

CORPORATE ASSET MANAGEMENT STRATEGY 2012-2016

Version 4.0

CONTENTS

Foreword	4
Executive Summary	5

Chapters	Page No
1. Introduction	7
1.1 Geography	7
1.2 Organisational and Political Structure	7
1.3 Context	8
1.4 The Assets Portfolio	8
2. Corporate Vision, Priorities and Values and the Council's Medium Term Financial Plan	10
2.1 Our vision, priorities and values	10
2.2 Medium Term Financial Plan	11
3. Progress to Date in Managing Land and Property Assets	13
4. Land and Property Assets: Future Vision and Priorities	14
5. Corporate Asset Management Strategy 2012-2016	22
5.1. Scope and Benefits	22
5.2. Roles and Responsibilities	23
5.3. Portfolio Implementation Areas	24
5.3.1 Schools / Children's Services	24
5.3.2 Corporate Services	30
5.3.3 Regeneration	33
5.3.4 Care Properties	39
5.3.5 Council Housing	43
5.3.6 Community Assets	45
5.3.7 Investment Properties	46

Appendices	
Appendix A – Key Performance Indicators	47
Appendix B – Key Roles and Responsibilities	48
Appendix C – Assets Portfolio Master Programme	49

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

It gives me great pleasure to present the Central Bedfordshire Council's (the "Council") medium term Corporate Asset Management Strategy ("the Strategy").

The Strategy sets out our approach to the effective management and development of our land and property assets over the next four years (2012 – 2016) ("Strategy implementation period"). The approach is framed within the context of the Council's strategic objectives, vision and values, and the Medium Term Financial Plan.

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

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

In assessing how far we have come in accomplishing our vision and where we need to get to over the next four years, the Council has also established five (5) key strategic objectives for the effective management of our land and property assets. These are underpinned by a number of priorities which have been identified and are applicable to specific areas of the Council's property and assets portfolio.

The Strategy includes a number of key performance indicators from which achievements and successes within the Strategy can be measured and monitored.

The first two years of the Strategy have been planned in detail, however a key requirement is for the Strategy to be reviewed and updated, as it may be required, on an annual basis.

As part of the Strategy the Council has identified a wide range of actions which will need to be implemented ("implementation plan") for the purpose of meeting the identified objectives and priorities. The property-related impacts of the Comprehensive Social Services Review (2012/2013) will also need to be considered.

In particular the Council is seeking to rationalise its office accommodation in order to produce significant savings and to promote flexible ways of working and delivering services. In addition to that, during the Strategy implementation period the Council is aiming to receive capital receipts in excess of £50 million (or the benefit in kind) which will be re-invested into effective service delivery. Finally, the Council has to deliver a major Schools' re-provision and replacement programme over the course of the Strategy implementation period, and beyond, which is valued approximately £93 million.

Councillor Maurice Jones

Deputy Leader and Portfolio Holder Resources

EXECUTIVE SUMMARY

1. The 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 between 2012 and 2016. The scope of the Strategy extends to all the building and land assets exclusively owned or leased by the Council. The Strategy will be reviewed annually to coincide with budget setting.
2. The Council's property and land portfolio (the "Assets Portfolio"), including Council Housing, is currently valued at £965 million. The Assets 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, School Buildings and Council Housing) amount to £140 million. The whole life liability cost position is £1,239 million.
4. The Council has identified key service delivery and financial benefits that will be derived from implementing the Strategy.
5. The Strategy is set within the context of the Council's current vision, priorities and values, as well as its Medium Term Financial Plan ("MTFP").
6. The Council has adopted a vision for its property assets which can be summarised below as follows:
"The Council will only use property that supports and sustains delivery of our services"
7. In setting that vision the Council has also identified **five (5) key strategic objectives** within the Strategy, which are listed below as follows:
 - *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; and*
 - *Community development through our property asset portfolio.*
8. Given the size, scale and complexity of the Assets Portfolio, the Council has considered the Strategy as it applies to specific service areas ("Portfolio Implementation Areas"), which are listed below as follows:
 - *Children's Services (including Schools);*
 - *Community Assets;*
 - *Corporate Services;*
 - *Care Properties;*

- *Regeneration;*
 - *Council Housing; and*
 - *Investment Properties*
9. In addition to the aforementioned five key strategic objectives, there are a number of key priorities which have been identified as applicable to individual Portfolio Implementation Areas and are explained in detail within Section 5 of this document.
 10. The Council has agreed to apply a series of Key Performance Indicators (“KPIs”) for the purpose of measuring the effectiveness and efficiency of how corporate property assets are managed through the adoption and implementation of the Strategy. Specific performance improvement plans will also be formulated and put into action over the Strategy implementation period and these will form part of the agreed KPIs. A detailed list of the KPIs that will be relevant and applicable to the delivery and implementation of the Strategy can be found attached to this document as Appendix A.

1. INTRODUCTION

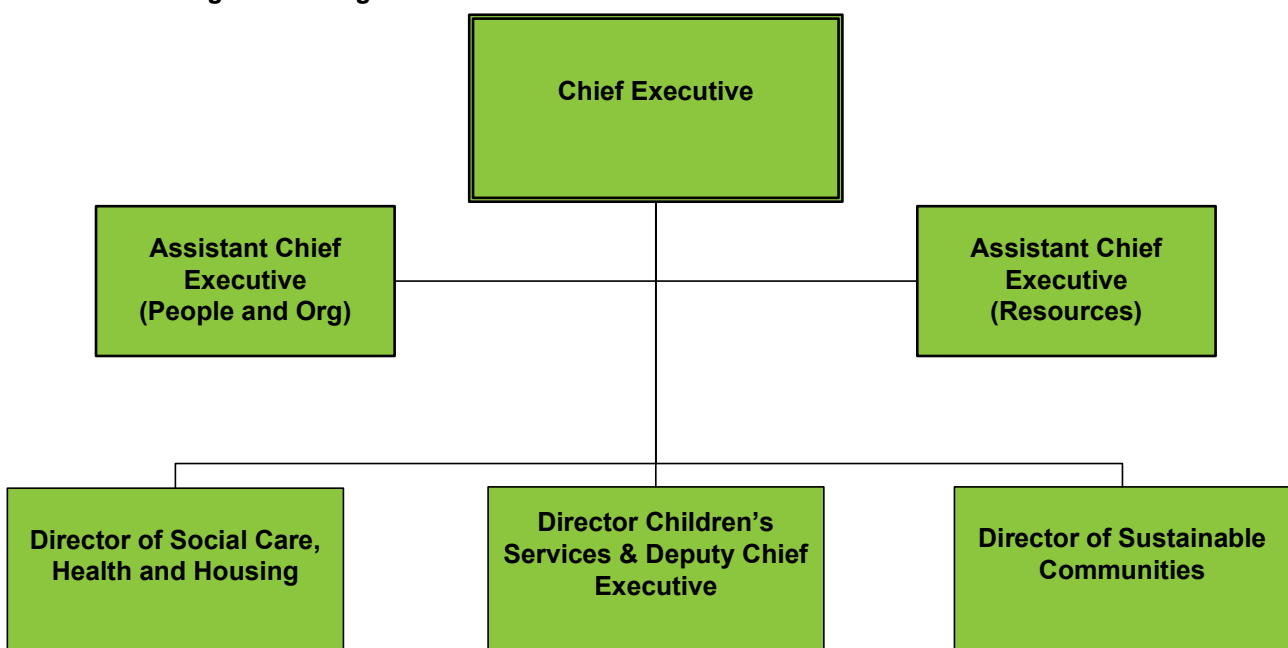
1.1. Geography

- 1.1.1. Lying within the East of England region and with a population approaching 250,000 inhabitants, Central Bedfordshire is located on the northern fringe of London and is adjacent to other regional groupings such as East Midlands, South East and Eastern Regions.
- 1.1.2. 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.
- 1.1.3. The Council sees regeneration and economic development with its consequent impact on the provision of housing and schools 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 its property assets accordingly. The Council's property and land assets have a key role to play in enabling these strategies.

1.2. Organisational and Political Structure

- 1.2.1. The Council is Conservative controlled there being 49 Conservative Councillors, 5 Liberal Democrat, 4 Independent and 1 Labour. The Council has an Executive of 8 Councillors including the Leader and Deputy Leader.
- 1.2.2. The structure of the Corporate Management Team ("CMT") is shown in Diagram 1 below.
- 1.2.3. The Council's land and property assets (excluding Council Housing) are managed by the Assistant Chief Executive (Resources).

Diagram 1 – Organisational and Political Structure



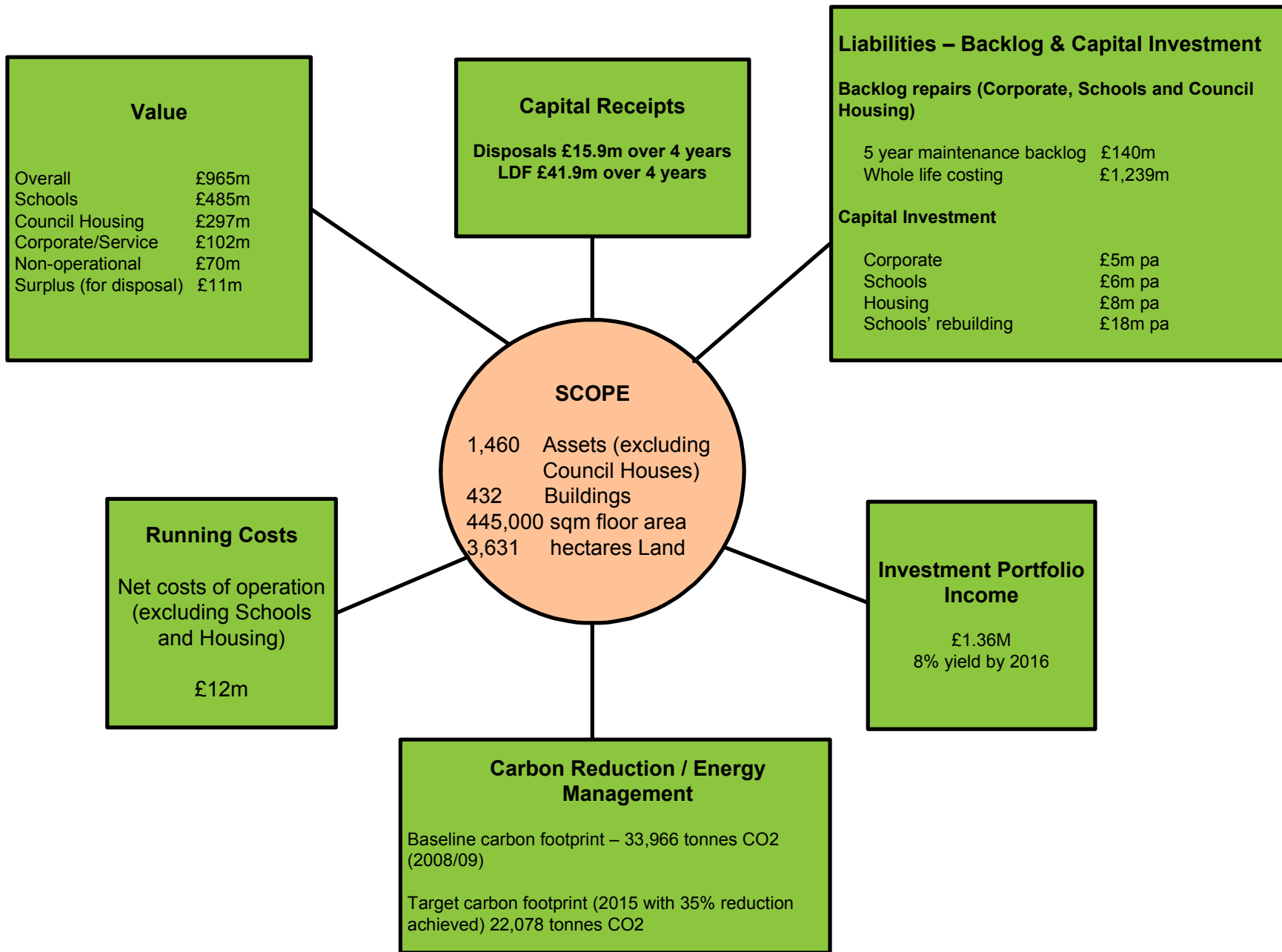
1.3. Context

- 1.3.1. The Strategy needs to be read in the context of the broader changes that are underway in the Council for the purpose of meeting challenging financial targets set by the Government whilst maintaining frontline delivery across the range of the Council's service areas.
- 1.3.2. The Strategy provides an overarching framework for the four years 2012 to 2016 within which to plan, co-ordinate and control the projects, improvement plans and initiatives designed to maximise the efficiency and effectiveness with which assets are managed in support of wider corporate aims and objectives.
- 1.3.3. 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 also ensure the property assets of the Council are appropriate to the needs of Council service users, the community and other stakeholders.
- 1.3.4. The Council's Medium Term Financial Plan places a focus on delivering frontline services efficiently. Its implications are radical and far reaching, requiring change on a significant scale.
- 1.3.5. 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 also fundamental to the Medium Term Plan.

1.4. The Assets Portfolio

- 1.4.1. The Assets Portfolio has a balance sheet value of £965 million.
- 1.4.2. It currently comprises of 1,460 separate assets of which 432 are buildings and the remainder being land holdings (3,631 hectares in total).
- 1.4.3. The five year maintenance backlog liabilities on the Portfolio amounts to £140 million, whereas the net running costs of the Portfolio (excluding Schools and Council Housing) are £12 million per annum.
- 1.4.4. The investment property in the Portfolio provides an income of £1.36 million per annum.
- 1.4.5. The size and scope of the Assets Portfolio is shown in Diagram 2 below.

Diagram 2 - Corporate Assets Portfolio



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

2.1. Our Vision, Priorities and Values

2.1.1. The Council's vision, priorities and values set out what we want to achieve as a Local Authority and how we will be able to accomplish our ambitions. They represent a long term aspiration for the authority area and therefore drive and underpin the work of the entire Council. They are also guiding how services will be delivered and how collaborative working will be achieved both internally and externally. As such, it is vital that all Council employees are fully aware and have a solid appreciation of the corporate 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 the Council to deliver these aims.

2.1.2. Our vision describes our overall objectives as a council and the type of place we want Central Bedfordshire to be. Our vision is realising the area's economic potential for the purpose of:

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

2.1.3. Our priorities describe how the organisation will focus its efforts in ensuring that the corporate vision is achieved. More specifically, 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; and
- Promoting healthier lifestyles.

2.1.4. 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.

2.2. **Medium Term Financial Plan (MTFP)**

- 2.2.1. The Council's MTFP sets out the financial framework for the next four years. Whilst there is more clarity on funding and savings for the next two years, estimates are also made of the position leading up to 2015/16.
- 2.2.2. The Strategy 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 1.3 above sets out further contributions which the Strategy 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.
- 2.2.3. The Council has an ambitious capital programme and the Strategy 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.

3. PROGRESS TO DATE IN MANAGING LAND AND PROPERTY ASSETS

- 3.1. 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.
- 3.2. During the period of 2010 to 2011 the following steps towards best practice in asset management were taken:
- The quality of existing property and asset data was cleansed;
 - The recording and accessibility of property and asset data was improved and made secure;
 - A property acquisition / disposal protocol was agreed by the Council, including revisions to property asset related delegations;
 - 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);
 - The (officer) Corporate Asset Management Group (CAMG) was re-established with agreed (advisory) terms of reference;
 - The Assets team's skills set were enhanced by 29 ex-Mouchel employees;
 - The carbon reduction targets on corporate buildings were met; and
 - Assets stopped providing subsidised catering, grounds maintenance and cleaning management services to schools (physical sign off was end of summer term 2011).
- 3.3. A one year short-term Corporate Asset Management Plan was produced for 2011/12 which resulted to a number of achievements, some of which are listed below as follows:
- 3.3.1. Improved (industry standard) five year rolling assessment of the level of condition and backlog capital investment requirements in the portfolio;
- 3.3.2. A shift towards compiling Whole Life Costing (WLC) data on our property assets, for use in retain/dispose key decisions;
- 3.3.3. Specification of an integrated property ICT database system;
- 3.3.4. 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;
- 3.3.5. A property review process has been introduced with Directorates which tests the suitability, sufficiency and future needs of the property assets in question;
- 3.3.6. Property asset budgets have now been centralised as a first step of the move towards a corporate landlord approach. Related Service Level Agreements ("SLAs") are in the process of being completed;

- 3.3.7. 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;
- 3.3.8. The initial programme of capital investment in our buildings leading to sustained carbon reduction and energy savings is now being rolled out.
- 3.3.9. The section of the investment portfolio dealing with shops was reviewed and established that a number of shops which are not delivering the target yield have been declared surplus and are in the process of disposal;
- 3.3.10. The surplus property disposals programme continues with a target of £11.03m for 2012/2013.
- 3.3.11. 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;
- 3.3.12. 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;
- 3.3.13. The Assets Team, together with the Council's Legal Services, continue to complete the long term leases for schools converting to Academies (17 to date);
- 3.3.14. The Assets Team worked with Regeneration and Planning colleagues in developing master plans for Flitwick, Arlesey and Leighton Buzzard, and the now agreed plan for the "Incuba" Project in Dunstable;
- 3.3.15. The Assets Team have worked with Regeneration colleagues on the challenges affecting the retail offering in Dunstable Town Centre; and
- 3.3.16. 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.

4. LAND AND PROPERTY ASSETS: FUTURE VISION AND PRIORITIES

4.1. Vision

4.1.1. As stated within the Executive Summary, the Council has adopted a vision for its property assets which can be summarised below as follows:

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

4.2. Key Strategic Objectives

4.2.1. In setting that vision the Council has identified five key strategic objectives, which are listed below as follows:

Table 1: Key Strategic Objectives

Objective No	Key Strategic Objective Narrative
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 benefit from our property assets, including with partners
4	Acting as the Corporate Landlord for Central Bedfordshire Council's estate
5	Delivering community development through our property Assets Portfolio

4.2.2. Although the timescales for delivery of the above five strategic objectives have been identified, the resource capacity and capability requirements still require to be assessed as part of the short term structure review and medium term delivery vehicle option development for the purpose of ultimately ensuring the delivery of the Strategy. Such assessment will include the following:

- 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 via the formation of various strategic groups, such as the Corporate Assets Management Group (“CAMG”);

- Establishment of detailed programmes for each implementation area (please refer to section 4.3 below) with clear objectives, milestones and accountabilities;
- Detailed contingency planning and risk registers will be put in place as the Strategy needs to be able to quickly adapt to external influences and pressures, such as funding and grant reductions, changes in legislation, resource capability and capacity, programme slippage, etc; and
- Stakeholder mapping exercise (internal and external partners).

4.3. Key Strategic Objectives

4.3.1. Given the size, scale and complexity of the Assets Portfolio, the Council has considered, via collaboration of the Directorates, the Strategy as it applies to seven service areas (“Portfolio Implementation Areas”), which are listed below as follows:

Table 2: Portfolio Implementation Areas

	Portfolio Implementation Areas
	Children’s Services (including Schools)
	Community Assets
	Corporate Services
	Care Properties
	Regeneration
	Council Housing
	Investment Properties

4.3.2. Details of each Portfolio Implementation Area are being provided below as follows:

Children’s Services (including Schools)

- 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 Council's agreed Carbon Management Plan there is a requirement for a 35% reduction in carbon emissions by 2015, of which schools represent some 52% of this reduction target. For further details, please refer to section 5.3.1 of this document.

Corporate Services

- The key priorities identified include the Medium Term Accommodation Plan ("MTAP") which is expected to producing savings approaching 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 the Corporate Management Team ("CMT"), with reporting lines into the Assets Portfolio Holder.
- The Carbon Management Plan ("CMP") requirement of 35% reduction in carbon emissions will be met principally by the reduction in the use of buildings arising from the MTAP and a capital programme of invest to save measures, this programme is being rolled out.
- 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. This programme will continue to be delivered through a mixed economy approach of internal and external resources.
- For further details, please refer to section 5.3.2 of this document.

Regeneration

- The key priority is delivery of the Local Development Framework ("LDF") strategy generating £40 million capital receipts or community benefits in kind over the lifetime of the LDF strategy which 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 LDF strategy. Similarly, key town centre regeneration projects have been identified for Flitwick, Dunstable and Leighton Buzzard, which will echo the overall approach of the LDF strategy. For further details, please refer to section 5.3.3 of this document.

Care Properties

- The key priority is the alignment of 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 needs alignment will be undertaken through the existing challenge and review process. Depending on 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. For further details, please refer to section 5.3.4 of this document.

Community Assets

- The key priority is enabling the rollout of the Localism Act. For further details, please refer to section 5.3.5 of this document.

Council Housing

- The Council’s housing priorities relative to this Strategy are meeting specific niche demand, namely homelessness provision from surplus properties within the Council Housing Portfolio. This work is ongoing. For further details, please refer to section 5.3.6 of this document.

Investment Properties

- The priority is increasing its yield to 8% by the end of the Strategy implementation period and reviewing the effectiveness of this part of the portfolio throughout the life of the strategy. This work is ongoing. For further details, please refer to section 5.3.7 of this document.

4.3.3. Appendix C (Master Programme) of this document demonstrates how the seven Portfolio Implementation Areas identified above will align with the various key programmes which are currently undertaken, or due to be undertaken, by the Council.

4.3.4. In addition to the five key strategic objectives listed in Table 1 above, there are a number of key property priorities which are applicable to each individual Portfolio Implementation Area.

4.3.5. The key property priorities in relation to the Schools / Children’s Services Portfolio Implementation Area are listed in Table 3 below:

Table 3: Schools / Children’s Services Key Property Priorities

Priority No	Key Property Priority Narrative
1	Supporting the vesting of academic schools
2	Delivering the schools’ capital programme
3	Delivering the schools’ carbon reduction programme
4	Rolling condition surveys and valuations

5	Exercising our statutory responsibilities for schools and other buildings
6	Delivering the New School Places Capital Programme of £93 million

4.3.6. The key property priorities in relation to the Community Assets Portfolio Implementation Area are listed in Table 4 below:

Table 4: Community Assets Key Property Priorities

Priority No	Key Property Priority Narrative
1	Meeting the requirement of the Localism Act
2	Supporting delegation or devolving of services to Town and Parish Councils through the property asset base where possible

4.3.7. The key property priorities in relation to the Corporate Services Portfolio Implementation Area are listed in Table 5 below:

Table 5: Corporate Services Key Property Priorities

Priority No	Key Property Priority Narrative
1	Delivering the Medium Term Accommodation Plan
2	Delivering the Corporate Building Capital Programme
3	Delivering the Carbon Reduction Programme
4	Delivering the Surplus Property Disposal Programme worth £14 million over three (3) years
5	Rolling condition surveys and valuations

4.3.8. The key property priorities in relation to the 'Care' Properties Portfolio Implementation Area are listed in Table 6 below:

Table 6: Care Properties Key Property Priorities

Priority No	Key Property Priority Narrative
1	Managing the property asset needs and changes arising from the Social Services Review
2	Confirming retain and improve/dispose decisions on assets not fit for purpose
3	Exploring synergies between Adult Social Care (“ASC”) property asset needs, and those of partners
4	Participating in the development of an ASC programme of capital development by 2013/14

4.3.9. The key property priorities in relation to the Regeneration Portfolio Implementation Area are listed in Table 7 below:

Table 7: Regeneration Key Property Priorities

Priority No	Key Property Priority Narrative
1	Regenerating the town centres in Flitwick, Leighton Buzzard and Dunstable
2	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

4.3.10. The key property priorities in relation to the Council Housing Portfolio Implementation Area are listed in Table 8 below:

Table 8: Council Housing Key Property Priorities

Priority No	Key Property Priority Narrative
1	Continuing to manage retail premises which form part of the Council housing portfolio
2	Aligning surplus corporate assets where possible to meet the increased need provision of temporary housing accommodation and other housing need

4.3.11. The key property priorities in relation to the Investment Properties Portfolio Implementation Area are listed in Table 9 below:

Table 9: Investment Properties Key Property Priorities

Priority No	Key Property Priority Narrative
1	Improving the yield from the investment property, to 8% by 2016
2	Reducing voids by 8% over the period of the strategy

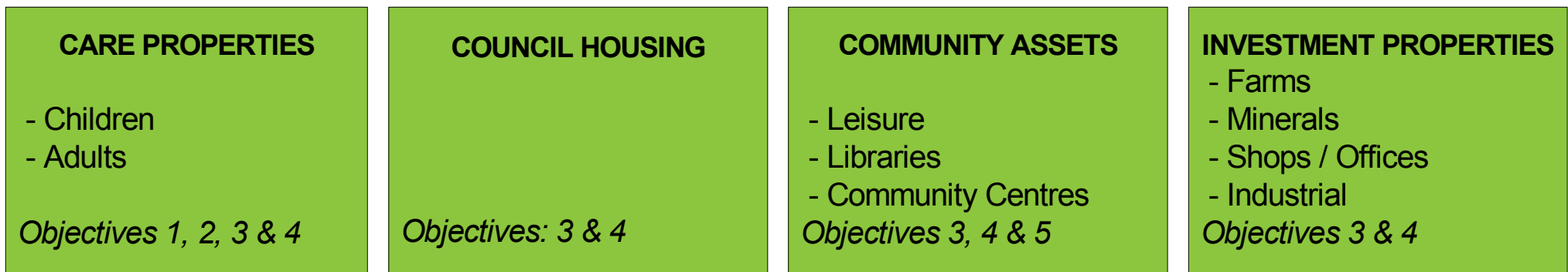
4.3.12. The relationship between these priorities and how they impact on the various Portfolio Implementation Areas is shown in Diagram 3 below.

4.4. **Assets Portfolio Criteria**

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

- 4.4.1. Ownership of property assets is not critical to service delivery.
- 4.4.2. The Council's reason for holding property assets (excluding the investment properties) is to deliver services.
- 4.4.3. Property assets must make an active and efficient contribution to the delivery of services.
- 4.4.4. The Council will dispose, improve, or replace property assets that are not fit for purpose.
- 4.4.5. Capital receipts from land and property asset disposals will be invested in the portfolio so as to enhance service delivery.
- 4.4.6. The Council will actively promote co-location of services with partners, where appropriate.
- 4.4.7. The cost of Council buildings used by community or voluntary groups will be governed by a fair and transparent policy.

Diagram 3 – Portfolio Implementation Areas and linkage to Key Strategic Objectives



Key Strategic Objectives

- No. 1 -** Delivering cost effective and efficient acquisition, disposal and management of land and property to meet safe service delivery and investment needs
- No. 2 -** Realising our strategic ambitions in the delivery of our regeneration strategies and projects
- No. 3 -** Reviewing and delivering the maximum financial and optimum benefit from our property assets, including with partners
- No. 4 -** Acting as the Corporate Landlord for Central Bedfordshire Council's estate
- No. 5 -** Delivering community development through our property Assets Portfolio

5. CORPORATE ASSET MANAGEMENT STRATEGY 2012-2016

5.1. Scope and Benefits

5.1.1 The scope of the Strategy covers all of the land and building property assets owned or leased by the Council (excluding ICT, Highways and Transport).

5.1.2 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.

5.1.3 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 **service delivery benefits** are:

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

5.1.4 In addition to the service delivery benefits, a number of key financial benefits will also be effected as a result of the Council's decision to adopt this Strategy. Property costs are one of any organisations highest recurrent expenditure. A strategy which delivers efficient management of these costs means stronger financial performance. Financial gain will be achieved by:

- Disposals – the realisation of capital receipts from unsuitable/surplus property, and the reduction of equity tied up in service delivery;
- Lease terminations – relieving pressure on revenue budgets;
- More efficient building use – better space planning and co-location opportunities will also result in both per capita and actual cost savings;

- 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;
- 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; and
- Reduced Construction Costs – Better development of design briefs coupled with partnering procurement arrangements.

5.2. Roles and Responsibilities

5.2.1 In relation to the delivery and implementation of the Strategy, specific roles and responsibilities have been assigned to the following bodies:

- **Council’s Executive Committee (“Executive”)**: Asset management matters will be reported to the Executive on a regular basis by the Assets Portfolio Holder. Formal reporting will also be supplemented by regular informal member briefings. The Executive will approve the Strategy and associated Capital Program for recommendation to Council as part of the normal budget setting process;
- **Corporate Asset Management Group (“CAMG”)**: The CAMG will be chaired by the Director of Sustainable Communities and its primary function will be the assessment and consideration of long term strategic and cross directorate property matters across the Council. CAMG will also be responsible for undertaking ongoing monitoring of the Portfolio Implementation Areas;
- **Assets Portfolio Holder (“APH”)**: The APH will be tasked with signing off the Building Capital Programme related to the Strategy. He/she will also be consulted on all disposal and acquisition matters within the delegated limits set out in the Council’s Property Disposal Protocol and the Constitution of the Council. Finally, the APH will be responsible for reporting progress on the Strategy to the Executive on a quarterly basis as part of the programmed Quarterly Performance Monitoring, as well as to the Overview and Scrutiny Committee;

5.2.2 The roles and responsibilities that will be assigned for the purpose of ensuring the delivery and monitoring of the Strategy are also detailed in Appendix B of this document.

5.3. Portfolio Implementation Areas

5.3.1. Children's Services (incl. Schools)

Key strategic objectives to be met (Table 1 above):

Objective no. 1

Delivering cost effective and efficient acquisition, disposal and management of land and property to meet safe service delivery and investment needs.

Objective no. 3

Reviewing and delivering the maximum financial and optimum benefit from our property assets, including with partners.

Objective no. 4

Acting as the Corporate Landlord for Central Bedfordshire Council's estate.

- 5.3.1.1. The 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).
- 5.3.1.2. 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.
- 5.3.1.3. 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>
- 5.3.1.4. 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, for example Section 106 contributions for funding new schools within housing development sites to accommodate the planned growth in the Central Bedfordshire area over the next five 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.
- 5.3.1.5. 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.

5.3.1.6. Our key property asset objective is to ensure that the buildings that are used to deliver services that are fit for purpose in terms of suitability, condition, and capacity, and have appropriate levels of utilisation and running costs, and their 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 five year period and derived from this a rolling programme of repairs and maintenance will be prepared. Property asset management will also continue to make available statutory building data, e.g. asbestos registers and fire risk assessments.

Schools Organisation Plan 2011 - 2016

5.3.1.7. The Education Act 1944 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.

5.3.1.8. As a new Authority formed on 1st April 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 Executive in March 2010.

The Education Vision for Central Bedfordshire

5.3.1.9. This 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 it's original approval in March 2010 the vision has been refreshed to reflect current education policy and the principles are listed below:

- There is a need to raise education standards and to improve outcomes for young people;
- Continuity of provision across the 0 to 19 age range creates a 'one phase' approach to learning;
- 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;
- What is best for children and families should be at the centre of any change;

- 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;
 - New models of leadership and governance for schools are promoted;
 - All partners will capture what is working well and publish this in ways that allow others to learn from the success; and
 - The vision should reflect current reforms set out in the Education Act 2011.
- 5.3.1.10. Realising the vision will require significant collaboration between schools in order 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.
- 5.3.1.11. 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>
- 5.3.1.12. 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
- 5.3.1.13. New Schools Places Capital Programme: 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 next financial year when future capital announcements from central government are expected. The Assets Team will continue to offer a design and construction facility for building works undertaken through delegated capital budgets.
- 5.3.1.14. 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 citing the classrooms.
Academies and Trust Schools
- 5.3.1.15. In 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+.
- 5.3.1.16. 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 1st November 2011 is 17, with a further 14 applications expected to convert by 1st April 2012.

- 5.3.1.17. 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.
- 5.3.1.18. 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

- 5.3.1.19. 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.
- 5.3.1.20. 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. In recognition that the Council must work closely with schools in order 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.
- 5.3.1.21. In order to assist schools in adopting 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

- 5.3.1.22. 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 between 2006 and 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 deals with the negotiation of terms for these leases; and
 - 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;
- The Council does not have a capital programme for this purpose and none is anticipated in the foreseeable future; and
- 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

5.3.1.23. 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.

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

Youth Service

5.3.1.25. From 1st 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 the basis of two year Service Level Agreements expiring on 31st March 2013.

5.3.1.26. 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.

- 5.3.1.27. 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

- 5.3.1.28. As a legacy of the formation 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.

- 5.3.1.29. Within Children's Services the services hosted by the Council are:

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

- 5.3.1.30. There are also two shared services hosted by Bedford Borough Council. These are listed below as follows:

- Admissions; and
- Youth Offending

- 5.3.1.31. As the Service Level Agreements for the provision of these services will be 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 authority 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.

5.3.2. Corporate Services

Key strategic objectives to be met (Table 1 above):

Objective no. 1

Delivering cost effective and efficient acquisition, disposal and management of land and property to meet safe service delivery and investment needs.

Objective no. 2

Realising our strategic ambitions in the delivery of our regeneration strategies and projects.

Objective no. 3

Reviewing and delivering the maximum financial and optimum benefit from our property assets, including with partners.

Objective no. 4

Acting as the Corporate Landlord for Central Bedfordshire Council's estate.

Objective no. 5

Delivering community development through our property Assets Portfolio.

- 5.3.2.1. This Portfolio Implementation Area 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 ("MTAP")

- 5.3.2.2. The office accommodation within this part of the Assets 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 a 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.
- 5.3.2.3. 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 fulfill the need for the former Dunstable Court House to be released for the Dunstable master plan, but will also achieve cost savings from surrendering leased buildings. It is intended enhanced wedding facilities will be provided with a potential increase in revenue income.
- 5.3.2.4. Service reviews are underway for both libraries, and leisure services. The property assets related impact will be understood in the next financial year at which point capital improvement schemes or disposals will be considered as appropriate in time for budget setting.
- 5.3.2.5. Other service reviews and the property assets related impact arising from them will be the subject of action planning in the later years of the MTAP implementation.

- 5.3.2.6. Market testing followed by 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.
- 5.3.2.7. Statutory maintenance and testing across the Assets Portfolio (excluding schools) will be procured on a short term contract up to 2013/14. Furthermore, as of the beginning of 2014 the Council is presented with an opportunity to be part of the Eastern Shires Purchasing Organisation (ESPO) for large scale, long term procurement of such services.
- 5.3.2.8. Throughout the life of the MTAP, 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.
- 5.3.2.9. Increased resources have been included in each year of the MTAP to cover our five year capital investment backlog liability. 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.
- 5.3.2.10. 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.
- 5.3.2.11. Rating reviews of Council buildings will continue on an annual rolling basis.

Carbon Management Plan (“CMP”)

- 5.3.2.12. In addition to the above, 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.
- 5.3.2.13. The Council’s Carbon Management Plan (“CMP”) was approved by the Executive in October 2010 and was developed via 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.
- 5.3.2.14. In order to achieve this ambitious carbon reduction target, the Council will be developing energy saving projects that will be implemented (where viable) throughout its Corporate Services Portfolio.

Disposals

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

Performance

- 5.3.2.16. Performance for disposal of properties is measured by reference to the capital receipts targets that are required to support the Capital Program. These will be agreed during the budget setting process at the

beginning of each financial year. This will be reviewed quarterly dependant upon movements in the property market. Current targets are as follows:

Table 10: Assets Disposal targets

2012 - 2013	2013 – 2014	2014 - 2015	2015 – 2016
11,030,000	1,900,000	1,000,000	TBC

- 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 as appropriate. Demolition of obsolete buildings will also be considered; and
- 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

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

Table 11: Property sales targets risk matrix

Property market conditions	Risk Level	Price and saleability	Monitor property market and economy
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

5.3.2.18. Properties for sale will be reviewed and impediments will be noted so that actions may be taken for the purpose of preventing detrimental effects on the property value.

5.3.3. Regeneration

Key strategic objectives to be met (Table 1 above):

Objective no. 1

Delivering cost effective and efficient acquisition, disposal and management of land and property to meet safe service delivery and investment needs.

Objective no. 2

Realising our strategic ambitions in the delivery of our regeneration strategies and projects.

Objective no. 4

Acting as the Corporate Landlord for Central Bedfordshire Council's estate.

Objective no. 5

Delivering community development through our property Assets Portfolio.

Town Centres

5.3.3.1. There are three main Town Centre Regeneration projects involving significant assets owned by the Council which will be promoted in 2012/13 and beyond. The Assets Team and Economic Development are currently working together to deliver Town Centre projects in the following authority areas:

- Flitwick
- Leighton Buzzard
- Dunstable

Flitwick

5.3.3.2. The Council has 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.

5.3.3.3. 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.

Leighton Buzzard

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

- 5.3.3.5. 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.

Dunstable

- 5.3.3.6. The Council's assets are more peripheral to the town centre in Dunstable and for this reason the Assets 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 Compulsive Purchase Order ("CPO") powers is being considered.
- 5.3.3.7. Furthermore, 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.
- 5.3.3.8. In relation to Biggleswade and Houghton Regis, the Council owns only limited assets in these Town Centres and therefore holds less influence and control in their development, however regeneration will be supported as far as practicably possible.
- 5.3.3.9. The Assets Team will continue to work with Economic Development to deliver other opportunities for regeneration throughout Central Bedfordshire.

Local Development Framework ("LDF")

- 5.3.3.10. The development potential arising from the Local Development Framework ("LDF") and the corporate freehold land places the Council in a position where it could receive capital receipts of up to £100 million over the next seven years. Under the Disaggregation Agreement with Bedford Borough Council, the Council will have to transfer across to them 37% of the proceeds of such sales, after the deduction of costs.
- 5.3.3.11. 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.
- 5.3.3.12. In addition to the above, there is an existing Core Strategy and Site Allocation document which allocates a significant number of new housing and employment proposals in of the northern part of the authority area. The Council has land interests in two of those allocations at Biggleswade and Arlesey. In the southern part of the authority 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 Core 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.

- 5.3.3.13. The new Development Strategy 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.

LDF Objectives

- 5.3.3.14. 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; and
- To maximise the proceeds from disposal for the benefit of the Council and its community.

LDF Performance

- 5.3.3.15. Performance for the LDF programme will be measured by:

- Meeting the timetable and set budgets;
- Identifying land from the Council farm portfolio to be considered for the Site Allocation programme and achieving a success rate of 20% of land promoted for development; and
- Adding value to agricultural land.

Risk management

- 5.3.3.16. The following risks have been identified which may restrict sales and delay completion:

Table 12: Property Sales Risk Matrix

Property market conditions	Risk Level	Price and saleability due to long lead in time	Monitor property market and economy
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

- 5.3.3.17. With regards to the 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 authority area it is likely that this will involve taking forward the existing strategy in the adopted LDF, which runs up to 2026. Housing and employment requirements for an additional five years will need to be planned.
- 5.3.3.18. In the northern authority area two sites have been adopted, one of them being the High Street in Arlesey, where the Council is an 80% landowner within the master plan, and Stratton Business Park Phase V, which provides for an additional 15 hectares of employment land. Feasibility studies are being undertaken and some 1.5 hectares are already under negotiation with an adjoining occupier on Stratton Business Park.
- 5.3.3.19. In the southern authority area the LDF strategy is likely to be based around the submitted version of the Joint Luton and South Beds Core Strategy, which has been endorsed by the Executive as an 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.
- 5.3.3.20. Representations must also be made to influence the Development Framework in terms of the rest of southern authority 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.
- 5.3.3.21. Estimates of viability will allow for representations at the draft and submission stages plus a number of LDF review meetings.
- 5.3.3.22. The sites available include:

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.

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 has been put forward by the BEaR Project as the Council's Reference Site and the Assets Team are working with the BEaR Project Team to ensure objectives are met. It is anticipated that a planning application will be submitted within 2012/13.

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. It is anticipated that preparations relating to the submission of the planning application will commence in 2012/13.

North of Luton SSSA, West of the A6 at Streatley

- This area 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 to be developed for the area and delivery of the larger development. It is anticipated that work will commence on a planning application in 2012/13.

Kingsland Campus (including Central Bedfordshire College), North of Houghton Regis

- Although Kingsland Campus does not form part of the proposed SSSA North of Houghton Regis, it is 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.
- Finally, it has been indicated that Osborne House and the adjoining Garden Centre, fronting Sundon Road, could be brought forward for incorporation with Site 1 at North of Houghton Regis SSSA or with Kingsland College.

Table 13: LDF Professional Fees

LDF Site planning professional fees	2012 – 2013	2013 – 2014	2014 – 2015
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	
Total	794,000	54,000	

Other Development Land - Disposal Strategy

5.3.3.23. Feasibility studies will identify the best way to dispose of the two under mentioned sites to maximise their disposal values:

Stratton Business Park, Phase V, Biggleswade

- Negotiations are continuing with Leibherr to sell some 1.5 hectares of adjoining land. The exact sale value will be established after they have completed outline plans of their requirements.

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.

5.3.4. Care Properties

Key strategic objectives to be met (Table 1 above):

Objective no. 1

Delivering cost effective and efficient acquisition, disposal and management of land and property to meet safe service delivery and investment needs.

Objective no. 2

Realising our strategic ambitions in the delivery of our regeneration strategies and projects.

Objective no. 3

Reviewing and delivering the maximum financial and optimum benefit from our property assets, including with partners.

Objective no. 4

Acting as the Corporate Landlord for Central Bedfordshire Council's estate.

Vision

- 5.3.4.1. "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 vision is driven by commitment to deliver caring and responsive services to individuals, families, carers and the whole community of Central Bedfordshire.
- 5.3.4.2. 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 within 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 the authority area adds to this challenge because it is clear that the current properties are not equipped to deal with the growing numbers of elderly and very elderly residents who require care and support into the future.
- 5.3.4.3. This includes 39 buildings comprising 4 offices (included with the Corporate Services Portfolio), 8 social, day care and learning, 2 supported living homes, 18 mixed uses including shared services and 7 care homes (leased out).
- 5.3.4.4. Starting point:
- Some assets are not fit for purpose now or in the future; and
 - There is an urgent need to develop new facilities that are going to meet business requirements in to the future.
- 5.3.4.5. 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; and
 - Learning disability respite accommodation
- 5.3.4.6. 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.
- 5.3.4.7. The Council is committed to the following approach:
- Incorporate property assets into its business and 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;
 - Be creative and employ strategies that can attract private investment;
 - The Assets Team to review the condition and potential commercial value of the existing property Assets Portfolio; and
 - 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

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

Table 14: ACS Properties Risk Matrix

Social Services Review	Risk Level	On property requirements	Monitor demand for services
Assets not fit for purpose	High	High maintenance due to inefficiencies	New facilities to meet needs

- 5.3.4.9. 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

- 5.3.4.10. Revenue budget transfers of £243,205 to the Assets Team for maintenance and management of certain Social Service properties.
- 5.3.4.11. Ten properties are included in the budget transfer as follows:
- Ampthill Day Care / Social Centre;
 - Biggleswade Adult Learning Disabilities;
 - Linsell House, Furness Avenue;
 - Silsoe Horticultural Centre;
 - Drovers Way, Dunstable;
 - Houghton Regis Day Care Centre;
 - Biggleswade Day Care Centre;
 - Townsend Centre, Houghton Regis;
 - The Rowlands; and
 - Leighton Buzzard Day Centre
- 5.3.4.12. Responsibilities are covered by a Service Level Agreement.
- 5.3.4.13. 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.
- Houghton Lodge, Ampthill;
 - Priory House, Chicksands;
 - Biggleswade Area Office; and
 - Watling House Dunstable
- 5.3.4.14. In addition to the above properties, seven Care Homes in the authority area 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 authority area. The existing properties are as follows:
- Allison House;
 - The Birches;
 - Westlands;
 - Caddington Hall;
 - Abbotsbury;
 - Ferndale; and
 - Greenacre

- 5.3.4.15. ASC and the Assets Team have commenced an examination of the Council's land holdings to ascertain if the needs, particularly in the North, can be met.

Disposals

- 5.3.4.16. 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

- 5.3.4.17. During the next year the review will also identify gaps in the current property asset base required to deliver the services as agreed in the Joint Strategic Needs Assessment ("JSNA"), which may include a change in services being delivered due to fluctuations in demand.
- 5.3.4.18. The JSNA will document the capital investment required, provide project specific information including estimated costs, project status (major or minor, new work), and acquisition requirements.

5.3.5. Council Housing

Key strategic objectives to be met (Table 1 above):

Objective no. 3

Reviewing and delivering the maximum financial and optimum benefit from our property assets, including with partners.

Objective no. 4

Acting as the Corporate Landlord for Central Bedfordshire Council's estate.

- 5.3.5.1. The Council owns and manages 5,211 properties in the south of the authority area. 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.
- 5.3.5.2. 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 portfolio also includes garages and garage blocks. The Council has responsibility for three publicly owned Gypsy and Traveller sites, managed by the Housing Service.
- 5.3.5.3. 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 which is primarily related to kitchen and bathroom replacement for the purpose of ensuring that the stock continues to meet the decent homes standard. Moreover, the Council invests nearly £4 million for revenue related repairs and cyclical maintenance.
- 5.3.5.4. The Landlord Services 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 remodeling existing assets and also re-development and renewal of some assets, in consultation with tenants and leaseholders.
- 5.3.5.5. The new self-financing regime will require the Council to pay £165 million to the Government. Whilst this level of borrowing is significant, this will allow 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.
- 5.3.5.6. A stock condition survey which was completed in the summer of 2011 provided good evidence that the housing stock is generally in good condition and has benefitted from investment over many years by the Council and the legacy County Council. The stock meets the decent homes standard and has an average SAP energy rating of 68.
- 5.3.5.7. 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 tenable repair, meeting statutory obligations over 30 years is £268.5m, which equates to a cost per property of £51,530.

- 5.3.5.8. 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.
- 5.3.5.9. However, the Council recognises that some properties, in particular some sheltered accommodation, do 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-modeling 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 the authority area. This work is aligned with the introduction of an Accessible Housing Register with the view of enabling the Council to better meet the needs of physically disabled people.
- 5.3.5.10. 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 the income delivered to the Council as well as contribute in the reduction of tenants' fuel costs.
- 5.3.5.11. 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 also an aspiration of providing temporary accommodation in the north east of the authority area.
- 5.3.5.12. 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 Assets Management Strategy and stock investment programme. Such programme is underpinned by a robust approach to Value for Money and efficiency.

Private Development

- 5.3.5.13. The Council has been approached by private developers to fund number of schemes with the aim of providing a social benefit to the community. These schemes will be evaluated to ensure they will meet the Council's strategic aims.

5.3.6. Community Assets

Key strategic objectives to be met (Table 1 above):

Objective no. 3

Reviewing and delivering the maximum financial and optimum benefit from our property assets, including with partners.

Objective no. 4

Acting as the Corporate Landlord for Central Bedfordshire Council's estate.

Objective no. 5

Delivering community development through our property Assets Portfolio.

- 5.3.6.1. There are currently eight (8) Council assets which are managed or operated by local communities.
- 5.3.6.2. In 2011/12, the management of public toilets in Leighton Buzzard, Dunstable and Houghton Regis was transferred over to the respective Town Councils. Similarly, the management of the markets has been agreed in principle to be transferred to the Dunstable and Leighton Buzzard Town Councils.
- 5.3.6.3. The Localism Act came into force on 16 November 2011. The main area of focus for the Assets Team is the requirement to maintain a list of all assets of community value which have been nominated by a Parish/Town council or local voluntary and community organisation. In response to this, the Assets Team will publicise the list on the Council's website, together with the protocols around how nominations can be made.
- 5.3.6.4. Under the Localism Act, Councils have also being invested with a greater level of local control over business rates, thus giving them more freedom to offer business rate reductions. This could positively impact 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.
- 5.3.6.5. 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 related impact of any delegation or devolution will be assessed as part of development of those proposals.

5.3.7. Investment Properties

Key strategic objectives to be met (Table 1 above):

Objective no. 3

Reviewing and delivering the maximum financial and optimum benefit from our property assets, including with partners.

Objective no. 4

Acting as the Corporate Landlord for Central Bedfordshire Council's estate.

- 5.3.7.1. The income derived from the Council's Investment Properties Portfolio is £1.36m and comprises £251k worth of industrial buildings, £36k worth of business units, £26k worth of depots and storage, £473k worth of farms and £573k worth of shops and offices.
- 5.3.7.2. In 2011/12 an option evaluation of the shops in the Investment 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 (2014/15).
- 5.3.7.3. The current net 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 net 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.
- 5.3.7.4. The Assets Team is 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.
- 5.3.7.5. 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.

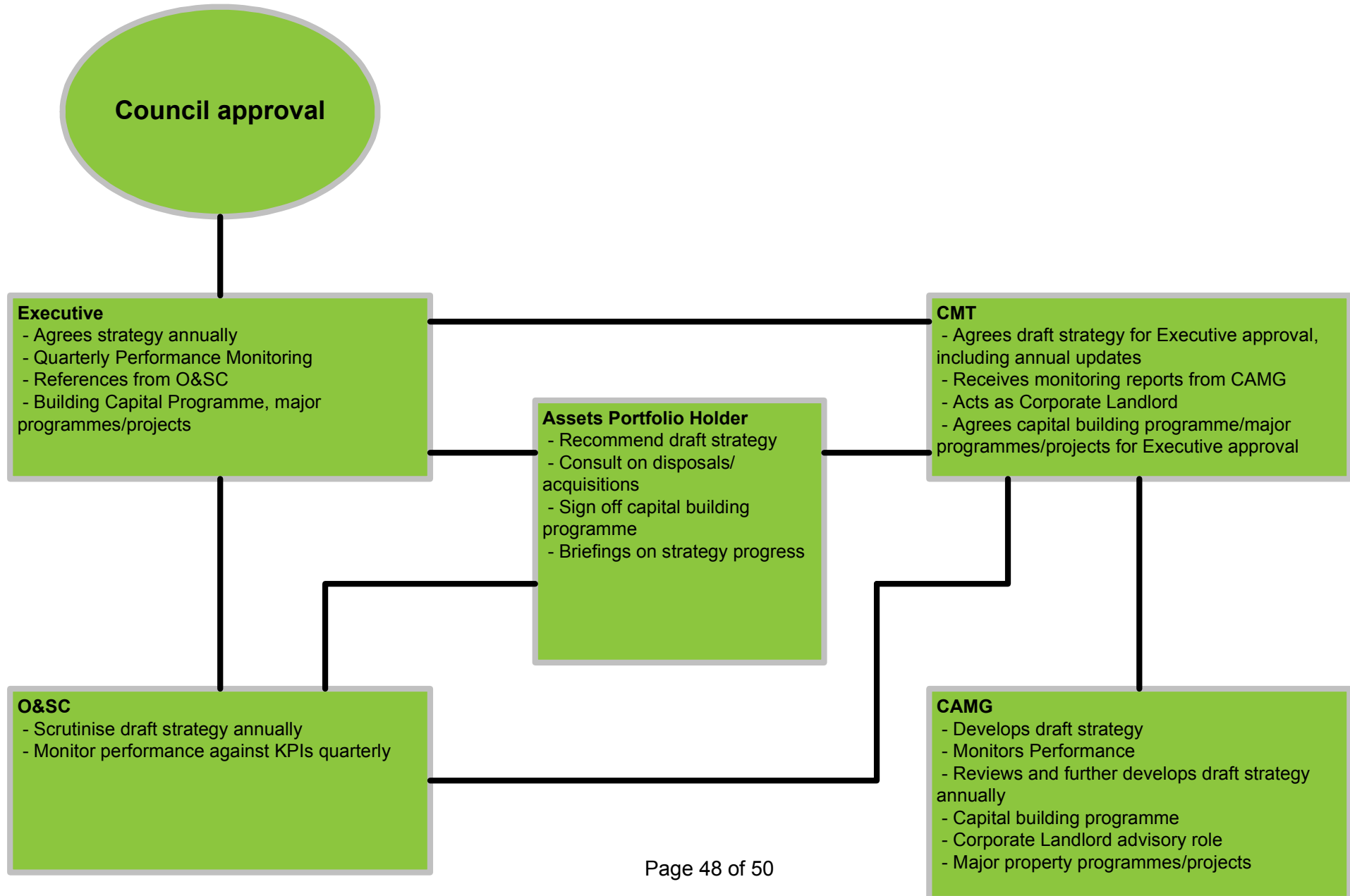
Appendix A

KEY PERFORMANCE INDICATORS

No.	Performance Indicators	2011/12	2012/13	2013/14	2014/15	2015/16
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 Properties Portfolio	5.75%				8%
5.	% Voids on Investment Properties Portfolio	23%				15%
6.	Rent reviews completed within 6 months	75%	100%	100%	100%	100%
7.	Lease reviews completed within 6 months	70%	100%	100%	100%	100%
8.	Spend on energy / sqm GIA (excluding energy prices 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 built out capital projects	+/- 10%	+/- 10%	+/- 9%	+/- 8%	+/- 7.5%
14.	Cost predictability built out capital costs	+/- 10%	+/- 8%	+/- 7%	+/- 6%	+/- 5%
15.	70/30 ratio in planned / reactive maintenance spend	-	75%			95%

NB: Where appropriate performance indicators will be benchmarked against upper quartile performance in peer authorities and detailed KPIs submitted within the Implementation Plan.

Key Roles and Responsibilities



Appendix C
ASSETS PORTFOLIO MASTER PROGRAMME

Portfolio Implementation Areas	2012/13	2013/14	2014/15	2015/16
CHILDREN'S SERVICES (incl. Schools)				
Schools organisation plan	√	√	√	√
Schools capital programme	√	√	√	√
Schools carbon management programme	√	√	√	√
CORPORATE SERVICES				
MTAP	√	√		
Carbon management plan	√	√	√	√
Disposals	√	√	√	TBC
REGENERATION				
LDF	√	√	√	√
Town centres	TBC			
CARE PROPERTIES				
Asset needs	√			
Capital programme		√	TBC	TBC
COUNCIL HOUSING				
Niche demand	TBC			
COMMUNITY ASSETS				
Enabling localism	√	√	√	√
INVESTMENT PROPERTIES				
Yield	√	√	√	√
Review	√	√	√	√

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