

CORPORATE ASSET MANAGEMENT PLAN 2019-2024

Cabinet Date	24 April 2019
Finance and Change	Cllr Ray Theodoulou
Key Decision	Yes
Background Documents	Policy for Disposal of Property 2012 Property Acquisition Policy 2017 Rural Estate Strategic Estate Plan 2016 Clear Desk Policy Medium Term Financial Strategy Approved by County Council on 14th February 2019
Location/Contact for inspection of Background Documents	Through the above links to the County Council's website
Main Consultees	Lead Cabinet Member, Officers from across Gloucestershire County Council, partner organisations
Planned Dates	Implementation with effect from 1 st May 2019
Divisional Councillor	County Wide
Officer	Neil Corbett, Head of Property Services 01452 328813 Email: neil.corbett@gloucestershire.gov.uk
Purpose of Report	To approve the Council's Corporate Asset Management Plan 2019-24
Recommendations	That Cabinet approve the Corporate Asset Management Plan 2019–24 and delegates authority to the Head of Property Services to implement the Plan
Reasons for recommendations	The new Plan will enable the Council: <ol style="list-style-type: none"> 1. To plan and manage property as a corporate resource for the benefit of the Council and the people it serves. 2. To use our knowledge of the estate and of our services to provide the right property to meet current needs and to anticipate, respond and be flexible to future demands.

	<ol style="list-style-type: none"> 3. To support agile working and to promote 'Work Smarter' initiatives. 4. To manage and maintain property effectively, efficiently and sustainably. 5. To optimise financial return and commercial opportunities and to use land and buildings to stimulate development and growth. 6. To promote joint working where it will provide benefit for service delivery and in securing efficiencies.
<p>Resource Implications</p>	<p>The overall management of the asset planning process will be undertaken within the existing budget framework by re-prioritizing existing work to create capacity.</p> <p>Countywide Asset Value Portfolio of Land and Buildings including GCC Voluntary Aided & Voluntary Controlled schools £750M</p> <p>Delivery of a Corporate Property Capital Programme of £39.3M and £101.1M for the Education Capital Programme 2019-2022.</p> <p>Meeting the Challenge 3 capital receipt target of £33m</p> <p>Annual Maintenance Budget for Corporate estate of £1.185M</p> <p>Property Plan</p> <p>The resource implications for the priority actions set out in the Implementation Plan will be considered and evaluated as project plans are developed.</p>

1. Background

The County Council last produced an Asset Management Plan in 2010. The content of the Plan was heavily prescribed by government guidance and while it was a step forward, it was designed to provide a comprehensive picture of its property asset base and performance. The new Plan provides an overview of our land and property estate together with our main priorities for managing and developing that estate to fully support the council's goals and contribute to the achievement of the policy objectives.

2. Advantages Derived From Improved Corporate Asset Management

Corporate asset management planning in the local authority context is the means by which the organisation plans and manages its property resources to best support the delivery of both corporate and service aims and objectives. The benefits of a formal corporate asset management process are:

- A more transparent and clear decision making process with respect to the overall capital programme.
- Formalising the process of reviewing and rationalising property creating the impetus for better use of our existing property.
- An improved ability to respond to any opportunities offered to the Council through having clearly identified Council property and accommodation needs into the future.

3. Management Arrangements

The Council proposes to strengthen existing asset management planning arrangements through:

- Publishing an Annual Asset Review. This plan will include the following key elements:
- A description of the Council's current arrangements for funding the property aspects of the Capital Programme.
- An overview of the Council's property portfolio and its condition.
- An implementation plan which sets out both the corporate and service property priorities for a minimum of the next 3 years.
- This rolling 3-year plan will create the framework for ensuring that services plan their property requirements effectively within a corporate context and ensure that the Council can maximise the efficient use its property assets.
- Strengthening Member involvement in Asset Management Planning. The proposal is for the Corporate Asset Management Plan to be reviewed and re-approved on a 5 year basis by Cabinet. The Plan will also be available for Scrutiny to examine. In addition, significant projects within the Plan will be subject to individual Cabinet approval.

4. Statement of Existing Portfolio

The County Council's property asset base extends across all the Council's service areas from schools to farm tenancies, to office buildings and day centres. Its effective use is key in supporting both the delivery and improvement of services to the citizens of Gloucestershire.

The Council currently collects and collates a range of information relating to the property asset. This includes information about the maintenance backlog, energy and water usage data which is being collected to enable the identification of properties which require improvement so as to reduce consumption. From the data the Council is able to keep track of the maintenance backlog and in particular identify those buildings for which there is 'Priority 1' work outstanding (i.e. maintenance which requires immediate attention in order to overcome health and safety or other serious problems) and those premises which have disproportionately large energy consumption.

Information about suitability of property for service delivery is sought through consultation with directorates and service areas. This enables the Council to identify where potential problems lie and to consider solutions as part of the asset management process.

5. Future Property and Property Services Needs

Service areas are currently finalising their strategies, some but not all of the service property requirements have been identified so far. These include the requirement for a new school in Cheltenham by 2021; the re-provision and refurbishment of existing locality hubs. In addition, the Council has identified a number of key issues which need to be addressed if we are to make the best use of our property. These include, developing a comprehensive accommodation strategy and undertaking strategic reviews of all properties. An outline of the asset management plan priorities as currently identified is set out in the tables in Appendix A.

6. Implementation Plans and Programmes

Over the next few months officers will do further work to develop the action plan to ensure that it meets both Council needs and that the relevant project plans and timelines take into account resource implications.

7. Risk Assessment

There are a number of key risks to the Council which will arise as the Council implements the Plan. These specifically relate to:

- Resources. There is a possibility that as detailed project plans are developed that there could be a mismatch between short-term investment and long term cost savings. This risk will be managed through developing detailed options appraisals against which the Council will be able to make sound business decisions.
- The impact of partners and agencies. The ability to plan future property use is often dependent on partner plans or opportunities to take advantage of development proposals e.g. the GFirst LEP, NHS STP etc. Historically the Council has had limited influence on the decisions and timescales in these circumstances. This risk

will be difficult to mitigate. However, the Council is an active member of One Gloucestershire and in close communication with partners. The Council will continue its strategy of taking a proactive role to ensure that opportunities are exploited as they arise.

- Decisions about future property needs are necessarily determined by service plans. In addition, there are long lead in times for property decisions to be realised and put in place. Therefore, the Council's ability to plan effectively for the future asset base will be determined by the quality of service planning and how far ahead the Council can plan services. The proposed management arrangements will improve corporate awareness of the need to plan for property requirements and provide a clear corporate decision making process.

8. Officer Advice

Officers recommend that Cabinet approves the 2019-24 Corporate Asset Management as set out in Appendix A.

9. Equalities considerations

In recommending any changes to Council land and property requirements, Officers across the Council continue to pay due regard to the impact on protected groups. Some sites that may become surplus to requirements due to changing plans for office accommodation used by the Council, and where these buildings are currently occupied by our employees, or those of our partners, the impact of the closure of the building and the relocation of their place of work will be taken into consideration. Information on the impact will be gathered through the collection of data concerning the individual members of staff who will need to be relocated. Where required, due regard will be paid to the needs of staff to ensure that any issues relating to the new workplace are considered (eg specific chair requirements, disabled parking spaces etc) in order to mitigate any negative impact. Where buildings have been providing a service those users have been catered for in other buildings.

10. Consultation feedback

Consultation on developing a Corporate Asset Management Plan has predominantly been with service directorates. There will be substantial consultation with appropriate bodies as plans develop.

11. Performance Management/Follow-up

Performance indicators which are intended to monitor the effectiveness of local authority asset management are already in place and a number of new national indicators are being proposed. The Council's Plan will be monitored against those indicators and use the Council's project planning arrangements to effectively manage projects set out in the Action Plan.

Report Title	2019-24 Corporate Asset Management Plan
Statutory Authority	S.123 of the Local Government Act 1972
Relevant County Council policy	Policy for the Disposal of Property 2012 Property Acquisition Policy 2017
Resource Implications	<p>The overall management of the asset planning process will be undertaken within the existing budget framework by re-prioritising existing work to create capacity.</p> <p>The resource implications for the priority actions set out in the Implementation Plan will be considered and evaluated as project plans are developed. Approval for each of these projects including the cost/benefit proposals will be subject to Member approval as required. Such plans will also be subject of the Council's project management arrangements.</p>
Sustainability checklist:	
Partnerships	One Gloucestershire Estate
Decision Making and Involvement	District, Borough and City Councils within Gloucestershire
Economy and Employment	The disposal of sites may enable the development of employment opportunities through the potential future use of some sites
Caring for people	There may be some disposals which arise from changing practices in delivering care; these are managed by the service area who will also manage any impact
Social Value	<i>Social value seeks to maximise the additional social, economic and environmental benefits to the local area by procuring goods and services above and beyond the benefits of merely the goods and services themselves.</i>
Built Environment	There may be some sites which are appropriate for development, which will follow all associated planning rules and processes, including consultation
Natural Environment' including Ecology (Biodiversity)	N/A
Education and Information	N/A

Tackling Climate Change	Carbon Emissions Implications? Neutral Vulnerable to climate change? No
Due Regard Statement	Has a Due Regard Statement been completed? No A copy of the full Due Regard Statement can be accessed on GLOSTEXT via http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1 Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, e-mail: jo.moore@gloucestershire.gov.uk .
Human rights Implications	N/A
Consultation Arrangements	Ongoing in relation to each Development disposal