delivery of this strategy is set out within the 'building a resilient council' priority, with;

Our aspiration: to embrace new ways of working and maximise potential from our assets, partnership and respond to key challenges:

- We will: progress in our target to become a carbon neutral Council by 2030, by delivering our Climate Change Strategy and action plan, focusing on the delivery of low carbon services through decarbonisation of our operational buildings, maximising opportunities for clean energy generation, fleet management, supplies and services and our policies.
- We will: implement the new Asset Management Strategy and action plan, ensuring the alignment of our asset base to the service needs of a modern, agile Council.
- We will: seek new property-based income opportunities to support our financial resilience, aligned to our core objectives and climate commitments.
- We will: seek the most effective and efficient way of delivering our services and be well placed to take advantage of social, cultural, environmental and technological change.
- We will: collaborate and work in partnership with different parts of the public sector, business community and community and voluntary sector to deliver better outcomes for our borough.



Medium Term Financial Plan

- 3.4 The Council's land and property assets form a key element of the council's medium-term financial plan; from the role that is played in providing operational buildings from which our services are run, to the significant amount of commercial income that is raised from our portfolio which supports services provision across the council.
- 3.5 The revenue and capital funding requirements for keeping our buildings well maintained and fit for purpose are significant and must be factored into the Council's costs when developing the budgets.
- 3.6 Many of the regeneration and growth programmes that are key to making Chesterfield a thriving borough, make use of the council's existing land and property assets, or have implications for the current estate.
- 3.7 It is critical that we are able to demonstrate, within the medium-term financial plan, that we can afford the estate that we have, and that we are maximising its potential in supporting the Council plan and the medium-term financial plan.

Growth and Housing Strategies

- 3.8 Chesterfield's Growth Strategy 2023-2027 provides a framework for regeneration and growth within the Borough. The current Housing Strategy is due to be refreshed during 2023, but the commitment to supporting the delivery of a range of good quality housing to suit the needs of the community will remain a key strand of the strategy. The vision, objectives and key actions set out within this Asset Management Strategy have been developed to support delivery of the growth and housing strategies.
- 3.9 The overall aim for the growth strategy is 'To make Chesterfield a thriving borough, delivering environmentally sustainable growth that benefits local people.' The strategy sets out three core principles that underpin the objectives; higher-value growth; inclusive growth and environmentally sustainable. There are five strategic objectives, two of which are most prominent when considering the role of the council's land and property in supporting this agenda:
- Build a competitive place infrastructure that accelerates employment and housing growth.
 - Strengthen the distinctive character and vibrancy of our town centres.

- 3.10 The council current housing strategy for 2019 to 2023 has the following aim and objectives. A new strategy is currently being developed, which will built on the successes from the current strategy and be set in the context of the new Council Plan.

Aim:

‘To enhance Chesterfield’s housing offer so that people of all ages of life can find, and live in a quality home they can afford’

Objectives:

- Delivery - ensuring that increased new housing provision meets the needs of current and future residents of Chesterfield to provide homes for every stage of life
- Quality—to utilise internal and external resources to ensure that as many homes as possible in all tenures are of decent quality
- People – Ensuring that the needs of all groups to be able to access and sustain housing appropriate for their needs in Chesterfield

Parks and open spaces and play strategies

- 3.11 The Parks and open spaces and play strategies were approved by the Council in February 2022; with a five-year delivery plan being approved by Cabinet in March 2023.
- 3.12 The strategies set out our vision and aspirations for our parks, open spaces and play areas, ensuring that we provide good quality green spaces for our communities to enjoy for many years to come.
- 3.13 The land and property related to the delivery of these services are key assets for the Council, and its important the service delivery teams and the property and technical services teams work closely together in managing these assets for the future. In some instances that will be to invest more in open spaces, and in others it will be to recognise that an area is no longer contributing to that service and we should look for an alternative use.
- 3.14 It is clear that any asset rationalisation programme should reflect the objectives set out in the parks, open spaces and play strategies, as work is progressed to review all of the Council’s assets.

Climate Change Strategy

- 3.15 The councils new Climate Change Strategy for 2023 to 2027 and annual Delivery plan were approved by Council in February 2023. The strategy built



on the previous action plan and sets out a series of key themes that for the council and partners to focus on over the next 7 years, to 2030.

3.16 The strategy sets out the drive to net zero carbon for our buildings as a key priority to support the council in achieving its net zero target for 2030.

3.17 Within the delivery plan and set out under the key theme of building and energy use, relevant actions include:

- **Action BE.01: Stock condition survey:**
A review of all commercial and operational council properties to include an assessment of the work to decarbonise each building and identify potential opportunities for energy generation etc. The development of a comprehensive report that ensures CBC understands the opportunities and potential costs to decarbonise our buildings portfolio. This action will support the development of the climate ready buildings delivery strand in future years including a commitment to using capital receipts from building sales to support climate adaptation. Data from this action will also support and inform external funding bids.
- **Action BE.02: Asset decarbonisation skills and expertise**
As part of the Property and Technical Services reshape, develop / acquire asset decarbonisation specialist skills and expertise to lead on future building decarbonisation work. Alongside BE.01 enables the detailed development and delivery of the asset decarbonisation elements of the Asset Management Plan in future years. Strengthens CBC ability to access external funding for decarbonisation activity and energy generation opportunities

3.18 These actions are also incorporated in the asset management delivery plan that sits alongside this strategy.

Corporate landlord approach

3.19 The council is keen to develop its property function to more fully adopt a corporate landlord approach; the aim being to improve the overall governance, including decision making, around the strategic use of the councils assets and to provide assurance on the safe and compliant operation of the assets by building occupiers and users. A corporate landlord policy, which will be considered by Council Cabinet, will set out the framework to be adopted, and rolled out across the council as part of the asset management strategy delivery plan.



- 3.20 The main concept of a corporate landlord approach is that the ownership of an asset and the responsibility for its management and maintenance is transferred from the service departments to the corporate landlord, a function held by the corporate property team.
- 3.21 In broad terms the service departments become corporate tenants and make use of the property or land in delivering a service. There are specific responsibilities that fall to both landlord and tenant, depending on the nature of the asset and the service being delivered.
- 3.22 The landlord's function is to ensure the service is adequately accommodated and to maintain and manage the property asset. Depending on the type of service operating from a building, there could be different tenant responsibilities around operational facilities management compliance requirements. This approach enables the service departments to focus on planning and delivery of the service, to the agreed service standards, rather than being responsible for the full range of property related functions as well.
- 3.23 The corporate landlord's responsibility also extends to the acquisition, development and disposal of land and property. This means the landlord would be responsible for asset review, feasibility and options appraisal across all service departments.

General legislative and compliance requirements

Building Safety Act

- 3.24 The Building Safety Act, 2022, aims to achieve better safety systems and regulation for all corporate and residential buildings. The Act has put in place a more stringent regulatory framework to implement a stronger focus around building safety for developers and landlords.
- 3.25 The regulator will have 3 key purposes:
- 1) To oversee the safety and standard of all buildings
 - 2) Directly assure the safety of higher-risk buildings
 - 3) Improve the competence of people responsible for managing and overseeing building work
- 3.26 The current understanding is that the councils properties are unlikely to fall within this further regulation, due to the nature of the property assets, however this will be kept under review.



Minimum energy efficiency standards, MEES regulations

- 3.27 The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 established a minimum level of energy efficiency for rented property in England and Wales. Since 1 April 2018, landlords of non-domestic rented properties have only been permitted to grant a new tenancy, or to extend or renew an existing tenancy, if their property has at least an Energy Performance Certificate (EPC) E. It has been indicated that these requirements will tighten again in the near future, with a proposal that commercial properties must have an EPC rating of C or higher by 1 April 2027, and B or better by 2030.

One Public Estate

- 3.28 Increasingly, in the delivery of frontline and support services, economies can be achieved by working with partners from the public, private or voluntary sector.
- 3.29 Chesterfield Borough Council is a member of the Derbyshire One Public Estate partnership, supporting joint working across public sector organisations to release land and property and boost economic growth, regeneration and integrated public services. The council has already embarked on a programme of partnership initiatives that will deliver improved value for money and will continue to support partnership working.

4.0 Vision, policies and strategic objectives

Our Vision

- 4.1 The vision below aims to encompass the overall outcomes that this asset management strategy is aiming to achieve.

To actively manage and rationalise our land and property assets in line with the vision and priorities set out within the Council plan, ensuring that our assets are efficient, fit for purpose, sustainable and provide value for money for the communities of Chesterfield.

Asset management policies

- 4.2 The following core asset management policies set out the underlying principles that we will use in managing our assets to deliver the vision:
- Corporate landlord – to adopt a corporate landlord approach to the management of our land and property, including providing a clear governance structure for performance, programme management and decision making; clear policies and procedures, reporting and monitoring arrangements; and putting in place resources to deliver a corporate landlord approach across the council
 - Compliance and property maintenance – to keep our properties safe, dry and secure through the implementation of an appropriately resourced, well-managed, rigorous compliance regime and a repairs and renewals programme with evidence-led maintenance plans, which are based on an appropriate balance of investment between planned and reactive maintenance
 - Commitment to net zero carbon emissions - to seek to protect the environment by adapting and managing our estate to meet the councils climate commitment to net zero by 2030, in line with the council's climate change strategy and including the consideration of initiatives that support green growth
 - Land and property rationalisation – to drive efficiencies through regular asset management reviews of our land and property assets, ensuring they are managed efficiently, provide the right space, in the right place and on the best terms
 - Disposals and acquisitions – to dispose of, or acquire land and property as part of the delivery of the outcomes from the rationalisation programme, in line with the council's overall vision and priorities set out in the Council



Plan, with particular focus on maximising social value, inclusive growth and the contribution to net-zero commitments

- Use of capital receipts - to reinvest capital receipts, secured through the disposals programme, into the land and property estate to fund maintenance, decarbonisation and investment activity to support the delivery of the asset management vision
- Commercial estate management – to maximise income generation and overall social value from the existing land and property portfolio through proactive estate management recognising the importance of delivering value for money to support council service delivery and the medium-term financial plan
- Supporting growth and housing strategies – to use our assets to support development opportunities and maximise inclusive growth in the borough, as part of the delivery of the council’s growth and housing strategies
- Innovation and technology – to promote a culture of innovation that optimises the use of technology to support new ways of working across the Council

Strategic objectives for 2023 to 2027

4.3 The following five strategic objectives have been developed to focus the asset management activity across the Council, over the next four years.

- Developing and delivering our Corporate Landlord approach
- Investing in decarbonisation whilst keeping our assets safe and well maintained
- Delivering a land and property rationalisation programme
- Maximising income and overall value from the existing commercial estate
- Using our land and property to maximise inclusive growth opportunities across the borough

Developing and delivering our Corporate Landlord approach

4.4 Providing a clear direction on the management of the Council’s assets through strong governance and assurance arrangements is critical to achieving the vision of this strategy.

4.5 To support the approach there must be appropriate levels of staff resources in place, particularly in the corporate property team, investment in the implementation of new ICT software systems to provide accurate, comprehensive and robust asset and compliance data, and clear operational



policies, processes and procedures to support option development and decision making.

Investing in decarbonisation whilst keeping our assets safe and well-maintained

- 4.6 Ensuring properties are safe, dry and secure through the implementation of a well-managed, rigorous compliance regime and facilities management and maintenance activities is a fundamental requirement of any corporate landlord.
- 4.7 A key piece of work to be completed is an updated stock condition survey for each of the council's assets, this will include a net zero carbon assessment too. This work is underway, but a detailed programme and delivery is still to be achieved.
- 4.8 The outcome from the stock condition surveys and net zero carbon assessments will be used to develop affordable maintenance plans in response to building condition and actions required to achieve more sustainable properties contributing to the council's ambition to achieve net zero carbon by 2030. This work will also input into the asset rationalisation programme, to ensure the council can make informed decisions on the properties that it retains.
- 4.9 Determining the affordability and financing of the maintenance plans and net-carbon projects programme will be integral to the development of the MTFP, with capital receipts generated from a disposal programme being key to affordability.

Delivering a land and property rationalisation programme

- 4.10 This includes carrying out strategic asset reviews to ensure the estate provides the right space, in the right place and on the best terms; together with the stock condition surveys and net zero carbon assessments this will enable decisions to be made about the future of assets. This will include maintaining an effective accommodation strategy for operational assets, progressing a programme of asset disposals and making strategic acquisitions where appropriate.
- 4.11 A number of assets have already been identified as surplus to the councils operational and commercial requirements, and a programme of asset disposal is underway, seeking to generate significant value over the next 5 years to invest in the councils priorities.



Maximising income and overall value from the existing commercial estate

- 4.12 The current portfolio achieves a significant income for the council, and this needs to be maintained and enhanced through proactive portfolio management, maximising the available letting space, supporting tenants, promoting the service and seeking to use technology to better manage data and income information.
- 4.13 A new ICT software system is to be introduced over the next 12-18 months to replace the existing end-of-life system and to support a more dynamic approach to property management.

Using our land and property to maximise inclusive growth opportunities across the borough

- 4.14 This objective is focused on supporting the delivery of the growth and housing strategies to accelerate development, regeneration and growth across the borough. As well as supporting third party developments, opportunities should be explored to expand the council's commercial portfolio and income generating ability.

5.0 Resourcing, outputs and outcomes

Resourcing

- 5.1 This strategy is aiming at re-establishing the direction of travel for the management of the council's land and property, following the return of the service from the Arvato/ Kier outsourced contract in August 2020.
- 5.2 There are significant resourcing challenges to progressing the delivery of this strategy. This covers both the staff resource, and the significant revenue and capital asset investments that are likely to be required over the four-year period of the plan. This is set against the backdrop of an extremely challenging financial position for this Council, and all local authorities in the aftermath of the pandemic, the cost-of-living crisis, and the pressures that inflation has brought.
- 5.3 Whilst it is more regular practise for the Council to approve costed strategies, to provide clarity on what outputs and outcomes can be delivered over the length of the strategy, this has not been possible at this time. The outputs and outcomes in this strategy are focussed on the ambitions that the council has to ensure the use of the council's assets can be maximised for its communities, over the next four years.

- 5.4 A delivery plan is in development, which will identify the resources needed to deliver the strategic objectives. This plan will be brought back to Cabinet and Council for approval in line with the constitution.

Outputs and outcomes

- 5.5 Key outputs and outcomes are set out in Table 1 against each of the strategic objectives. These will be revised as appropriate, as the resourcing plans are developed.

Table 1: Asset management strategy outputs and outcomes to be achieved by 2027

Strategic objectives	Outputs and outcomes – we will have.....
Developing our Corporate Landlord approach	<ul style="list-style-type: none"> • Established effective governance arrangements, under a corporate landlord model, to support effective decision making. • Reshaped services across the council to support the implementation of a corporate landlord approach, with appropriate resources for successful delivery. • A range of appropriate policies and procedures in place to guide decision making and the development of work programmes. • A new ICT software system to effectively manage and analyse asset data to support decision making. • Regular reporting of statutory compliance performance across the estate.
Investing in decarbonisation whilst keeping our assets safe and well maintained	<ul style="list-style-type: none"> • Completed a stock condition and net-zero carbon assessment on all of our assets, and established an on-going five year rolling programme • Made significant progress in decarbonising our assets, towards the council’s net-zero target for 2030. • An established and sufficiently resourced medium to long term planned maintenance programme. • An appropriately funded planned maintenance and reactive repairs service. • An established corporate landlord approach to premise management with clear responsibilities for the corporate property team and premise managers.
Delivering a land and property rationalisation programme	<ul style="list-style-type: none"> • Completed a full land and property rationalisation programme and established an annual review programme to review our assets every five years. • Completed a four-year disposals programme and achieved a significant level of capital receipts, that



	<p>have primarily been re-invested in the council's land and property portfolio</p> <ul style="list-style-type: none">• Established an on-going disposals and acquisitions programme to ensure the estate continues to provide value for money for the Council and support its vision and priorities.
Maximising income and overall value from the existing commercial estate	<ul style="list-style-type: none">• Completed a review of the commercial portfolio, seeking to maximise income from land holdings• Implemented a new ICT software system to enable the effective management of the financial transactions required to recover rental and service charge income.
Using our land and property to maximise inclusive growth opportunities across the borough	<ul style="list-style-type: none">• Worked to support the delivery of the growth and housing strategies of the council; seeking to deliver the council vision and priorities.• Identified opportunities to expand the council's commercial portfolio and income generating ability, including green growth opportunities.

6.0 Delivery plan, monitoring and review

6.1 A delivery plan is under development which will set out the activities that will be progressed, under each of the objectives, to work towards the achievement of the overall vision. Key priorities that are being progressed at present include the stock condition and net zero carbon assessments, the progression of appropriate asset disposals, a focus on maximising income from the commercial estate, supporting the delivery of a number of major growth projects and the development of a corporate landlord policy. The latter will seek to set out appropriate governance arrangements and define the activities to be delivered through that policy, which will then support a re-definition of the way in which land and property is managed across the council.

6.2 Through the corporate landlord governance arrangements, the delivery plan will be monitored regularly and kept under review. This will enable a flexible approach to be taken as information emerges from the various work streams, and the plan will be updated accordingly.



Appendix A

Summary of Principal Council Assets

General Fund: Operational Assets		General Fund: Non-Operational Assets	
	22/23		22/23
Town Hall	1	Factories & Workshops	234
Other Admin Office Premises	2	Modern Flexible Office Suites	31
Visitor Information Centre	1	Innovation Centre Office Suites	75
Depots	2	Clock Tower Nursery Units	74
Stores	0	Market Hall Retail Units	49
Open Markets	1	Pavements Centre Retail Units	40
Sports & Leisure Centres	2	Other Retail Shop Units	37
Golf Course & Clubhouse (9&18h)	1	Other Commercial Office Suites	68
Pomegranate Theatre	1	Miscellaneous: Bars, Cafes etc	22
Winding Wheel Conference Cntr	1	Private Car Parks (let)	1
Museums	2	Agricultural Land (ha)	98
Public Halls & Assembly Rooms	3	Farms	1
Community & Meeting Rms	8		
Parks, Sports & Rec Areas	86		
Play Areas:			
LAPs LEAPs & Adventure Play	87		
Multi-use Games Areas	6		
Allotment Sites	28		
Woodland Sites not within parks	8		
Cemeteries	4		
Crematorium (joint board)	1		
Coach Station & Interchange	1		
Multi-storey Car parks	2		
Surface Pay Car Parks	16		
Public Conveniences	6		
Historic Buildings	3		
Service Tenanted Houses	2		
		Housing Rev A/c: Operational Assets	
		Dwellings:	
		Houses bungalows & flats	8798
		Meeting Rooms (Category 1)	11
		Meeting Rooms (Category 2)	7
		Call Centre - Careline	1
		Boiler Houses & District Schemes	2
		Lock-up Garages	1179
		Housing Rev A/c: Non-Operational Assets	
		Suburban shops	12
		Farmland (ha)	106
Total asset value - £560,538,394			
General fund	£137,517,497	Housing revenue account	£423,020,897