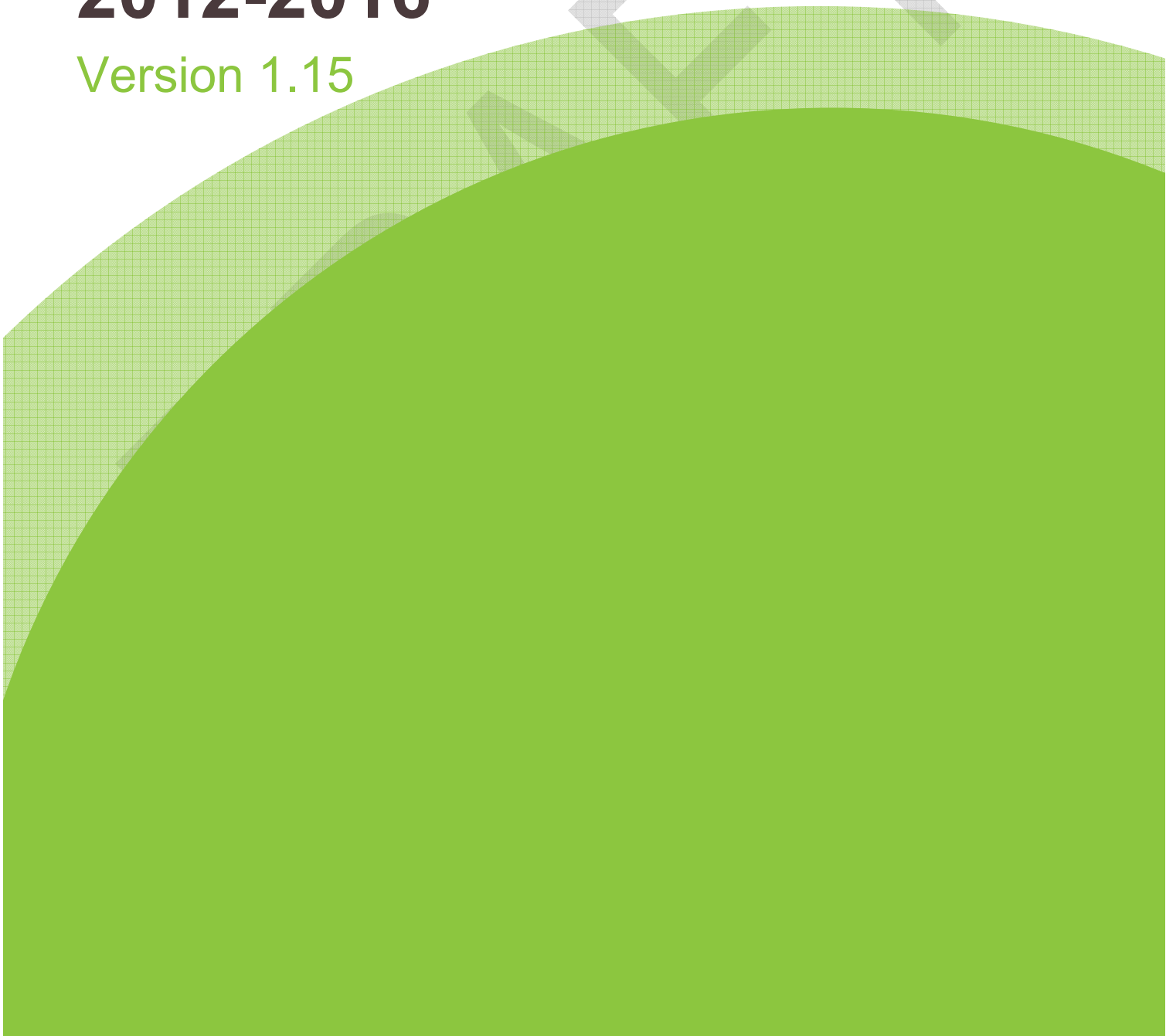


# CORPORATE ASSET MANAGEMENT STRATEGY 2012-2016

Version 1.15



### **Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources**

It gives me great pleasure to present the Council's medium term Corporate Asset Management Strategy.

The strategy sets out our approach to the effective management and development of our land and property assets over the next four years. The approach is framed within the context of the Council's strategic objectives, vision and values, and the Medium Term Financial Plan.

The Council has made considerable progress towards establishing a solid and sustainable foundation for the management of our land and property assets, I nevertheless acknowledge we are only part way through the journey towards efficiency and effectiveness.

The Council has developed a vision for our land and property assets and that is we will only use property that supports and sustains delivery of our services.

In assessing where we have reached, and where we need to get to over the next four years the Council has also established five corporate priorities for the effective management of our land and property assets, these are:

1. Delivering cost effective and efficient acquisition, disposal and management of land and property to meet safe service delivery, and investment needs.
2. Realising our strategic ambitions in the delivery of our regeneration strategies and projects.
3. Reviewing and delivering the maximum financial and optimum operational benefit from our property assets, including with partners.
4. Acting as the Corporate landlord for Central Bedfordshire Council's estate.
5. Community development through our property asset portfolio.

In particular, the first two years of the strategy have been planned in detail. A key requirement will be for the strategy to be reviewed, refreshed and updated on an annual basis.

As part of the strategy the Council has identified a wide range of actions which form the implementation plan to meet the identified priorities. The strategy also includes a number of key performance measures from which achievements and successes within the strategy can be monitored.

In particular the Council is seeking to rationalise its office accommodation in order to save significant costs, and to promote flexible ways of working, and delivering services. In addition the Council is seeking to receive capital receipts in excess of £50 million, or the

benefit in kind, during the period of the strategy, to be re-invested into effective service delivery. The Council will also consider the property related impacts from the comprehensive Social Services Review in 2012/13. The Council also has to deliver a major schools' re-provision and replacement programme over the course of the period, and beyond, worth some £93 million.

I commend the Corporate Asset Management Strategy to you.

**Councillor Maurice Jones**






**Deputy Leader and Portfolio Holder Resources**

DRAFT

## EXECUTIVE SUMMARY

1. The Corporate Asset Management Strategy represents the Council's view as to how it will effectively and efficiently manage and develop its property and land assets over the four year period 2012-2016. The scope of the strategy extends to all the building and land assets owned or leased by the Council only. The strategy will be reviewed annually to coincide with budget setting.
2. The Council's property and land portfolio (including Council Housing) is currently valued at £965 million. The portfolio comprises 1,460 assets, 432 buildings (a total floor area of 445,000 square metres), and 3,631 hectares of land.
3. The five year maintenance backlog liabilities (for Corporate and Schools buildings, and Council Housing) amount to £140 million. The whole life costing position is £1,239 million liabilities.
4. The Council has identified key service delivery and financial benefits from implementation of the strategy.
5. The strategy is set within the context of the Council's current vision, priorities and values, and its medium term financial plan.
6. The Council has adopted a vision for its property assets:  
"The Council will only use property that supports and sustains delivery of our services"

In setting that vision the Council has also identified five key priorities within the Corporate Asset Management Strategy, these are:

-  Delivering cost effective and efficient acquisition, disposal and management of land and property to meet safe service delivery, and investment needs.
-  Realising our strategic ambitions in the delivery of our regeneration strategies and projects.
-  Reviewing and delivering the maximum financial and optimum operational benefit from our property assets, including with partners.
-  Acting as the Corporate landlord for Central Bedfordshire Council's estate.
-  Community development through our property asset portfolio.

7. Given the size, scale and complexity of the property and land assets portfolio the Council has considered the Corporate Asset Management Strategy as it applies to the following parts of the portfolio.
  - Schools/Children's Services
  - Community assets
  - Corporate/Service
  - 'Care' properties
  - Regeneration
  - Council Housing
  - Investment properties
  
8. The key property priorities in connection with the Schools/Children's Services part of the portfolio are:
  - Support to the vesting of academy schools
  - Delivering the schools' capital programme
  - Delivering the schools' carbon reduction programme
  - Rolling condition surveys and valuations
  - Exercising our statutory responsibilities for schools and other buildings
  - Delivering the New School Places Capital Programme of £93 million
  
9. The key property priorities in connection with the regeneration part of the portfolio are:
  - Town Centre regeneration in Flitwick, Leighton Buzzard and Dunstable
  - Delivering £40 million of capital receipts, or the benefits in kind, from the Local Development Framework key sites (five) over the course of the strategy, with further receipts to follow.
  
10. The key property priorities in connection with the Corporate/Service part of the portfolio are:
  - Delivering the Medium Term Accommodation Plan
  - Delivering the Corporate Building Capital programme
  - Delivering the carbon reduction programme
  - Delivering the surplus property disposal programme worth £14 million over three years
  - Rolling condition surveys and valuations
  
11. The key property priorities in connection with the 'care' properties are:

- Managing the property asset needs and changes arising from the Social Services Review
  - Confirming retain and improve/dispose decisions on assets not fit for purpose
  - Exploring synergies between Adult Social Care property asset needs, and those of partners
  - To be part of developing an ASC programme of capital development by 2013/14
12. The key property priorities in connection with Council Housing are:
- Continuing to manage retail premises which form part of the Council housing portfolio
  - Aligning surplus corporate assets where possible to meet the increased need provision of temporary housing accommodation and other housing need.
13. The key property priorities in connection with our community assets are:
- Meeting the requirements of the Localism Act
  - Supporting delegation or devolving of services to Town and Parish Councils through the property asset base where possible
14. The key property priorities from our investment properties are:
- Improving the yield from the investment property, to 8% by 2016
  - Reducing voids by 8% over the period of the strategy
15. The Council has agreed a series of key performance indicators to measure the effectiveness and efficiency of how we manage our property assets. Specific performance improvement plans over the life of the strategy form part of these KPIs.

# INDEX

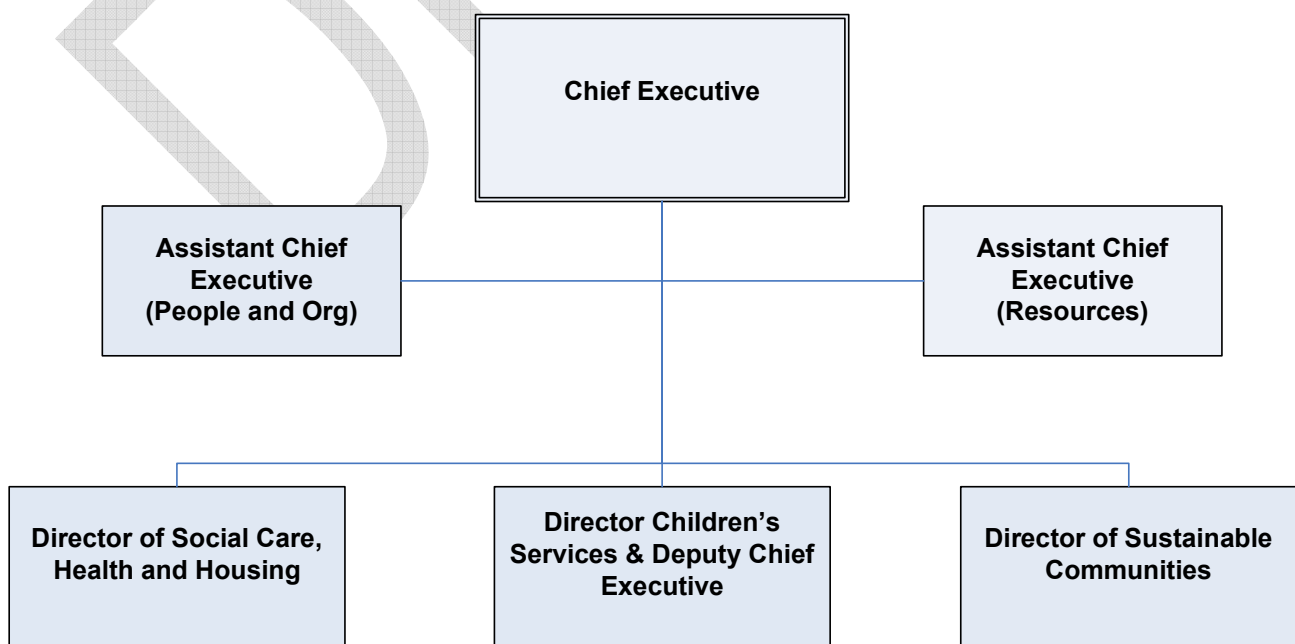
Chapters	Page No
<b>1. Introduction</b>	
<b>2. Progress to Date in Managing Land and Property Assets</b>	
<b>3. Scope and Benefits from the Strategy, Review and Development</b>	
<b>4. Corporate Vision, Priorities and Values and the Council's Medium Term Financial Plan</b>	
<b>5. Vision and Priorities for Land and Property Assets in CBC</b>	
<b>6. CAMS 2012-2016</b>	
6.1. Children's Services (Schools and Non-Schools)	
6.2. Corporate/Service Portfolio	
6.3. Regeneration	
6.4. Care Portfolio	
6.5. Council Housing	
6.6. Community Assets	
6.7. Investment Portfolio	
6.8. Performance Indicators	
6.9. Implementation of Priorities	

# 1. INTRODUCTION

- 1.1. Central Bedfordshire is located on the northern fringe of London, with a population of just under 250,000. Its location places it 'on the edge' of other regional groupings such as East Midlands, South East and Eastern Regions. It is part of the Eastern Region.
- 1.2. There is a local airport (Luton) and good North to South road and rail links, but East to West travel is more difficult, and there is concern that the area is seen as a place to travel through or commute from, rather than to stay and work in. Recent population growth has put pressure on the existing transport infrastructure.
- 1.3. The Council sees regeneration and economic development with the consequent impact on housing and schools' provision as a key strategic driver. The Council also has to respond to the demographic profile of elderly and very elderly residents within its geographic area and align our property assets accordingly. The Council's property and land assets have a key role to play in enabling these strategies.

## 1.4. Organisation and Political Structure

- 1.4.1. The Council is Conservative controlled there being 49 Conservative Councillors, 5 Liberal Democrat, 4 Independent and 1 Labour. The Council has a cabinet of 8 Councillors including the Leader and Deputy Leader.
- 1.4.2. The structure of the Corporate Management Team is shown below.
- 1.4.3. The Council's land and property assets (excluding Council Housing) are managed by the Assistant Chief Executive (Resources)





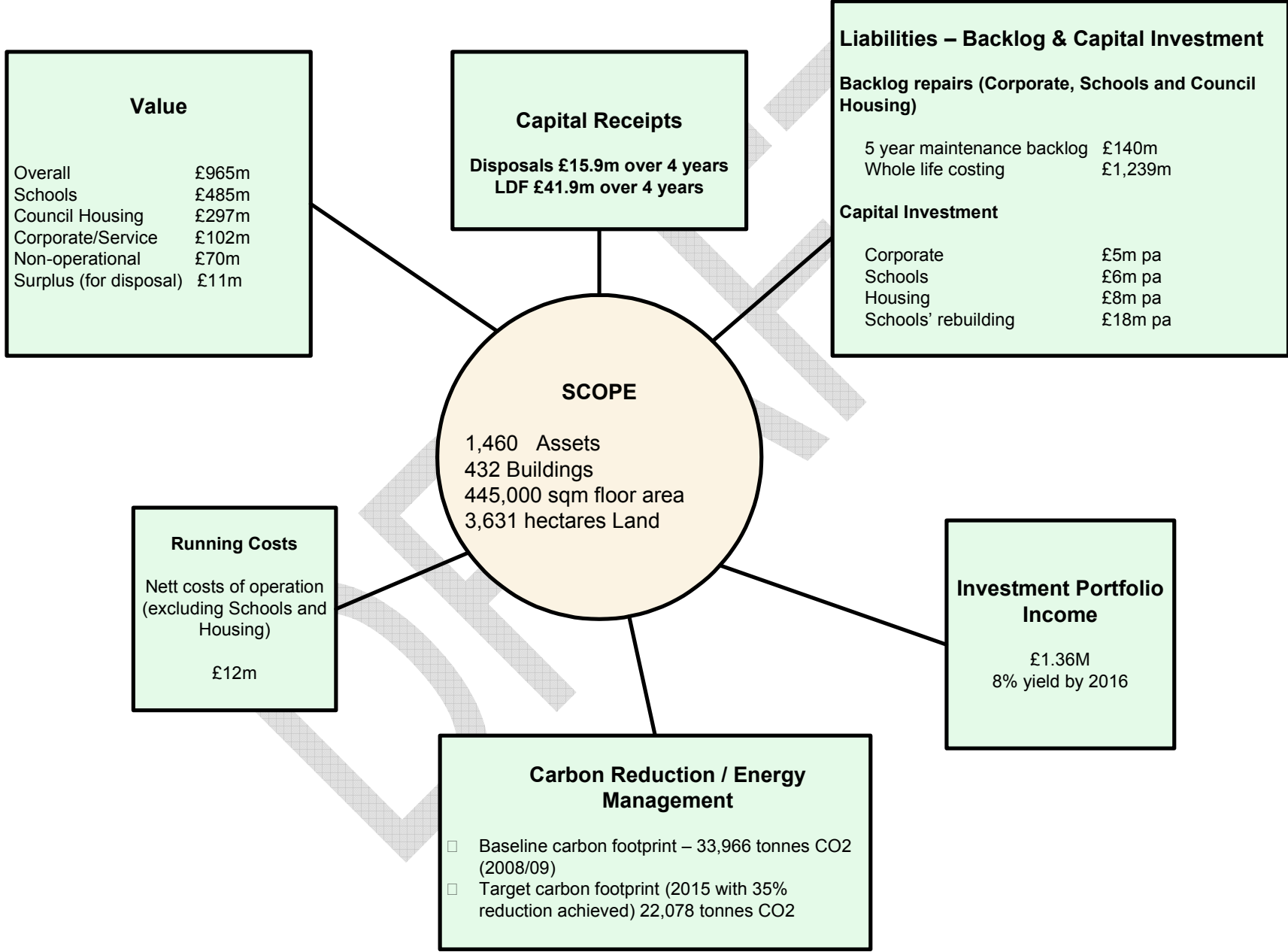
## 1.5. Context

- 1.5.1. This Corporate Asset Management Strategy (CAMS) needs to be read in the context of the wider changes underway in the Council to meet challenging financial targets set by the government whilst maintaining frontline service delivery across the range of Council Services.
- 1.5.2. It provides an overarching strategic framework over a period of four years within which to plan, co-ordinate and control the strategies, projects and initiatives designed to maximise the efficiency and effectiveness with which the estate is managed in support of overall Council aims and objectives.
- 1.5.3. Improving the management of land and property assets is a key objective for the Council. Effective asset management will produce significant financial efficiencies, particularly in the medium to long term. It will ensure the property assets of the Council are appropriate to the needs of users of Council Services, the community, and other stakeholders.
- 1.5.4. The Council now has a Medium Term Financial Plan which, amongst other things, will enable a greater focus on frontline services. Its implications are radical and far reaching, requiring change plans of significant scale.
- 1.5.5. In the area of land and property asset management the Council is making important changes which not only represent good practice in asset management planning but which are fundamental to the Medium Term Plan.
- 1.5.6. The size and scope of the Council's Property Asset portfolio is set out below.

## 1.6. The Asset Portfolio

- 1.6.1. The Property Asset portfolio has a balance sheet value of £965 million.
- 1.6.2. There are currently 1,460 separate assets in the portfolio, of which 432 are buildings, the remainder being land holdings (3,631 hectares in total).
- 1.6.3. The five year maintenance backlog liability on the portfolio amounts to £140 million.
- 1.6.4. The nett running costs of the portfolio (excluding schools and Council Housing) are £12 million per annum.
- 1.6.5. The investment property in the portfolio provides an income of £1.36 million per annum.

# Corporate Asset Management Strategy - Portfolio Summary



## 2. PROGRESS TO DATE IN MANAGING LAND AND PROPERTY ASSETS

- 2.1. The Council has recognised that it needs to make major advances in its approach to strategic asset management planning to secure sustained, long lasting results.
- 2.2. During 2010/11 the following steps towards best practice in asset management were taken:
  - 2.2.1. The quality of existing property and asset data was cleansed.
  - 2.2.2. The recording and accessibility of property and asset data was improved and made secure.
  - 2.2.3. A property acquisition/disposal protocol was agreed by the Council, including revisions to property asset related delegations.
  - 2.2.4. The Council proceeded with the first disposals of property since its inception, receiving capital receipts of over £1.4m. Similarly town centre land in Flitwick was acquired (utilising GAF funds).
  - 2.2.5. The (officer) Corporate Asset Management Group (CAMG) was re-established with agreed (advisory) terms of reference.
  - 2.2.6. The Assets team skills set were enhanced by 29 ex-Mouchel employees following the team.
  - 2.2.7. The carbon reduction targets on Corporate buildings were met.
  - 2.2.8. Assets stopped providing subsidised catering, grounds maintenance and cleaning management services to schools (physical sign off was end of summer term 2011).
- 2.3. A short term (one year) Corporate Asset Management Plan was produced for 2011/12, achievements to date include:
  - 2.3.1. Improved (industry standard) five year rolling assessment of the level of condition and backlog capital investment requirements in the portfolio.
  - 2.3.2. A shift towards compiling Whole Life Costing (WLC) data on our property assets, for use in retain/dispose key decisions.
  - 2.3.3. Specification of an integrated property ICT database system.
  - 2.3.4. The YourSpace initial corporate accommodation strategy was completed. Following lease surrenders further accommodation moves were made to Technology House, Priory House and Watling House in Autumn 2011. The next stage of the corporate accommodation strategy is now being scoped out.
  - 2.3.5. A property review process has been introduced with Directorates which tests the suitability, sufficiency and future needs of the property assets in question.

- 2.3.6. Property asset budgets have now been centralised as a first step of the move towards a corporate landlord approach. Related SLAs are in the process of being completed.
- 2.3.7. The schools capital programme throughout the 2011 summer holiday break was delivered very largely to time with overruns attributable only to issues ensuing beyond our control.
- 2.3.8. The initial programme of capital investment in our buildings leading to sustained carbon reduction and energy savings is now being rolled out.
- 2.3.9. The shops part of the investment portfolio was reviewed with the result that a number of shops not delivering the target yield have been declared surplus and are in the process of disposal.
- 2.3.10. The surplus property disposals programme continues with a target of £6.11m for this year.
- 2.3.11. Following an effectiveness and efficiency review the Facilities Management structure was changed to be more cost effective and the Facilities Management print service was externalised following a competitive procurement process. Catering is now going through a similar process of competitive procurement.
- 2.3.12. The Assets' team supported Children's Services in the Dunstable and Houghton Regis schools' review. Service reviews have also been supported, including libraries and leisure.
- 2.3.13. The Assets' team, together with Legal, continue to complete the long term leases for schools converting to Academies (17 to date).
- 2.3.14. The Assets' team worked with Regeneration and Planning colleagues in developing masterplans for Flitwick, Arlesey and Leighton Buzzard, and the now agreed plan for the 'Incuba' project in Dunstable.
- 2.3.15. The Assets' team have worked with Regeneration colleagues on the challenges affecting the retail offering in Dunstable Town Centre.
- 2.3.16. As part of the Bedfordshire Chief Executives Forum the Assets' team digitally mapped, and shared our asset GIS details with other Local Authorities, Police, Fire and Rescue, and Health colleagues within the Bedfordshire geographical area.

### **3. SCOPE AND BENEFITS FROM THE STRATEGY, AND REVIEW AND DEVELOPMENT**

#### **3.1. Scope**

The scope of this strategy covers all of the land and building property assets owned or leased by the Council (but excludes ICT, Highways and Transport).

The strategy sets out a programme of actions for each year of the plan to maintain and improve the effectiveness and efficiency of the land and property assets portfolio. In so doing this will deliver key benefits both in terms of service and finance.

#### **3.2. Service Delivery Benefits**

Service delivery is directly affected by the way we provide, utilise and manage our property assets. An effective Asset Management Strategy in this context minimises an Authority's exposure to premises costs thereby enhancing the overall financial position and enabling retention and improvement of the range and quality of services provided to the local community, specific benefits are:

- 3.2.1. Better alignment of accommodation needs with service need and service plans.
- 3.2.2. Flexibility of the working environment layout and 'sweating' available space.
- 3.2.3. Generally higher quality work environments specifically catering to business/service delivery.
- 3.2.4. Equitable redistribution of space based on functionality and need.
- 3.2.5. Space that enables the efficient use of resources in both operation, and maintenance.
- 3.2.6. Opportunities to co-locate agencies/stakeholders with like service provision or customer base.
- 3.2.7. Acquisition as necessary founded on detailed business cases to meet service need.

#### **3.3. Financial Benefits**

Property costs are one of any organisations highest recurrent expenditures. Any strategy which delivers efficient management of these costs means stronger financial performance. Financial gain in this strategy will be achieved by:

- 3.3.1. Disposals – the realisation of capital receipts from unsuitable/surplus property, and the reduction of equity tied up in service delivery.
- 3.3.2. Lease terminations – relieving pressure on revenue budgets.
- 3.3.3. More efficient building use – better space planning and co-location opportunities will also result in both per capita and actual cost savings.
- 3.3.4. Capital expenditure – The Council needs a closer tie up between proposed premises usage in the medium to long term and capital

investment in property. This allows scarce corporate resources to be better targeted to objectively prioritised service areas.

3.3.5. Revenue running costs – A reduction in the overall premises running costs resulting from rationalisation of the estate. Better procurement of maintenance costs, and cost increase amelioration arising from carbon reduction programmes.

3.3.6. Reduced Construction Costs – Better development of design briefs coupled with partnering procurement arrangements.

#### 3.4. **Review and Development**

3.4.1. The strategy will be reviewed and developed by Corporate Asset Management Group (CAMG), who report direct to Corporate Management Team, annually throughout the course of its life to coincide with budget setting.

3.4.2. Ongoing monitoring of the seven principal workstreams will be undertaken by CAMG.

3.4.3. Progress on the strategy will be reported quarterly to Overview and Scrutiny Committee.

DRAFT

## 4. CORPORATE VISION, PRIORITIES AND VALUES AND THE COUNCIL'S MEDIUM TERM FINANCIAL PLAN

### 4.1. Our Vision, Priorities and Values

Central Bedfordshire Council's vision, priorities and values set out what we want to achieve as a council and how we will achieve it. They underpin the work of the entire council, guiding how we deliver services and how we work with each other and our partners. It is vital that all staff know about our vision, priorities and values. Through understanding the type of organisation we are, and the type of organisation we aspire to be, we will all be better placed to help Central Bedfordshire Council deliver these aims.

### 4.2. Vision

Our vision describes our overall objectives as a council and the type of place we want Central Bedfordshire to be. This is a long term aspiration for the area which drives the work of the entire council.

Our vision is:

Realising the area's economic potential to be

- globally connected,
- deliver sustainable growth,
- ensuring a green, prosperous and ambitious place...for the benefit of all.

### 4.3. Priorities

Our priorities describe how we will focus our efforts to ensure we achieve our vision.

Our Priorities are:

- Creating safer communities
- Educating, protecting and providing opportunities for children and young people
- Managing growth effectively
- Supporting and caring for an ageing population
- Promoting healthier lifestyles.

### 4.4. Values

Our values describe the type of organisation we want to be and the principles that will guide us in achieving our priorities and vision. These set out the way we will work and interact with our customers, members and each other.

Our values are:

- Respect and Empowerment – we will treat people as individuals who matter to us



- Stewardship and Efficiency – we will make the best use of the resources available to us
- Results Focused – we will focus on the outcomes that make a difference to people’s lives; and
- Collaborative – we will work closely with our colleagues, partners and customers to deliver on these outcomes.

#### 4.5. **Medium Term Financial Plan (MTFP)**

- 4.5.1. The Council’s MTFP sets out the financial framework for the next 4 years. Whilst there is more clarity on funding and savings for the next 2 years, estimates are also made of the position leading up to 2015/16.
- 4.5.2. The CAMS is a key component of both the short and medium term financial position of the Council. Significant revenue savings are anticipated from the rationalisation of accommodation in the short term. Paragraph 3.3 above sets out further contributions which CAMS will make towards the achievement of efficiency savings required to balance future budgets. These include reduced lease and maintenance costs. There will also be a focus on improving the financial returns from commercial properties and increasing rental income.
- 4.5.3. The Council has an ambitious capital programme and CAMS will generate significant capital receipts, for example through identification and disposal of surplus properties, over the longer term which will be used to help finance this programme. This will enable the Council to minimise its reliance on external borrowing and thus keep capital financing charges as low as possible, which will further assist to offset the revenue budget pressures.



## 5. VISION AND PRIORITIES FOR LAND AND PROPERTY ASSETS IN CBC

### 5.1. Vision

The Council will only use property that supports and sustains delivery of our services.

### 5.2. Asset Management Priorities

5.2.1. These have been reviewed and are:

- 1** Delivering cost effective and efficient acquisition, disposal and management of land and property to meet safe service delivery, and investment needs.
- 2** Realising our strategic ambitions in the delivery of our regeneration strategies and projects.
- 3** Reviewing and delivering the maximum financial and optimum operational benefit from our property assets, including with partners.
- 4** Acting as the Corporate landlord for Central Bedfordshire Council's estate.
- 5** Community development through our property asset portfolio.

5.2.2. The relationship between these priorities and how they impact on the key parts of the portfolio is shown overleaf.

### 5.3. Principles

The vision and strategic priorities for land and property assets are underpinned by the following criteria:

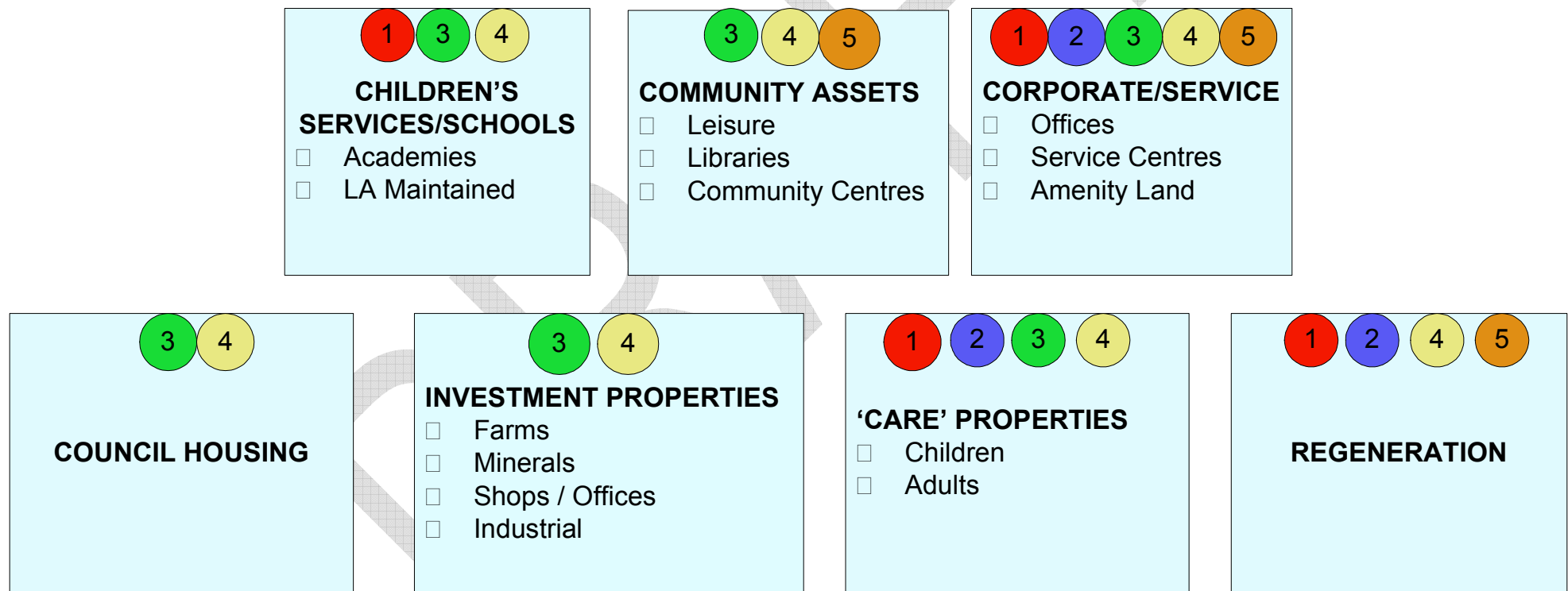
- 5.3.1. Ownership of property assets is not critical to service delivery.
- 5.3.2. The Council's reason for holding property assets (excluding the investment properties) is to deliver services.
- 5.3.3. Property assets must make an active and efficient contribution to the delivery of services.
- 5.3.4. The Council will dispose, improve, or replace property assets that are not fit for purpose.

- 5.3.5. Capital receipts from land and property asset disposals will be invested in the portfolio so as to enhance service delivery.
- 5.3.6. The Council will actively promote co-location of services with partners, where appropriate.
- 5.3.7. The cost of Council buildings used by community or voluntary groups will be governed by a fair and transparent policy.

DRAFT

# Corporate Asset Management Plan

KEY PORTFOLIO AREAS AND LINKAGE TO VISION AND PRIORITIES ( 1 etc)



## 6. CORPORATE ASSET MANAGEMENT STRATEGY 2012-2016

### 6.1. Children's Services (schools and non- schools)

Meeting property priorities:



#### Introduction

- 6.1.1. Central Bedfordshire Council is the statutory provider of education in Central Bedfordshire. There are approximately 37,500 children of school age in the area. There are some 128 schools (including Academies).
- 6.1.2. The Children's Services Directorate for Central Bedfordshire is driven by one of the Council's top five priorities: Educating, Protecting and Providing Opportunities for Children and Young People.
- 6.1.3. There is a need to ensure that proposed capital investment supports both our corporate aims and priorities and the vision and priorities of the second Central Bedfordshire Children and Young People's Plan (CYPP) produced by the Central Bedfordshire Children's Trust. A copy of the CYPP 2011-2015 can be found at:  
<http://www.centralbedfordshirechildrenstrust.org.uk/i/assets/CYPP%20plan.pdf>
- 6.1.4. The aim is also to deliver the outcomes of government strategy and to provide the correct number of school places via the Schools Organisation Plan. Constraints on the Council's resources may mean relying more on maximising external sources for capital funding e.g. S106 contributions for funding new schools within housing development sites to accommodate the planned growth in the Central Bedfordshire area over the next 5 years. The property asset management role in this will be as professional advisors/negotiators in land assembly and acquisition for new school sites and housing development areas.
- 6.1.5. Non – school buildings are used to deliver Youth Services, Youth Justice, Children and Family Centres, Children's homes, fostering and adoption and other statutory functions. These buildings include purpose-built accommodation and leased or freehold office accommodation. The property asset management role will be to implement the outcomes of service reviews in terms of ensuring the appropriate property is available for service delivery and any surplus is disposed to achieve maximum capital receipts within the best value framework.
- 6.1.6. Our key property asset objective is to ensure that the buildings that are used to deliver services are fit for purpose in terms of suitability, condition, capacity, have appropriate levels of utilisation and running

costs and the environmental impact is minimised. The approach includes ensuring that buildings where necessary are accessible in line with DDA legislation, and that none are closed due to health and safety, other legislative or basic amenity reasons. In order to ensure this a programme of condition surveys will be carried out over a 5 year period and derived from this a rolling repairs and maintenance programme will be prepared. Property asset management will also continue to make available statutory building data, e.g. asbestos registers and fire risk assessments.

#### School Organisation Plan - 2011-2016

- 6.1.7. The 1944 Education Act established the statutory responsibility of each Local Authority to ensure the provision of sufficient and suitable places for pupils within its area. Central Bedfordshire Council's first School Organisation Plan covers the period 2011 to 2016 and sets out the current level of mainstream school provision across the Council and identifies those areas where change may be necessary over the next five years as a result of changing demography and new housing developments. Asset management will work with Children's Services colleagues in the acquisition of suitable land and negotiation of appropriate developer agreements to deliver schools in the required locations.
- 6.1.8. As a new Authority in 2009, the Council worked with its head teachers, chairs of governors, elected members and others to produce its Education Vision for Central Bedfordshire which was adopted by the Council's Executive in March 2010.

#### Education Vision for Central Bedfordshire

- 6.1.9. The Education Vision for Central Bedfordshire is underpinned by the principle of schools working together in strong governed partnerships to improve outcomes for all young people from 0-19 by developing the best approaches within their community and family of schools. The Vision outlines seven key principles which underpin it particularly in developing school provision which is continuous and which meets the needs of children, families and communities. Since its original approval in March 2010 the vision has been refreshed to reflect current education policy and the principles are now:

- 6.1.10. The principles are:

- That there is a need to raise education standards and to improve outcomes for young people.
- That continuity of provision across the 0 to 19 age range creates a 'one phase' approach to learning.
- That schools should be based around communities and the needs of their learners. Assets will work with Children's Services colleagues to ensure this is reflected.
- That what is best for children and families should be at the centre of any change.
- That as far as possible services should be commissioned and delivered locally. Again, Assets will work closely with Children's Services colleagues to deliver this as far as possible.

- That new models of leadership and governance for schools are promoted.
  - That all partners will capture what is working well and publish this in ways that allow others to learn from the success.
  - That the vision should reflect current reforms set out in the 2011 Education Bill/Act.
- 6.1.11. Realising the vision will require significant collaboration between schools to establish effective, governed partnerships which are driven by the need to improve outcomes and raise achievement for all young people within the community. Schools and communities will wish to determine the best way forward for improving collaboration and will require support in understanding the benefits of different ways of working in partnerships.
- 6.1.12. Full details of the School Organisation Plan (including a map of the review areas and the schools concerned) can be found at:
- <http://www.centralbedfordshire.gov.uk/learning/schools/school-organisation-ict/default.aspx>
- 6.1.13. A full copy of the Education Vision for Central Bedfordshire can be found at:
- [http://www.learning.centralbedfordshire.gov.uk/myportal/custom/files\\_uploaded/uploaded\\_resources/1274/120310\\_-\\_Education\\_Vision.pdf](http://www.learning.centralbedfordshire.gov.uk/myportal/custom/files_uploaded/uploaded_resources/1274/120310_-_Education_Vision.pdf)

#### New School Places Capital Programme

- 6.1.14. To complement the School Organisation Plan, the assets' team are compiling a draft programme of capital works necessary to ensure that sufficient places are available when needed. It is intended that further consultation will take place on this in the New Year when future capital announcements from central government are available. The assets' team will continue to offer a design and construction facility for building works undertaken through delegated capital budgets.
- 6.1.15. As part of the programme there is a need to provide and manage temporary accommodation where appropriate and Assets role in this is to oversee the renewal of planning applications for siting the classrooms.

#### Academies and Trust Schools

- 6.1.16. As at January 2011, there were a total of 128 mainstream schools (excluding nurseries) catering for a school population of just over 37,000 pupils aged 4+ to 18+.
- 6.1.17. Since then, in line with national policy, a number of schools have opted to change their status and become Academies. By April 2012, the Council expects that around 52% of pupils will be accommodated in Academies. The number of schools who have achieved Academy status as at 1<sup>st</sup> November 2011 is 17, with a further 14 applications expected to convert by 1<sup>st</sup> April 2012.

- 6.1.18. Proposals for Free Schools are expected in the future and there has been one successful University Technical College application which is to proceed in the Houghton Regis area.
- 6.1.19. The asset management role in these academy 'conversions' is to facilitate with legal services colleagues the transfer of land and buildings by, inter alia, interrogating title documents, providing copies of agreements, undertaking photographic surveys and compiling ownership plans.

#### Carbon Footprint

- 6.1.20. The Council has made a policy commitment to reduce its carbon emissions by 35% by 2015, with the aim to achieve a 60% reduction in the Council's carbon footprint by 2020.
- 6.1.21. Schools represent a significant proportion of the Council's carbon footprint (52%), (60%) in the case of the emissions that the Council is responsible for under the Government's Carbon Reduction Commitment (CRC) Energy Efficiency scheme. Recognising that the Council must work closely with schools to reduce energy use, the Council has recently adopted its Schools' Carbon Reduction Action Plan; produced in consultation with schools to ensure that all schools are fully embracing the challenge of energy efficiency. The plan outlines a range of measures that can be taken within schools to reduce energy use and includes a variety of steps that the Council will undertake to support schools reduce their emissions.
- 6.1.22. To help schools adopt the principles identified within the Schools Carbon Reduction Action Plan, the Council has recently set up a Schools Carbon Reduction Invest-to-Save fund; a loan fund for the specific purpose of funding energy efficiency projects within schools. Typical projects the fund is likely to support include insulation, lighting controls/ upgrades, heating controls/ upgrades and window upgrades.

#### Child Poverty and Intervention Service

- 6.1.23. There is national recognition that education is a key factor along with care, family support and health services in determining a good outcome for children and their parents. In the period from 2006-2011 substantial Capital Funding was directed to Local Authorities via Sure Start. The funding covered two areas of work:
- i. Creation of Children's Centres
    - 19 Individual Children's Centres, 2 of which share a site. These Centres are run by external management organisations which have a lease as part of their Service Level Agreement which ensures that they are responsible for small day to day maintenance items and re-decoration. Asset management deal with the negotiation of terms for these leases.
    - A specific level of funding for planned maintenance of Children's Centres is included in the Capital funding element paid to authorities and administered through Children's Services. Since the programme has come to a close the focus will be on the maintenance of the Centres.



## ii. Early Years and Childcare Settings

- 31 Settings were funded to move into their own dedicated accommodation. The authority remains their landlord in most cases, but the Settings run and administer the building and have leases with the authority. In some cases the buildings incorporated both Children's Centres and an Early Years Setting.
- In the authority there are an additional 13 settings where leases are under negotiation by Asset management as they have buildings which have been self-funded, or funded with schemes prior to Sure Start e.g. New Opportunities Fund.
- The asset management role is to ensure the correct terms are applied to the leases for differing circumstances of occupation and ownership, all the while ensuring the Council's interests are protected and bearing in mind the need to deliver an essential service.
- At this time there is no current capital programme and none is anticipated in the foreseeable future.
- A maintenance sinking fund is being developed by Children's services and asset management into which Early years and Childcare Settings pay an agreed amount based on their occupancy area to cover future large maintenance costs, e.g. new roof, new boiler etc. Arrangements for these regular payments are agreed as part of lease negotiations undertaken by Assets. However Settings remain responsible for their own day to day maintenance including decorating.

### Children with Disabilities

6.1.24. This service area covers the work undertaken with parents, carers and individuals to ensure understanding of needs and quality of life. It works with agencies and organisations on the care packages required for children with disabilities in our residential care homes and those who are non-residential. The service provides long and short term breaks at respite hostels, however the service is currently under review.

6.1.25. Assets role will be to support with property-related advice on future use and market opportunities once the review is complete.

### Youth Service

6.1.26. From 1<sup>st</sup> April 2011, apart from the Centre at Bedford Square, Houghton Regis, the Council ceased to operate Youth Centres directly. Instead, this service was commissioned from third party providers on 2 year Service Level Agreements expiring on 31<sup>st</sup> March 2013.

6.1.27. The commissioned service operates from the existing Centres in Arlesey, Biggleswade, Sandy, Toddington and Leighton Buzzard under leases negotiated by Asset management requiring the providers to be responsible for all outgoings, including all day to day repairs and



maintenance. The Council remains responsible for major works but Asset management will review these and advise Children's Services as and when they occur to ensure value for money.

- This provision will be reviewed during 2012/13 and Assets role will be to support with advice on future use or marketing possibilities thereafter.

### Shared Services

6.1.28. As a legacy of the formation on 1<sup>st</sup> April 2009 of Central Bedfordshire Council and Bedford Borough Council as unitary authorities, some services were agreed to be provided by one or other of those authorities as hosts of a shared service.

6.1.29. Within Children's Services the services hosted by CBC are:

- Fostering and Adoption
- Music Service Library provision
- Asylum and Immigration Team
- Local Safeguarding Children Board, including Family Group Meeting Service

6.1.30. There are also 2 shared services hosted by Bedford Borough Council:

- Admissions
- Youth Offending

6.1.31. As the service level agreements for the provision of these services are re-negotiated, some services may be disaggregated. Asset management will need to review the location of the offices delivering these services, particularly where services are delivered out of the Central Bedfordshire area or from leased in buildings. Asset management will have regard to the specific needs of these specialist services, particularly around accessibility, confidentiality and security.

## 6.2. Corporate/Service Portfolio

Meeting property priorities:



6.2.1. This includes 59 buildings, comprising 21 offices, 13 libraries, 3 leisure centres, 3 community centres, one courtroom, 6 hostels/homes, 5 youth centres and 7 day centres.

### Medium Term Accommodation Plan

6.2.2. The office accommodation within this part of the portfolio forms the heart of the medium term accommodation rationalisation plan. As a priority the Council is exiting leased properties as quickly as is practicable in order to relieve revenue pressures. The first phase of the Medium Term Accommodation Plan (MTAP) is vacating Technology House in Bedford by March 2013. This will be followed by Phase II of the MTAP (covering review of a further 20 buildings) by March 2014. The MTAP needs to confirm the efficiencies in terms of cost per workstation year on year arising from the programme.

6.2.3. The Assets' team are working with the Registration and Coroner Service with a view to relocation and co-location of both services to Ampthill Court House. This will not only fulfil the need for the former Dunstable Court House to be released for the Dunstable master plan, but will achieve cost savings from surrendering leased buildings. It is intended enhanced wedding facilities will be provided with a potential increase in revenue income.

6.2.4. Service reviews are underway for both libraries, and leisure services. The property assets related impact will be understood next financial year, following which capital improvement schemes, or disposals will be considered as appropriate in time for budget setting.

6.2.5. Other service reviews and the property assets impact arising from them will be the subject of action planning for later years in the plan.

6.2.6. Market testing/procurement of Facilities Management (FM) services will continue with caretaking and courier services being considered for outsourcing in 2012/13. Other FM services will be considered for future years.

6.2.7. Statutory maintenance and testing across the portfolio (excluding schools) will be procured on a short term contract up to 2013/14. There is an opportunity to be part of an Eastern Shires Purchasing Organisation (ESPO) large scale, long term procurement of this service from the start of 2014.

6.2.8. Throughout the life of the plan, given property budgets have now been centralised a programme of activity will work towards achieving the industry best practice of 70/30 costs split between planned and reactive maintenance.

- 6.2.9. Given the updated position in respect of our five year capital investment backlog liabilities increased resources have been included in each year of the plan. The need for further (or less) resources will be established as each year of the rolling condition surveys' programme is completed. The programme is targeted to be fully delivered each year; contracts are in the process of being procured.
- 6.2.10. As part of balance sheet requirements the property assets on the Fixed Asset Register (FAR) will continue to be re-valued on a five year rolling basis.
- 6.2.11. Rating reviews of our buildings will continue on an annual rolling basis.
- 6.2.12. The Council has made a policy commitment to reduce its carbon emissions by 35% by 2015, with the aim to achieve a 60% reduction in the Council's carbon footprint by 2020.
- 6.2.13. The Council's Carbon Management Plan (CMP) was approved by Executive in October 2010 and was developed through the Council's participation in the Carbon Trust's Local Authority Carbon Management (LACM) programme. The CMP details the commitments made in the Climate Change Strategy to cut the Council's carbon footprint and states the business case for taking action, particularly the huge financial costs associated with taking a 'business as usual' approach.
- 6.2.14. In order to achieve the Council's ambitious carbon reduction target, the council will be developing energy saving projects that will be implemented (where viable) throughout its corporate building portfolio.

#### Disposals

- 6.2.15. The properties identified for disposal comply with the Corporate Property Asset Disposal/Acquisition Protocol.

#### Performance

- 6.2.16. Performance for disposal of properties is measured by the given capital receipt target at the commencement of each financial year and reviewed quarterly dependant upon movements in the property market. Current targets are as follows:

2012 - 13	2013 - 14	2014 - 15	2015 - 16
11,030,000	1,900,000	1,000,000	TBC

- 6.2.17. Reducing the outgoings of properties held on the disposal list by 10% through efficient management of vacant property outgoings such as security and business rate reduction if available. Demolition of obsolete buildings will be considered.
- 6.2.18. Monitor and show a reduction in time over the year to settle the property from exchange to settlement by resolving impediments prior to marketing the property.

### Risk management

6.2.19. The following risks have been identified which may prevent sales targets being met:

<b>Property market conditions</b>	<b>High</b>	<b>Price and saleability</b>	<b>Monitor property market and economy</b>
Boundary issues	medium	Delay sale	Land registration and/or survey
Claw back provisions	medium	Reduce price and delay sale	Review on an individual basis
Special use	medium	Limits use	Planning and change of use
Limited Number of properties for sale	medium	Reduces target levels	Review service plans
Accuracy of maintenance costs	medium	Distorts net proceeds	Review SAP
Politics	Low	Change of direction	Monitor legislation

### Mitigation plans

6.2.20. Properties for sale being reviewed and impediments noted so that action may be taken to prevent detrimental effects on the property value.

### 6.3. Regeneration

Meeting property priorities: 

#### Town Centres

6.3.1. There are five main Town Centre Regeneration projects involving assets owned by CBC that will be promoted in 2012/13. The Assets' team and Economic Development are currently working together to deliver Town Centre projects in:

- Flitwick
- Leighton Buzzard
- Dunstable

6.3.2. **Flitwick** – The Council have acquired 2.3 acres of land adjacent to the Rail Station with options over adjacent land that will facilitate the redevelopment and regeneration of the centre of Flitwick. Jones Lang la Salle are advising the Council on the form and content of the redevelopment and working with other stakeholders including Tesco and Network Rail.

6.3.3. Finance for the development will be provided by Development Partners and is likely to be anchored by a large store. This development will see the culmination of five years of planning work and bring much needed additional town centre retail provision to the Flitwick community.

6.3.4. **Leighton Buzzard** – An area of property referred to as South of High Street (SOHS) comprises four principal stakeholders of which CBC are able to have control of two thirds of the land. The Council's land is currently in use as a surface car park and reprovision of parking will be required. The combined areas have sufficient space for additional retail development required by the town and its community.

6.3.5. Developers will need to be attracted to provide the finance and a good anchor tenant will be essential. GVA Grimleys are currently advising the Council on the master planning.

6.3.6. **Dunstable** – The Council's assets are more peripheral to the town centre in Dunstable, the assets' management team have been working with the private sector for the acquisition of the shopping centre. The acquisition of residential property to permit the expansion of the centre is being managed by CBRE and the possibility of using CPO powers to aid the purchase of the centre is being considered.

6.3.7. The Old Court House building is being proposed for a co-location redevelopment project with the NHS and Vernon Place could become part of the town centre development with provision to be made for the relocation of the library.

6.3.8. The Assets' team continue to work with Economic Development to deliver other opportunities for regeneration throughout Central Bedfordshire.

#### Local Development Framework

6.3.9. The development potential arising from the Local Development Framework (LDF) and Central Bedfordshire Council's (CBC) freehold land places the Council in a position where it could receive capital receipts of up to £100,000,000 over the next seven years. Under the Disaggregation Agreement with Bedford Borough Council the Council will have to transfer 37% of the net proceeds, after the deduction of costs to realise the capital receipts, to the Borough.

6.3.10. Two planning documents previously provided the framework for future development in Bedfordshire. The Milton Keynes and South Midlands sub regional strategy which proposed 45,800 new homes to Bedfordshire and Luton and the East of England Plan which proposed 10,700 new homes for the rest of Bedfordshire. However, both the sub-regional strategy and East of England Plan have subsequently been revoked and new 'local' development plans will need to be prepared to align with the Localism Act. Central Bedfordshire's new Local Plan will address housing infrastructure and employment needs to at least 2031. The new draft Development Strategy will be published for consultation in 2012.

6.3.11. There is an existing Core Strategy and Site Allocation document for the northern part of Central Bedfordshire which allocates a significant number of new housing and employment proposals in that part of CBC. The Council has land interests in two of those allocations at Biggleswade and Arlesey. In the Southern part of the area, the Luton and South Beds Core Strategy previously identified urban extensions which included land to the North of Luton and North of Houghton Regis in which the Council owns land. However, Luton Borough Council has withdrawn from this Strategy and it is now being reviewed and included in the above new draft Development Strategy, which will look at development needs up to and beyond 2031.

6.3.12. The new start will provide the Council with an opportunity to submit other land holdings within the Council owned farm portfolio for possible inclusion in the site allocation programme

#### Objective

6.3.13. The objectives of the LDF strategy are:

- To make land available for new housing and development.
- To process the land through planning to add value
- To maximise the proceeds from disposal for the benefit of the Council and its community.

#### Performance

6.3.14. Performance for the LDF programme will be measured by:

- Meeting the timetable and budgets.



- Identifying land from the Council farm portfolio to be considered for the allocation programme and achieving a success rate of 20% of land promoted for development.
- Adding value to Agricultural land.

#### Risk management

6.3.15. The following risks have been identified which may restrict sales and delay completion.

<b>Property market conditions</b>	<b>High</b>	<b>Price and saleability due to long lead in time</b>	<b>Monitor property market and economy</b>
Accuracy of planning and development costs	medium	Distorts net proceeds	Review
Planning policies	medium	Change in statutory contributions	Officer liaison
Multiple ownership	Low	Lack of cooperation	Collaboration Agreement
Politics - Nationally	Low	Change of direction	Monitor legislation
Politics - Locally	Low	Change of direction	Member consultation

#### LDF Strategy roll out

6.3.16. LDF Programme – Work has commenced on the new Development Strategy for the whole of the Council’s administration area to plan for growth until at least 2031. In the Northern area it is likely that this will involve a roll forward of the existing strategy in the adopted LDF, which runs to 2026. Housing and employment requirements for an additional five years will need to be planned.

6.3.17. In the northern area two sites have been adopted, High Street, Arlesey, where the Council is an 80% landowner within the master plan, and Stratton Business Park Phase V providing an additional 15 hectares of employment land. Feasibility studies are being undertaken and some 1.5 ha is already under negotiation with an adjoining occupier on Stratton Business Park.

6.3.18. In the southern area the strategy is likely to be based around the submission version of the Joint Luton and South Beds Core Strategy, which has been endorsed by the Executive as Interim Development Management Guidance. Representations will need to be made in the new Development Framework process to protect the land within the Strategic Sites Specific Allocations (SSSA) in North of Luton and North of Houghton Regis, and/or taking forward by planning applications jointly with the other landowners/promoters involved in those sites.

- 6.3.19. Representations should also be made to influence the Development Framework in terms of the rest of Southern area by encouraging an appropriate scale of growth to both Barton-le-Clay and Slip End where the Council may also wish to promote its land holdings.
- 6.3.20. Estimates of viability allow for representations at the draft and submission stages plus a number of LDF review meetings.

The sites include:

- 6.3.21. **High Street Arlesey, East and West** – Land assembly for the project is being driven through a landowner consortium approach. It is anticipated feasibility work will commence late in 2012/13 and continue into 2013–14.
- 6.3.22. **North of Houghton Regis SSSA, Thorn Turn** - Thorn Turn forms part of Site 2 of the SSSA North of Houghton Regis, between the proposed A5/M1 Link Road and Houghton regis, in the Submitted Core Strategy, which has been endorsed as Interim Development Management Guidance. Thorn Turn forms part of the BEaR project and the assets' team are working with the project team to ensure objectives are met. Initial scheme developments will see a planning application submission in 2012/13.
- 6.3.23. **North of Luton SSSA, Sundon Water Tower** – Sundon Water Tower forms part of the SSSA north of Luton, between the proposed A6/M1 Link Road in the Submitted Core Strategy, which has now been endorsed as Interim Development Management Guidance. The Council will consider a collaboration agreement with the landowners. At this stage options are being kept open. It is anticipated that work will commence in 2012-13 on the planning application.
- 6.3.24. **North of Luton SSSA, West of the A6 at Streatley** – also forms part of the SSSA North of Luton. The Council has circa 80 acres of land fronting the A6 which could be developed independently or as part of a comprehensive scheme. Our approach will need to balance between short term gains to the Council and the longer term benefits to the masterplan and delivery of the larger development. It is anticipated that work will commence on a planning application in 2012/13.
- 6.3.25. **Kingsland College, North of Houghton Regis** – Kingsland College does not form part of the proposed SSSA North of Houghton Regis, but was proposed to be removed from the Green Belt in the Submitted Joint Core Strategy so that it could be developed and integrated with the new urban extension once the extent of the site required to be retained in education use has been agreed. The site will require the delivery of the Woodside Link road before significant development can take place which will be after 2014/15.
- 6.3.26. It has been indicated that Osborne House and Nursery could be brought forward for incorporation with Site 1 at North of Houghton Regis SSSA or with Kingsland College.



LDF Site planning professional fees	2012 – 13	2013 – 14	2014 – 15
General – common costs	9,000		
High Street Arlesey, East and West	550,000	50,000	
North Houghton Regis, Thorn Turn	125,000		
North of Luton Sundon Water Tower	55,000		
North of Luton West of Barton Road Streatly	55,000		
Kingsland College		4,000	
<b>Total</b>	794,000	54,000	

#### Other Development Land - Disposal Strategy

- 6.3.27. Feasibility studies will identify the best way to dispose of the two under mentioned sites and maximise disposal values.
- 6.3.28. **Stratton Business Park, Phase V, Biggleswade** – Negotiations are continuing with Leibherr to sell some 1.5 ha of adjoining land. The exact amount being established after they have completed outline plans of their requirements.
- 6.3.29. **Kings Reach, Biggleswade** – The Council has a collaborative agreement with the developers who are providing the infrastructure for the council's two owned sites. The cost of infrastructure is to be provided by the developers but does need to be repaid when our site is sold or the land developed.

## 6.4. Care Properties

Meeting property priorities: 

### The Directorate Vision

- 6.4.1. “Residents will live their own lives, enjoy good health, be safe, independent and play a full and active part in the life of the community”. This is driven by commitment to deliver caring and responsive services to individuals, families, carers and the whole community of Central Bedfordshire.
- 6.4.2. The components of this include promoting independence and the development of more personalised services. This means that the traditional ways of delivering services need to make way for new and more modern service delivery options. The property and assets portfolio currently utilised in Adult Social Care (ASC) is very traditional in nature and there is an urgent need to re-align this portfolio with future plans for services. The demographic profile of CBC adds to this challenge because it is clear that the current property assets portfolio is not equipped to deal with the growing numbers of elderly and very elderly residents who require care and support into the future.
- 6.4.3. This includes 39 buildings comprising 4 offices (included with Corporate/Service Portfolio), 8 social, day care and learning, 2 supported living homes, 18 mixed uses including shared services and 7 care homes (leased out).
- 6.4.4. Starting point:
- Some assets are not fit for purpose now or in the future
  - There is an urgent need to develop new facilities that are going to meet business requirements in to the future.
- 6.4.5. Current gaps:
- The greatest need from the property assets portfolio is for:
- Extra care housing with communal facilities/social hubs
  - Specialised day-care facilities for dementia
  - Shared office space with NHS
  - Day care facilities for complex learning disabilities
  - Facilities to support employment and skills element in learning disabilities
  - Independent living units for learning disabilities
  - Learning disability respite accommodation
- 6.4.6. Whilst the market may be able to provide some of the above there is a need to consider the opportunities arising from the development of Council owned facilities.
- 6.4.7. The Council is committed to the following approach:

- To draw out a property asset component of its business/commissioning strategies within and beyond the next three years.
- Identify those property assets which are not fit for the future and explore the possibilities for refurbishment or the need for a new build.
- Engage with Partners to explore synergies with ASC and property asset needs e.g. health centres, leisure centres, schools, and shared office space.
- To be prepared to be creative about this and employ strategies that may attract private investment.
- To work with asset management to review the condition and potential commercial value of the existing property asset portfolio.
- To align ASC business needs with the corporate asset management strategy and develop proposals for a programme of ASC asset developments and procurement activity which is affordable within an over-arching capital plan by 2013/14. Within this plan, assumed development costs would be accommodated on surplus land assets and/or earmarked investments of Council capital funds.

#### Risk management

6.4.8. The following risks have been identified in the review process including major issues needing attention.

<b>Social Services Review</b>	<b>High</b>	<b>On property requirements</b>	<b>Monitor demand for services.</b>
Assets not fit for purpose	High	High maintenance due to inefficiencies	New facilities to meet needs

6.4.9. Mitigation plans - Risks identified during the review period and the proposed strategy, to be developed, will overcome risks during the process by addressing each issue.

#### Property Maintenance

6.4.10. Revenue budget transfers of £243,205 to the Assets' team for maintenance and management of certain Social Service properties.

6.4.11. Ten properties are included in the budget transfer as follows:

<b>Ampthill Day Care/Social Centre,</b>	<b>Houghton Regis Day Care Centre</b>
Biggleswade Adult Learning Disabilities	Biggleswade Day Care Centre
Linsell House, Furness Avenue	Townsend Centre, Houghton Regis
Silsoe Horticultural Centre	The Rowlands
Drovers Way, Dunstable	Leighton Buzzard Day Centre

6.4.12. Responsibilities are covered by a Service Level Agreement.

6.4.13. The properties below comprise the major office premises and are part of the Corporate portfolio. There are some 18 properties housing small numbers of staff providing social services as part of shared services, support living and housing. All of these properties will be reviewed under the pending Social Care Review in 2012/13.

<b>Houghton Lodge, Ampthill</b>	<b>Biggleswade Area Office</b>
Priory House, Chicksands	Watling House Dunstable

6.4.14. In addition seven Care Homes in CBC are leased to BUPA where the rent received is offset against a maintenance programme for the buildings. The management of this service is undergoing a review and evaluation to assess the best way of delivering the service in the future and some properties considered not fit for purpose may be disposed of whilst new facilities are urgently required in the northern part of Central Bedfordshire. The existing properties are as follows:

<b>Allison House</b>	<b>Abbotsbury</b>
The Birches	Ferndale
Westlands	Greenacre
Caddington Hall	

6.4.15. ASC and the Assets team have commenced an examination of our land holdings to ascertain if the needs, particularly in the North can be met.

#### Disposals

6.4.16. The review will identify assets assessed as surplus to service delivery requirements and the assets' team will identify marketing opportunities for disposal.

#### Acquisition and Capital Strategy

6.4.17. The review next year will identify gaps in the current property asset base required to deliver the services as agreed in the Joint Strategic Needs Assessment, which may include a change in services being delivered due to changes in demand.

6.4.18. The strategy will document the capital investment required, provide project specific information including estimated costs, project status (major or minor, new work), and acquisition requirements.

## 6.5. Council Housing

Meeting property priorities:



### Our own housing

- 6.5.1. The Council own and manage 5,211 properties in the south of Central Bedfordshire. The Council also manages around 330 former Council owned leasehold properties purchased under the right to buy scheme. The stock is generally in good condition, evidenced by a recent stock condition survey, of 40% of the entire stock.
- 6.5.2. In addition, the Council owns a small number of leased retail premises that form part of the housing assets and which provide approximately £80,000 income for the Housing Service per annum. The estate also includes garages and garage blocks. The Council has responsibility for three publicly owned Gypsy and Traveller sites, managed by the Housing Service.
- 6.5.3. The capital programme is £4.8 million in the current year, including a £1.1 million programme of heating replacements, to improve the safety, warmth and comfort of Council tenants. There is a £1.1 million programme related mainly to kitchen and bathroom replacement, to ensure that the stock continues to meet the decent homes standard. In addition, the Council invests nearly £4 million for revenue related repairs and cyclical maintenance.
- 6.5.4. The draft Housing Service Asset Management strategy and business plan for the 30 year period beginning 2012/13 is formed in the context of major change to the Housing Service. The implementation of the new self financing regime in April 2012 will provide the Council with opportunities to protect and improve the housing assets that would not have been possible under the subsidy regime. This will include remodelling existing assets and also re-development and renewal of some assets, in consultation with tenants and leaseholders.
- 6.5.5. The new Self financing regime will require the Council to pay £165 million to the Government. Whilst this level of borrowing is significant, the new regime allows the Council to manage the Landlord business more effectively and to plan for investment over the next 30 years. The Council will retain all of the rent income collected.
- 6.5.6. A stock condition survey completed in summer 2011 provides good evidence that the housing stock is generally in good condition, and has benefitted from investment over many years by the Council and its legacy council. The stock meets the decent homes standard and has an average SAP energy rating of 68.
- 6.5.7. The profile of recommended expenditure is relatively low in the early years of the Business Plan. The need to invest in the stock becomes stronger in the medium term. Total expenditure to maintain the stock in

good and tenantable repair, meeting statutory obligations over 30 years is £268.5m, which equates to a cost per property of £51,530.


- 6.5.8. The Council will continue to invest around £ 1.1million per year on heating systems and will sustain similar levels of investment to deliver a programme of investment to ensure all homes meet the Decent Homes standard. In addition, there will be investment to reduce future maintenance costs. For example, the plasticisation of fascias and eaves will reduce external decoration costs.
- 6.5.9. However, the Council recognise that some properties, in particular some sheltered accommodation, does not meet modern aspirations. An initial review has highlighted those properties and sheltered housing schemes where investment could be made to significantly improve the accessibility of homes. Re-modelling and re-development are realistic options, which will be considered, as part of an options appraisal process. This work is included within a review of Older Persons accommodation in the south of Central Bedfordshire. This work is aligned to the introduction of an Accessible Housing Register, to enable the Council to better meet the needs of physically disabled people.
- 6.5.10. Although the Council has improved the energy efficiency of homes through insulation and heating programme, there is strong evidence that more households are struggling with increasing fuel costs. The Council will explore innovative and renewable energy options, with a focus on the coldest homes in non gas areas. Investment in some technologies, such as replacing old roof tiles with photovoltaic tiles, could increase income to the Council as well as helping reduce tenants' fuel costs.
- 6.5.11. The Council intends to increase provision of temporary accommodation to meet the growing homelessness demand on the Council, including provision of accommodation in Leighton Buzzard and Flitwick in the first three years of the Business Plan. There is an aspiration to also provide temporary accommodation in the north east of Central Bedfordshire.
- 6.5.12. The Council has agreed "Local Offers" with tenants, which are binding commitments as to service standards which tenants can reasonably expect. Looking to the future, there is greater opportunity to explore tenants' aspirations for the standard of their homes, to inform the Council's Asset Management Strategy and stock investment programme. That programme is underpinned by a robust approach to Value for Money and efficiency.

#### Private Development

- 6.5.13. The Keetch Hospital Charity Trust (KHCT) have made an outline proposal for CBC to transfer land and in return they will develop affordable housing including estate roads and infrastructure. This proposal will be considered through the Council's Corporate Project Commissioning Process (CPCP) during quarter 1 in 2012/13.




## 6.6. Community Assets

Meeting property priorities: 

- 6.6.1. There are currently 8 Council assets which are managed or operated by local communities.
- 6.6.2. During 2011/12 management of public toilets in Leighton Buzzard, Dunstable and Houghton Regis passed to the respective Town Councils. Similarly management of the markets has been agreed in principle to transfer to the Dunstable and Leighton Buzzard Town Councils.
- 6.6.3. The Localism Act came into force on 16 November 2011. The main area of focus for Assets' team is the requirement to maintain a list of assets of community value which have been nominated by a Parish/Town council or local voluntary and community organisation. In response to this Assets will publicise the list on the Council's website, together with the protocols around how nominations can be made. Councils will also have greater local control over business rates giving them more freedom to offer business rate reductions. This could impact positively on the investment portfolio managed by the Council in terms of the impact this could have on take up of void premises and resultant increase in rental income and yields.
- 6.6.4. The Council is currently working with Town and Parish Councils to assess services which can be delegated or devolved to those institutions. The property asset impact of any delegation or devolution will be assessed as part of development of those proposals.

## 6.7. Investment Portfolio

Meeting property priorities: 

- 6.7.1. The income from CBC's Investment Portfolio is £1.36m and comprises £251k industrial buildings, £36k business units, £26k depots and storage, £473k farms, and £573k shops and offices.
- 6.7.2. In 2011/12 an option evaluation of the shops in the portfolio took place resulting in two properties being placed on the Disposal List. Over the next three years further option evaluations will be undertaken for the Small Industrial Units, 2012/13, Business Units and Offices, 2013/14, and Farms in 2014/15.
- 6.7.3. The current nett return from income for the whole Investment Portfolio is under 6% and it is planned to increase this to 8% by 2016. One of the principal reasons for the low current return is the rental voids which are high due to the poor national economic market conditions. Whilst the national economy is not within the Council's control asset management will market all our vacant units and seek innovative uses to improve nett returns on the portfolio. This may also be assisted by the Localism Act and the Council's ability to reduce Business Rates to assist with tenants' outgoings.
- 6.7.4. The Assets' team are taking firm measures to realise bad debts from tenants who fail to meet their rental payments due to business failures. This includes obtaining Court Orders for restraint on any of the tenants' assets.
- 6.7.5. Consideration of the use of the Council's Investment Portfolio in assisting with the regeneration of its towns is paramount, and the Council will review Local Asset Backed Vehicles (LABV), Tax Incentive Funds (TIFs) and Public Sector PLC's (PSPs) to bring Private Sector Funding alongside Public Sector assets and increase the ability to perform locally. An assessment of the private sector support will be undertaken in 2012/13 and/or as town centre regeneration requires.

## 6.8. Performance Indicators

See following table.



<b>6.8</b>	<b>Performance Indicators</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
1.	Annual cost / workstation (main buildings only)	£2,750	MTAP	MTAP	MTAP	MTAP
2.	% Suitability/condition survey (5 year rolling programme)	30%	50%	70%	90%	100%
3.	% Portfolio re-valued (5 year rolling programme)	20%	40%	60%	80%	100%
4.	Yield on Investment Portfolio	5.75%				8%
5.	% Voids on Investment Portfolio	23%				15%
6.	Rent reviews completed in six months	75%	100%	100%	100%	100%
7.	Lease reviews completed in six months	70%	100%	100%	100%	100%
8.	Spend on energy /sqm GIA (excluding energy price increases)	£5.08			£4.18	TBC
9.	Carbon reduction (tonnes) PA (stationary sources)	1100	1100	1100	1100	TBC
10.	Disposal capital receipts from surplus property (£m)	6.08	11.03	1.9	1.0	TBC
11.	LDF sites capital receipts (£m)	0	8.25	6.75	13.15	13.75
12.	Time predictability planning/design of capital projects	± 10%	± 10%	± 9%	± 8%	± 7.5%
13.	Time predictability build out capital projects	± 10%	± 10%	± 9%	± 8%	± 7.5%
14.	Cost predictability build out capital costs	± 10%	± 8%	± 7%	± 6%	± 5%
15.	70/30 ratio on planned/reactive maintenance spend	-	75%			95%

N.B. where appropriate performance measures will be benchmarked against upper quartile performance in peer authorities

## 6.9. Implementation of Priorities

- 6.9.1. Establishment and Delivery of the Strategy.
- 6.9.2. The seven identified asset portfolio workstreams have been developed in close collaboration with Directorates in particular the Children's Services (Schools and Non-Schools), Regeneration, Care Portfolio, Council Housing and Corporate/Service Portfolio streams.
- 6.9.3. With regard to the Children's Services (Schools and non-schools) part of the portfolio the key priority is meeting the agreed statutory School Organisation Plan 2011-2016. Allied to the Schools Organisation Plan is the new schools capital programme requiring the delivery of a schools building/rebuilding/refurbishment programme of £93million (the commissioning and delivery mechanisms for this programme are not as yet clear from Government), over the next five years. Within the councils agreed Carbon Management Plan there is a requirement for a 35% reduction in carbon emissions by 2015, schools represent some 52% of this reduction target.
- 6.9.4. In relation to the Corporate/Service part of the portfolio the key priorities are the medium term accommodation programme targeted to save some £900k in Phase I, including vacating Technology House, Bedford by March 2013. Further savings (up to £700k) are being considered in Phase II of the programme following upon Phase I, covering 20 corporate/service buildings for completion in 2014. This programme is being managed by a Project Board reporting to CMT, with reporting lines into the assets portfolio holder.
- 6.9.5. The carbon management plan requirement of 35% reduction in carbon emissions will be met principally by the reduction in the use of buildings arising from the medium term accommodation programme and a capital programme of invest to save measures, this programme is being rolled out.
- 6.9.6. Close to some £14 million of surplus property disposals have been identified for the period 2012-2015 following on the £6.16million programme for 2011/12.
- 6.9.7. This programme will continue to be delivered through a mixed economy approach of internal and external resources.
- 6.9.8. The Regeneration priorities have been identified as firstly delivery of the LDF Strategy generating £40 million capital receipts or community benefits in kind over the lifetime of the strategy (the LDF strategy covers a period of seven years in total with likely receipts of £100 million). The council has already procured master planning consultancy support in connection with the LDF. Specific multi-disciplinary project boards need to be set up for each of the individual projects over the life of the strategy. Similarly key town centre regeneration projects have been identified for Flitwick, Dunstable and Leighton Buzzard. The approach for the LDF strategy will be echoed with these projects over the life of the strategy.

- 6.9.9. The Care portfolio priorities have been identified as aligning property asset needs arising from the review of Adult Social Care in 2012/13. This in turn will link to the commencement of a building capital programme in 2013/14. The property asset need alignment will be undertaken through the existing challenge and review process. Dependent upon the scale of the capital building programme it is likely the work will be commissioned internally, either for external design and builds delivery and/or non-traditional delivery vehicles.
- 6.9.10. The councils own housing priorities relative to this strategy are meeting specific niche demand e.g. homelessness provision, from surplus properties within the portfolio. This work is ongoing.
- 6.9.11. The council's community asset priority is in enabling the rollout of the Localism Act.
- 6.9.12. The councils priorities for its investment [portfolio are increasing its yield to 8% by the end of the strategy and reviewing the effectiveness of this part of the portfolio throughout the life of the strategy. This work is ongoing.
- 6.9.13. Aligning individual portfolio workstream key programmes to an overall master programme we see:-

DRAFT

	2012/13	2013/14	2014/15	2015/16
<b>CHILDREN'S SERVICES</b>				
Schools organisation plan	√	√	√	√
Schools capital programme	√	√	√	√
Schools carbon management programme	√	√	√	√
<b>CORPORATE/SERVICES</b>				
MTAP	√	√		
Carbon management plan	√	√	√	√
Disposals	√	√	√	<b>TBC</b>
<b>REGENERATION</b>				
LDF	√	√	√	√
Town centres	<b>TBC</b>			
<b>CARE PORTFOLIO</b>				
Asset needs	√			
Capital programme		√	<b>TBC</b>	<b>TBC</b>
<b>HOUSING</b>				
Niche demand	<b>TBC</b>			
<b>COMMUNITY ASSETS</b>				
Enabling localism	√	√	√	√
<b>INVESTMENT PORTFOLIO</b>				
Yield	√	√	√	√
Review	√	√	√	√

## 6.10. **Capacity, capability and risk in delivering the key priorities in the strategy**

6.10.1. A large number of key priorities have been identified within the strategy. The timescales for delivery have been identified, the resource capacity and capability requirements now need to be identified as part of the short term structure review and medium term delivery vehicle option development in order to ensure delivery of the strategy. This work will include:-

- Review of structure and resource (capacity and capability) availability to deliver in the short to medium term
- A communication strategy to embed the Vision and Strategy
- Establishment of clear governance and accountability lines – CAMG (Strategic Steering Group) and individual workstream/programme operational steering group/programme/project boards
- Establish detailed programmes for each workstream with clear objectives, milestones and accountabilities
- Detailed contingency planning and risk registers in place – the CAMS needs to be able to quickly adapt to external influences and pressures e.g. funding and grant reductions, changes in legislation, resource capability and capacity, programme slippage
- Stakeholder mapping exercise (internal and external partners)

DRAFT

DRAFT

### **Contact us...**

by telephone: 0300 300 8XXX

by email: [customer.services@centralbedfordshire.gov.uk](mailto:customer.services@centralbedfordshire.gov.uk)

on the web: [www.centralbedfordshire.gov.uk](http://www.centralbedfordshire.gov.uk)

Write to Central Bedfordshire Council, Priory House,  
Monks Walk, Chicksands, Shefford, Bedfordshire SG17 5TQ