Property Asset Management Strategy

2026 - 2029

Foreword and Vision

Unlocking the Full Potential of Our Estate: A Strategic Vision for Asset Management

A robust and forward thinking strategy for the management of our land and property assets is critical to ensure that the right decisions are made regarding their future use, management, development or disposal. Our Asset Management Strategy sets out a clear framework for ensuring that every decision we make about our estate is purposeful, evidence led and designed to optimise its use for the benefit of the people of Derbyshire.

Our property assets are second only to our people in terms of value and impact and are key to transforming the way in which we deliver our services. Shrewd and effective asset management, balancing ambition with discipline, will not only ensure that our estate is affordable, efficient and able to support excellent service delivery, but that it can drive, support and contribute to wider Council priorities.

The portfolio not only needs to support frontline service delivery now, but it also needs to respond to and plan for changes in the way in which the Council will operate and deliver services in the future. And as partner organisations undergo similar transformation, this creates opportunities to collaborate and co-locate services, so that our residents benefit from streamlined and joined up access to services and the overall public estate is as efficient as possible.

Our strategy builds on the work undertaken already, to review every asset, challenge the reason for holding it and put in place an asset management plan appropriate to its future role in our portfolio and in delivering the Council Plan, and is supported by the following suite of documents:

- Property Maintenance Strategy
- Estate Management Strategy
- Commissioning Strategy
- Facilities Management Strategy
- Disposals and Acquisition Protocol

Council Plan

Vision

Working together to improve lives across Derbyshire, through strong local leadership, efficient services and local control.

Outcomes

We want Derbyshire to have:

Communities where people live safe, healthy, independent lives

Great places to live and work

Local, high-quality council services

Optimising Our Estate to Deliver the Council Plan

The Asset Management Strategy will support the Council Plan's outcomes including delivering one of the strategic objectives which is to:

'Transform the Council's estate so that it offers better value and is fit for future service delivery'

How we will achieve this:

- Ensuring that we have the right buildings in the right places to support excellent and dynamic service delivery
- Creating the right kind of flexible spaces that work effectively and efficiently for everyone who uses them
- Being ambitious and enterprising in how we manage our buildings to maximise value for money, income and savings
- Strengthening partnerships to support colocation, co-delivery of services and more resilient communities
- Future proofing the estate from increasingly extreme weather, using cleaner energy to deliver cost savings and reduce pollution

Optimising our property portfolio and services will deliver:

- Assets that work hard and provide best value for the public purse
- The elimination of inefficient assets
- Greater revenue from a commercialised estate
- Opportunities for innovation
- Lower running costs
- Improved quality and suitability of managed assets
- Reduced maintenance backlog
- Capital receipts that can be reinvested for good, or to reduce borrowing costs
- Reduction in the cost of failure arising from non-compliance
- Reduced energy use and using cleaner energy to deliver cost savings and reduce pollution
- Improved environments for employees and service users – an estate that we can be proud of

Introducing the Estate

The Property Portfolio and Composition of the Estate

The Council's land and property portfolio comprises 1202* sites which comprises over 4,000* separately listed assets with a current aggregate book value more than £2.563bn*. There is a wide range of assets in the Council's portfolio including:

- Office/Service Hubs
- Homes for older people,
- Country parks,
- Libraries,
- Adult education centres,
- Schools
- Children's centres, and
- Civic amenity sites

It includes land and buildings the Council leases in from other public sector and private sector landlords as well as the land and buildings the Council owns.

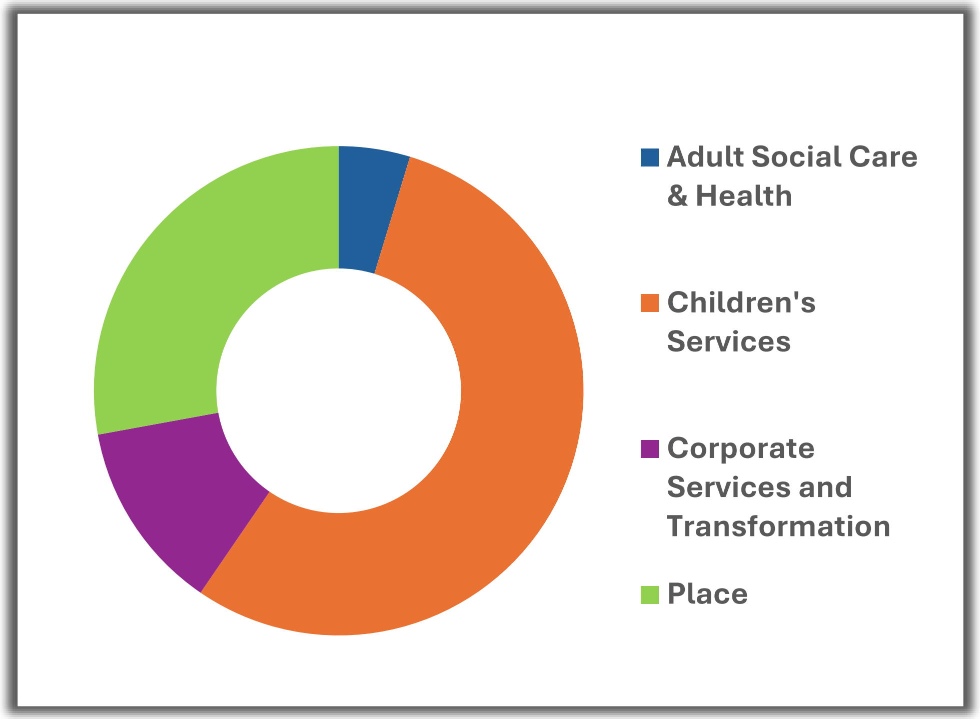
The primary objective for holding land and property is to enable the delivery of services to the people of Derbyshire and the strategic aim is to have appropriate and cost-effective buildings from which to deliver these services. It is therefore important that the Council reviews its assets regularly to ensure alignment with service delivery requirements.

*As at 01 April 2025

Introducing the Estate Cont.

The table below illustrates the nature of the Council's land and property estate across the Council's four service directorates*

Department	Property Type
Adult Social Care and Health	**Residential** (Homes for Older People, Homes for People with Learning Disabilities) **Day Centres** **Other** – Administration, Supported Living, Community Centre, Dwelling, Land, Leased Out
Children's Services	**Schools** (including Academies, Academised School Fields, PFI Schools) **Children's Homes** **Other** – Children's Centre, Family Support Centre, Administration, Adult Education Centre, Detached School Fields, Education Centre, Support Centre, Land, Leased Out
Corporate Services and Transformation	**Administration** **Tenanted Portfolio** **Others** – Depot, Registrars, Coroner's Office, Record Office, Museum, Shared Service Hub, Car Parks, Land (non-tenanted)
Place	**Depots** **Libraries** **Other** – Countryside Sites, Country Parks, Visitor Centres, Trails, Nature Reserves, Waste Management Sites, Non-Adopted Highways Land, Plantations, Land



* The assets listed are based on the primary use recorded in the Property Asset Database. They are listed whether operational or non-operational.

Delivering Our Strategy:

Corporate Landlord Model

Our Corporate Landlord approach is the centralisation of all property, budgets, decision making and responsibility under property professionals. This means all property-related activity is managed in one place. It helps us make consistent, joined-up decisions about the estate, ensures we get the best value from our buildings over their whole life and supports better decisions by using accurate data and insights.
This model delivers multiple benefits:

- **Improved Efficiency, Value and Income Generation**– Assets are retained only where they support service delivery, administrative needs, regeneration objectives or represent best value, such as generating income through leasing or development opportunities.

- **Enhanced Transparency and Control** – Centralised budgets and data allows for accurate performance reporting at both asset and estate level, enabling informed, evidence based decisions and demonstrating value for money.

- **Centralised Revenue and Capital Budgets** – Bringing all budgets in to one place enables better financial planning, prioritisation of investment, and maximisation of returns across the estate..

- **Market Benchmarking** – Council assets are assessed against wider property market conditions, not limited to comparisons with other local authorities, driving commercial awareness.

- **Technology-Enabled Management** – The implementation of a CAFM system will operationalise the model by consolidating asset data, budgets, and decision-making into one platform.

- **Risk, Compliance, and Oversight** – A single point of accountability strengthens governance, ensures compliance with statutory obligations, and reduces risk through consistent standards and monitoring across the entire estate.

Asset Review and Challenge

Each of the council's land and property assets now has an asset plan in place. These asset plans are reviewed as part of a continual rolling programme.

As part of the asset planning process, we rigorously assess the need for and function of each asset to ensure the Council retains only land and property that are essential for service delivery, for administrative purposes, or provide best value, such as those suitable for leasing out.

All asset reviews are important, but they don't all result in rationalisation or disposal. Some lead to investment in improvements, redesign or redevelopment to deliver a different service use or maximise space, enable co-location with partners to maximise benefits, increase social value and other beneficial offers.

An Asset Review evaluates the strategic purpose for holding the asset, identifies opportunities and risks associated with the asset and analyses the performance of the asset. An analysis of this data, along with consultation with stakeholders of the asset determines an outcome as one of the following:

- Retain and manage in current form
- Retain and remodel
- Retain and redevelop
- Lease out (Income Generation)
- Dispose – in the short term (within 2 years)
- Dispose – in medium term (between 2 and years)
- Dispose – in long term (over 5 years)

Delivering Our Strategy

How we review our assets:

Locality Reviews

- Linking with partners via the One Public Estate Programme, to consider new ways of working and co-location opportunities
- Focusing on the assets required to deliver excellent service in each area or neighbourhood
- Implementing wider corporate objectives and cross cutting projects
- Identifying gaps in provision and finding innovative ways to address them
- Seeking opportunities to consolidate assets and reduce operational costs

Service Asset Planning

- Service Asset Management Plans (SAMPs) identify short medium- and long-term service asset requirements
- Unlocking innovative new models of service delivery
- Enabling alignment with service and people strategies
- Avoiding abortive work by understanding the current and future asset requirements of the service departments
- Managing the transitional period
- Strategic level and operational level joint planning meetings to support service area buy in

Portfolio Reviews

- By service area or service delivery purpose for example service redesigns
- By type or purpose – for example administrative buildings and depots
- By opportunity – Sustainable energy generation, income generating etc.

Individual Asset Plans

Assets are programmed for review according to priority, for example a poor performance score, pending lease break, or underutilisation.

Each asset will be assigned an asset plan and be managed according to its outcome.

- Fit to service strategy, invest to save, maintain, performance monitor, continually review, feasibility, implementation of project
- Manage commercially, maximise potential, performance manage, invest as required, continually review
- Innovation, invest to save, maintain, continually review
- Uplift potential value through planning, demolition etc, dispose for capital receipt

Exploring Opportunities Beyond Our Estate

When reviewing our asset base, we take a holistic approach that goes beyond the boundaries of our current estate. Whilst we assess opportunities within our owned portfolio to ensure optimal use and value, we also actively explore options outside of our ownership. This includes considering partnerships, shared spaces, and strategic acquisitions or disposals that align with our long-term objectives.

Delivering Our Strategy (2)

The Importance of Service Asset Management Planning

Strategic asset management planning forms the foundation of our property strategy. Unlike the private sector, local government asset management is intrinsically linked to the delivery of public services. This means our decisions must reflect wider social responsibilities, including obligations such as our role as a Corporate Parent. These responsibilities should not be viewed as constraints but embraced as integral considerations in the design and management of the estate.

Our Service Asset Management Plans (SAMPs) set out how we will manage and maintain our assets in line with Council and departmental service priorities.

Developing a detailed understanding of our service departments is critical to designing and managing an asset solution that meets their requirements. SAMPs are an invaluable tool to:

- Gain an understanding of the strategic business objectives and goals of the service departments
- Understand how their services are likely to change in the future
- Set out how Property will deliver property solutions to facilitate the delivery of services.

What is a SAMP?

The SAMP analyses the current and future asset requirements of the service, considers whether the current assets are fit for purpose, displays the service delivery aspirations, what buildings and spaces the service area need now and, in the future, identifies the gaps and helps to inform the future capital programme.

There is a SAMP in place for each of the Council's 4 departments:

- Adult Social Care and Health
- Children's Services
- Corporate Services and Transformation
- Place.

Each SAMP is a live document which is continually reviewed and updated by the Asset Management Team who work alongside service departments as they change, grow, and develop strategies, policies and deliverables.

This is all done by creating a programme of work relating land and assets to service strategies and needs via a set of short-, medium- and long-term projects.

Why is a SAMP important?

The SAMP allows Property to be at the heart of the Council's business, to support people and places, and sets out our roadmap to aligning our property resources and services to the needs of our services and the community.

It fundamentally allows Property to work in a more strategic way, as the future vision is a collaboration by all departments we support, meaning we can forecast, prepare, and maintain the property estate in a proactive and sustainable way.

Delivering Our Strategy (3)

What's in our Asset Plans?

Each asset already has an existing asset plan in place, and these plans will be reviewed over the next three years. When the initial review was undertaken, the council was emerging from the challenges of the Covid pandemic, transitioning towards more flexible ways of working, and responding to a significant budget crisis driven by rising social care costs and reductions in real-term budgets. Since then, we've been on a journey with our services, adapting, reshaping, and finding new ways to deliver.

The asset plans contain the most up to asset data and condition information.

The properties are performance bench marked against four criteria:

- Energy efficiency
- Running costs
- Maintenance Liability
- Suitability/Fitness for Purpose

Whole life cycle costings are also considered.

Performance is given a rating from very poor to good.

The ownership/use of the asset is challenged with regard to:

- Why do we have the asset?
- What corporate objective does it help to deliver?
- Is it required to deliver the outcomes of a service plan?
- Does it align with a service delivery strategy?
- Could the service be delivered from another asset?
- What social value does the asset deliver for the Council?
- Are there any risks associated with holding the asset?
- Are there any opportunities which could be exploited – e.g. alternative uses, lease out?
- What are the barriers to exploiting these opportunities?
- What are the risks to exploiting these opportunities?

The plans also include:

- a development appraisal to determine whether the asset has any development potential and if so, whether the Council would be best to capitalise on that potential, either now or in the future.
- an options appraisal, which covers whether the asset could be repurposed, sold or including in an asset rationalisation project, with the aim of reducing the number and cost of assets in a locality, with costs, benefits and risks.

The outcome is then summarised with an action plan and the actions are tracked to ensure they are implemented.

The asset plans are live documents, which can be used to inform strategic decision making and asset management decisions.

They can be reviewed as any new information affecting the use of the building comes to light and in any event, the asset plans are regularly reviewed as part of the rolling programme.

Thinking as One Derbyshire Estate

Local Government and Reorganisation (LGR)

The UK Government said their 'ambition is to simplify local government, by ending the two-tier system and establishing new single-tier unitary councils.'

'This is a once in a generation reform and our vision is clear: stronger local councils empowered across local services, equipped to drive economic growth, improve local public services and empower their communities.'

Local government reorganisation in Derbyshire will have a significant impact on how services are delivered across the county. The proposed changes aim to simplify the current two-tier system—where services are split between district/borough councils and Derbyshire County Council—by creating unitary authorities that deliver all services within their area.

LGR presents a powerful opportunity to reshape how public assets are managed and deployed. Strategic Asset Management (SAM) enables councils to unlock value, improve service delivery, and deliver meaningful change for communities.

SAM delivers more than efficiency—it enables:

- Better use of land and buildings to meet local needs.
- Cross-sector collaboration through shared spaces.
- Community-focused planning that supports resilience and inclusion.

The opportunity to consider and manage the whole public estate as a single system will reduce duplication and creating efficiency, enabling asset consolidation, whilst simultaneously opening up investment and development opportunities to the market from surplus and consolidated land and property assets. These currently hidden investment, regeneration and development opportunities which can contribute to local, regional and national priorities are one of the most exiting outcomes of LGR.

A flagship example of asset-led regeneration is the Smedleys Hydro redevelopment in Matlock. This ambitious scheme will transform the historic County Hall site into a vibrant mixed-use development.

Beyond Smedleys Hydro, reorganisation opens up further opportunities across the public estate to leverage HQ developments—unlocking land, repurposing surplus buildings, and aligning assets with both corporate and community needs.

One Public Estate

Objectives

The core objective of **One Public Estate Programme** is **to support regionally based partnerships of public sector bodies in using their estates collaboratively to help deliver multiple outcomes** such as the transformation of public services, securing better value for money from partner property assets, creating new homes, and supporting economic regeneration.

Locally the East Midlands OPE programme **is hosted by Derbyshire County Council** , with over 30 partners dispersed over the largest OPE programme area in the country, Derbyshire and Nottinghamshire possesses a unique set of ingredients to collaborate for the **benefit of a diverse range of communities and support the priorities of the East Midlands Combined County Authority and Local Government reorganisation.**

The OPE Vision

The vision for the OPE Partnership is to collaborate by design. That means opting for collaborative strategies, initiatives and projects unless there are good reasons to do otherwise. And by opting for collaboration as the default position, we will achieve an incrementally better public estate overall.
The commitment of the partnership is underpinned by the **Property Charter.**

A better estate will be:
More closely align the estate with business needs.
Appropriately located, sized and configured.
Fit for purpose and demonstrating lower whole life costs.

A smaller public estate will mean:
Day to day revenue savings
Capital tied up in property assets will be released and surplus assets re-purposed.
Better value for money.

Helping to Deliver Financial Strategies

Capital Strategy

The framework established by the Prudential Code for Capital Finance in Local Authorities supports local strategic planning, local asset management and proper option appraisal.

The Council's approach to capital investment is fundamental to the financial planning process and ensures that:

- An affordable and sustainable capital programme is delivered
- Use of resources and value for money is maximised.
- A clear framework for making capital expenditure decisions is provided
- A corporate approach to generating capital resources is established
- Access to sufficient long-term assets to provide services are acquired and retained
- Invest to save initiatives to make efficiencies within the Council's revenue budget are encouraged
- An appraisal and prioritisation process for new schemes is robust
- Capital expenditure contributes to the achievement of the Council's strategic plan

The Asset Management Strategy supports the Council's Capital Strategy by ensuring that all asset decisions are based on robust processes, sound business cases and in full consideration of the Council's wider strategic objections. In particular:

- Every asset is reviewed in a number of ways, its place in our portfolio is challenged, and those surplus to requirements or poorly performing are disposed of
- Asset disposals are programmed, with the resultant capital receipt able to reduce the capital borrowing required and/or support other programmes
- Assets plans contain whole life costing information, enabling long term capital liabilities to be projected and factored into decision making
- Robust Service Asset Planning, ensures that property interventions are targeted on the long-term asset needs of the organisation, reducing abortive capital spend
- Asset reviews ensure that all options are considered and that the best consideration is gained for the Council
- Our assets are considered as part of the One Public Estate programme, ensuring that resources and value for money is maximised across the entire public sector portfolio
- Governance is in place to ensure that asset decisions are considered, within the context of the wider corporate objectives and in a way which is transparent and accountable and auditable

Helping to Deliver Financial Strategies Cont.

Commercial Activity and Investment Property

The Asset Management Strategy sets out a new approach to managing property as more than just a cost to the organisation. It positions property as a strategic asset that can deliver long-term financial and service benefits. Traditionally, investment property is defined by the CIPFA Code as assets held for rental income or capital growth. Building on this principle, the Council is creating a clear framework for asset review, planning, and identifying commercial opportunities to unlock this potential.

The strategy focuses on generating income and capital growth from underused assets without relying on borrowing. It ensures that acquisitions and disposals are aligned with corporate priorities, creating a flexible, performance-driven estate. This approach strengthens financial resilience and supports service transformation, turning property into a key driver of value for the Council and the communities it serves.

Financial Plan

After our people, our property assets are our largest and most valuable resource and also our greatest cost.

Like almost all local authorities Derbyshire County Council is looking to make strategic property decisions which generate savings, new income streams or capital receipts, which contribute to reducing the increasing funding gap.

In support of this, all assets are considered both corporately and commercially.

Effective asset management also mitigates the holding costs for those assets we retain and manage because they are essential for service delivery.

Our Asset Management Strategy ensures that every asset we own is reviewed and challenged, identifying those which are performing poorly and taking appropriate steps to reduce costs and/or increase income.

A centralised approach to managing our property budgets ensures that the true cost is understood and reported and decisions are consistently made in accordance with corporate priorities.

The activities supporting the Asset Management Strategy will ensure that costs and potential savings can be projected, with the plan that this data will eventually be available over a 25 year period, creating greater budget certainty.

Service Delivery Strategies

Our approach to managing property finances is designed to support the Medium-Term Financial Plan (MTFP) by making sure we understand the full cost of running our buildings and use this information to make better decisions. By planning ahead and managing our assets more effectively, we can reduce costs, make better use of space, and reinvest in the buildings we need for the future.

A key part of this is strengthening the Corporate Landlord model. This gives us a single, consistent view of all property-related spending across the organisation. It also makes it clear what it really costs to deliver each service, including building maintenance, compliance, utilities, and lifecycle replacement. This transparency helps services understand the property impact of their decisions and encourages more efficient use of space and resources.

Helping to Deliver Other Key Council Priorities

Our property outcomes are designed to align with existing strategic frameworks, and we will proactively adapt to reflect any revisions or emerging priorities as strategies are reviewed and updated.

Local Government and Reorganisation (LGR)

Our Strategy embraces the opportunities Local Government Reorganisation brings. Our vision and approach are detailed on page 11.

Workplace, Wellbeing and People Strategies

Our Asset Management Strategy is a key enabler of organisational goals related to people, wellbeing, and the workplace. By aligning the property portfolio with strategic priorities, organisations can create environments that support employee engagement, productivity, and collaboration. This includes ensuring that buildings are flexible, well-maintained, and responsive to evolving workforce needs—such as hybrid working models and multifunctional spaces.

The strategy contributes towards wellbeing of our staff and residents by maintaining safe, comfortable, and accessible environments. While not the sole driver of wellbeing, the physical workplace plays an important role in supporting staff through good lighting, ventilation, and ergonomic design. Ensuring compliance with health and safety standards and providing spaces that are clean, functional, and inclusive helps foster a positive working experience.

From a workplace strategy perspective, effective asset management enables smarter use of space and resources. Through data-driven insights and lifecycle planning, we will optimise occupancy, reduce costs, and improve sustainability. This supports transformation goals by ensuring that the estate is agile, efficient, and aligned with service delivery needs.

Equality, Fairness and Opportunity

Equality, fairness and opportunity at Derbyshire County Council means that all colleagues and our communities will have a voice, ensuring we listen and engage, shape and respond to enable an inclusive culture. As a result, our inclusive culture will ensure equality, fairness and opportunity underpins our planning and service delivery leading to improved outcomes for our communities.

There is work to be done in ensuring that we can deliver on this pledge, but our asset planning process ensures that fitness for purpose is a consideration in all property decisions. Our suite of performance criteria for capital works will ensure that equality and accessibility are considered in the design of new spaces and the delivery of property management.

Helping to Deliver Key Drivers Cont.

Corporate Environment Policy

- Our Corporate Environment Policy establishes the overarching principles that demonstrate our commitment to championing, protecting and enhancing the environment
- Our property portfolio has an important role to play in delivering this policy by:
  - Using fuel, energy, and water efficiently
  - Seeking opportunities for the generation and use of clean energy
  - Conserving and enhancing biodiversity through the implementation of asset management policies and procedures
  - Using resources in a sustainable way and reducing waste
  - Preparing for more adverse and extreme weather by enhancing the resilience of the estate to hazards such as severe heat, storms, and flooding

Regeneration and Economic Growth

The strategy aims to contribute towards regeneration and economic growth in Derbyshire by ensuring, where possible, the Council's land and property portfolio is used, directly or indirectly, to facilitate and support regeneration projects resulting in economic growth. For example, Council owned land could be developed to provide housing or employment, or Council land could be used to generate sources of income that could be invested in regeneration schemes.

Heritage

Through careful planning, adaptive reuse, and partnerships with community and private stakeholders, historic properties can be positioned for viable uses—such as hospitality, office space, or cultural venues—while preserving their character. This approach reduces reliance on public funds, supports tourism, creates jobs, and attracts investment, ensuring heritage assets remain accessible and resilient for future generations.

East Midlands Combined County Authority (EMCCA)

The East Midlands Combined County Authority (EMCCA) is a new devolved governance structure created under the Levelling-up and Regeneration Act 2023. It covers Derbyshire and Nottinghamshire and introduces a directly elected Mayor with powers over transport, housing, skills, economic development, and climate initiatives. EMCCA brings £4 billion of funding to the region, including:

- £1.14 billion investment fund over 30 years
- £1.5 billion for transport
- Additional allocations for housing, brownfield land, and adult education

The aim is to devolve decision-making, improve infrastructure, and drive inclusive growth across the region.

In response to the creation of our focus moves towards strategic alignment with EMCCA's priorities, such as housing delivery, transport connectivity and regeneration objectives. This means reviewing existing portfolios to identify land and property that can support housing schemes, transport hubs, and sustainable infrastructure projects.

In addition to strategic alignment, EMCCA brings substantial funding opportunities for councils. With billions allocated for transport, housing, and economic development, there is a clear incentive to develop asset pipelines that can attract investment. EMCCA are a key stakeholder to help to unlock value from strategic land holdings. This proactive approach will ensure that assets contribute to regional priorities and maximise financial returns.

An example of a project where we can work together is our asset-led regeneration of Smedleys Hydro in Matlock. This ambitious scheme will transform the historic County Hall site into a vibrant mixed-use development benefitting the whole region and Derbyshire.

Supporting Property Strategies

Property Maintenance Strategy

This strategy ensures that property & land assets are maintained, whilst maximising value from the available budgets by directing tailored maintenance services, in line with asset categorisation.

Maintenance definition – the proactive prevention or remedial correction of defects to the building fabric and its associated plant and equipment.

The strategy will cover the following areas:

- Condition surveys to support asset planning – rolling 5 year programme
- Premises reviews
- Statutory compliance including health & safety for the estate
- Reactive repairs (day to day)
- Planned preventative maintenance (PPM) to reduce the likelihood of more costly reactive repairs
- Whole Lifecycle Costing
- Reduction in maintenance backlog and burden
- Limiting disruption to service delivery
- Aligning maintenance interventions with Asset Plan outcome
- Maximising available budgets

Estate Management Strategy

This strategy protects and maximises value from the estate throughout the full life cycle of assets. It covers the following:

- Essential, accurate and reliable asset valuations
- Proactive lease management including expert Landlord and Tenant advice
- Positive management of the Estate
- Protecting and challenging land and property rights and legislation
- Maximising returns from new lettings and other income generation opportunities

Commissioning Strategy

This strategy is a framework for delivering an efficient and sustainable estate in line with Service Asset Management Plans.

The Commissioning Strategy is key to the strategic planning of capital programmes and delivering the future estate, ensuring that the Council is an intelligent client in development commissions.

Our Strategy will be supported by a suite of documents setting out the performance criteria for all capital developments.

This suite of design standards will ensure that the running costs, energy use and lifecycle costs are agreed in advance of any works commencing, so that the Council as client can predict future lifecycle costs for the assets

Supporting Property Strategies Cont.

Facilities Management Strategy

The objective of the Facilities Management Strategy is to deliver a high-performing, sustainable, value-for-money, customer-focused facilities management service, which maximises efficiencies, optimises resources and enhances the overall experience for our community.

The strategy will ensure all facilities are efficiently managed, sustainable and tailored to meet the needs of the organisation. This alignment will enhance the overall environment and ensure that our property portfolio is affordable, sustainable, and pivotal in delivering the Council's priorities.

Facilities Management can play an important role in the business performance of the Council and contribute to savings by ensuring all of our spaces are fit for purpose, harmonic and well utilised and we are not hindered by ‘dead’ or wasted space.

The planned CAFM platform will underpin the delivery of a high-performing, sustainable FM service. It will enable planned and reactive maintenance scheduling, statutory compliance workflows, and mobile inspections.

The system will improve responsiveness, reduce downtime, and ensure that all facilities are managed efficiently and in alignment with Council priorities.

The following are the strategic objectives:

- Maintain safe, friendly and comfortable user-focused working environments
- Drive efficiency through actionable insights
- Improve energy efficiency and lower cost
- Create tools and resources and use data and technology to promote efficient FM
- Continuous improvement to evolve as needs change

Disposals and Acquisition Protocol

The Disposal and Acquisition Protocol provides a framework to be ambitious and add value from surplus and underutilised land and property whilst rationalising the Estate. The Council will:

- Deliver ambitious redevelopment and disposal opportunities
- Generate income to support delivery of services
- Release capital from the estate to deliver the Capital Strategy
- Rationalise the estate in line with Council Plan key actions
- Embed enterprising and innovative methods to deliver the Council Plan
- Provide a consistent and considered approach to the appraisal of assets for disposal

Responding to Key National Policy Drivers

The Energy Efficiency Emerging Legislation:

Since April 2023, landlords in England and Wales are not allowed to rent out commercial buildings with very poor energy ratings (EPC rating of F or G), unless they've officially registered an exemption.

The government plans to tighten these rules further: by April 2027, rented commercial properties will need at least a C rating, and by April 2030, they'll need a B rating to be legally let.

These future changes are still under review, but they're part of a wider effort to make buildings more energy-efficient and reduce carbon emissions.

Environmental Sustainability

It is our responsibility to do our utmost to protect and enhance our environment for the benefit of the county's residents, communities, and businesses, now and into the future.

The impact of rising energy costs on Council budgets is already a very real challenge. The Council is committed to reducing its energy use to minimise these costs and the environmental impacts associated with energy use – through reducing our energy demand and seeking opportunities for the generation and use of clean energy.

In addition, incidences of adverse and extreme weather are expected to increase and there is a danger that years of underinvestment in property maintenance will result in higher levels of damage to our assets from environmental hazards such as severe heat, storms, and flooding.

Responding to Key National Policy Drivers (2)

Public Sector Building Condition Challenge

Our portfolio consists of a wide variety of buildings from newly built assets to heritage assets, several hundred years old.

Our property data is inconsistent, as a result of a tendency to focus on the fundamental basics of statutory compliance, the piecemeal allocation of budgets and responsibility for assets across the service areas and the resultant lack of central accountability and the reduction in resources.

This creates a significant challenge, but it has been recognised that we need to address the backlog of maintenance liabilities, and our Maintenance Strategy will focus on this key area.

The three-year programme of asset review and planning, resulting in the creation of an asset plan for every asset, based on accurate condition and performance data, is key to ensuring that we understand the position of our estate and lead to the necessary intelligence for us to release or improve poorly performing assets and align our estate with our strategic values.

Decent Homes England – Emerging Legislation:

The proposed changes for residential properties are currently under consultation, with implementation expected between 2035 and 2037 to allow landlords sufficient time to adapt. Key areas of focus include ensuring homes are free from damp and mould, with clear guidance on addressing these issues; meeting minimum space standards for kitchens, bathrooms, and toilets; complying with thermal comfort requirements linked to Energy Performance Certificates (EPC); maintaining properties in a reasonable state of repair with modern facilities; and incorporating appropriate security measures.

High Street Rental Auction (HSRA) – New Legislation December 2024:

New legislation empowers local authorities to auction leases of long-term vacant commercial properties in designated high streets or town centres.

Assets Of Community Value - Proposed changes to The Localism Act 2011

The Bill aims to strengthen community rights and simplify the process of protecting local assets.

Key Changes:

- New Community Right to Buy: Community groups will have first refusal on ACVs and 12 months (up from 6) to prepare a bid.
- Appeal Rights: Community groups can appeal local authority decisions on ACV designations.
- Broader Definition: The scope of ‘community value’ will expand to include economic and historical significance.
- New Category – Sporting Assets: A separate designation for Sporting Assets of Community Value will allow communities and clubs to acquire freeholds of eligible sports grounds.

We have developed a clear and transparent process to ensure fairness and strong governance around the management and disposal of assets with community interest. This process is available on our website.

Measuring Success and Performance

Year 1:

- ✓ Finalise and publish the Asset Management Strategy and appendices (reviewed annually, presented every 3 years)
- ✓ Complete Service Asset Management Plans (SAMPs)
- ✓ Publish Hub Strategy and identify locations
- ✓ Set performance targets and capital receipts goals
- ✓ Launch 5-year Planned Maintenance Programme aligned to SAMPs
- ✓ Publish Space Strategy
- ✓ Design an affordable FM service with SLAs and new working models
- ✓ Manage assets within budget
- ✓ Develop of realistic and transparent best, likely and worst case Medium Term Financial Plan
- ✓ Deliver of a full Corporate Landlord model in which all property, property budgets and decision making are centrally managed by Property professionals

Year 2:

- ✓ Implement the asset plan outcomes of either disposal, retain and manage/develop or lease out T
- ✓ Develop whole-life costing model to support MTFP
- ✓ Advance Hub site delivery
- ✓ Reflect and respond to Local Government Reorganisation outcomes
- ✓ Implementation of a new CAFM / Asset Management solution

Year 3:

- ✓ Deliver a rolling programme to review every asset and challenge why we are holding it
- ✓ Create a programme to future proof the estate from increasingly extreme weather.
- ✓ Implement effective, affordable property management model
- ✓ Strengthen partnership working and place-based delivery (including One Public Estate)

By the end of 5 Years:

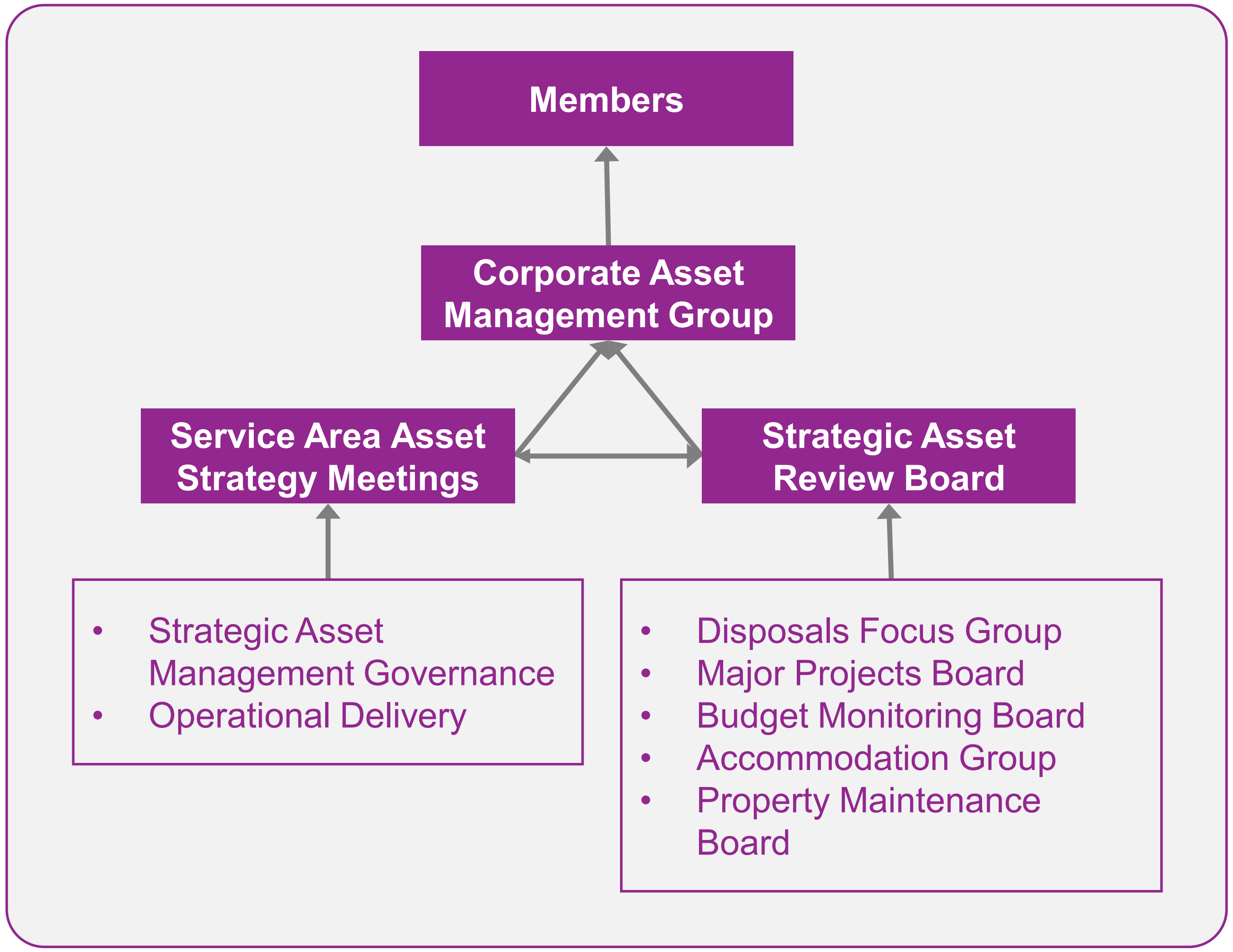
- ✓ Implement all asset plan outcomes of either disposal, retain and manage/develop, or lease out
- ✓ Deliver new low-energy headquarters
- ✓ Establish hub-and-spoke model
- ✓ Complete asset optimisation programme
- ✓ Forecast 25-year revenue savings across the portfolio

Our Governance

The governance ensures that property decisions are made using the best of our property expertise, that there is a clear programme showing how service areas are involved in the planning and decision-making processes around their asset needs and that the strategy itself and strategic asset management decisions are overseen corporately, via the Corporate Asset Management Group (CAMG).

The key board in Property is the Strategic Asset Review Board (SARB), which is attended by all senior managers within property, as well as all members of the Asset Management Team and key business partners from all support functions. The asset reviews and plans are signed off at this meeting and the key deliverables and outputs are captured, monitored and then reported into the Corporate Asset Management Group and others as appropriate.

From time to time additional core and sub-groups are added to the Property suite of governance meetings, to report into the Strategic Asset Review Board.



Appendices

A3 – Property Maintenance Strategy
A4 – Estate Management Strategy
A5 – Commissioning Strategy
A6 – Facilities Management Strategy
A7 – Disposals and Acquisition Protocol