

**Policy Review & Performance Scrutiny Committee**

# Corporate Property Strategy 2020-25

8<sup>th</sup> May 2019



# Corporate Property Strategy 2015-20

## Key Themes and Targets:

- “Fewer But Better Buildings”
- Rationalisation, Collaboration, Modernisation
- Property to be managed Corporately (strategically)
- New governance: Asset Management Board chaired by CEX
- 5 year targets

Target Type	Target %	Target Amount	Anticipated %	Anticipated Amount
Gross Internal Area reduction	15%	1,172,351 sqft	18	1,409,485 sqft
Running Cost reduction	14%	£5m	14	£6.3m
Condition Backlog reduction	20%	£20m	23%	£23.7m
Capital Receipts	n/a	£20m		£48.2m

# Corporate Property Strategy 2015-20

## Achievements

- 5 year targets will be exceeded

### Also:

- Established better relationships with service areas and better understanding of service requirements
- Retained properties are better placed to support service delivery
- Better understanding of property condition, utilisation, running costs and value
- Better arrangements for professional and commercial property advice
- Proactive estate management across whole of the estate - Corporate Landlord principles
- Property is becoming a driver for service change

# Corporate Property Strategy 2015-20

## Lessons Learned from 2015-2020 Strategy

- Too focussed on Operational Estate (Investment and Non-operational managed separately)
- Newly built or acquired properties were not factored into annual reporting or KPI's
- Need to also improve:
  - Alignment with strategic Energy objectives
  - Strategic data/technology
  - Understanding of asset utilisation
  - Understanding of condition and value of assets



# Corporate Property Strategy 2020-25

## Key Themes for the 2020-25 Strategy

- To ensure all retained properties are of a good quality, safe & efficiently used (for both service areas and commercial tenants)
- Delivery of capital receipts to invest and improve the estate and general fund
- Maximise revenue to support front line services



# Corporate Property Strategy 2020-25

## High Level Plan

- Comprehensive strategy covering all asset types
  - Operational Land & Buildings
  - Investment Estate
  - Non-Operational Estate
- Alignment with Corporate Landlord - proactive estate management and planned maintenance programme
- Alignment with service need and service asset bids
- Collaboration opportunities with public sector partners
- Data driven** - up to date knowledge of running costs, maintenance backlog, utilisation and value supported by new IT systems

# Corporate Property Strategy 2020-25

## Discussion Points

- How long should the strategy be: 3, 5, 10 years?
- Should there be a focus on revenue or capital income, or both?
- Commercial priorities v Social priorities?
- How can property promote service change e.g. depots
- How can property help progress staff/customer contentment and morale
- Property encompasses all service areas - how can we take best advantage of this?

