

Subject:	Corporate Property Strategy & Asset Management Plan (AMP) 2014-2018		
Date of Meeting:	4 December 2014		
Report of:	Executive Director Finance & Resources		
Contact Officer:	Name:	Angela Dymott	Tel: 29-1450
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 To seek approval for the council's refreshed Corporate Property Strategy & Asset Management Plan (AMP) 2014-2018. This document follows on from the previous AMP and updates published on the council's website.
- 1.2 The document sets out the property context for the city and the council's holdings linking these to the council's corporate priorities and strategic goals. It provides a strategic overview of the council's property assets and the systems, processes and policies in place or being progressed to manage and maintain them. It also provides a framework for challenging and reviewing the reasons for continuing to hold council assets.

2. RECOMMENDATIONS:

- 2.1 That Policy & Resources Committee approve the Corporate Property Strategy & Asset Management Plan (AMP) 2014-2018 as set out in Appendix 1 of this report.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The 2014-2018 AMP contains the strategic property overview of the main council's service functions and significant priority areas in the City and sits alongside the council's Medium Term Financial Strategy. It covers regional and corporate plans and priorities, the asset strategy in Brighton & Hove and the delivery plan (Appendix A to the AMP). This is aligned to our Corporate Plan and the Sustainable Community Strategy outcomes to ensure that there is a golden thread of linked priorities, objectives and targets throughout our planning and delivery framework.
- 3.2 In this significant and challenging period for the council it is more important than ever that as a major landowner and occupier of buildings in the City the council reviews and justifies its holdings. We need to ensure that we are making best use of our assets for future service delivery, that our estate is fit for purpose,

enabling the council's modernisation agenda, collaboration and co-location with partners and optimising regeneration opportunities in the City

AMP 2014-2018 Summary

- 3.3 The council has a large property and land portfolio valued at £1.96billion (2014 balance sheet) including a substantial investment portfolio valued at £222m producing an annual income of £8.9m that contributes to the medium term financial strategy and helps to keep the council tax down. The AMP is intended to be used as a tool to help make the best use of the council's property assets linked to the council's corporate priorities, outcomes and property objectives to support and improve performance, service delivery, customer focus and facilities and regeneration opportunities for the City.
- 3.4 The AMP sets the property strategic context for the City and council, explains how property assets fit into the golden thread of our corporate planning framework, introduces the five revised property objectives with case study examples, our corporate landlord model and gives an overview of the specific service asset management strategies. The delivery plan is set out in the AMP's appendix and shows how the council will deliver its property strategy and also provides a manual for our asset management processes. It demonstrates service delivery and accommodation needs, One Planet Living principles, the review and challenge of the operational and non-operational (commercial) portfolios, financing, monitoring performance and data management and contains our asset management action plan.

Key Changes

- 3.5 We have revised and simplified our property objectives which are to:
- A : Provide the right buildings in the right place & condition to meet future service delivery needs
 - B : Deliver value for money property services and support the council's modernisation programme
 - C : Use One Planet Principles to reduce our environmental impact
 - D : Optimise the value received from our non-operational urban and agricultural commercial portfolios
 - E : Use our assets to enable new city development and regeneration.
- 3.6 We have challenged our urban and agricultural investment strategies informed by members tours and workshops. The recent static growth in the urban portfolio income is to be mitigated by a rebalancing strategy, disposing of non-performing assets and reinvesting in high performing assets with the aim of increasing our income to support service delivery. We will continue to identify non-core agricultural assets for disposal – ie surplus residential farm buildings not required as farming becomes more mechanised – by reinvesting part of the capital to improve core assets and to support service delivery.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The document is a best practice recommended requirement for all local authorities. It is structured to a format and content aligned to the RICS (Royal

Institution of Chartered Surveyors) guidelines and to CIPFA (Chartered Institute of Public Finance & Accountancy) guidance.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Internal consultations have been carried out across the council and externally with our property agents. Members' tours and workshops have been held focusing on challenge to existing investment strategies resulting in changes to the urban and agricultural portfolio strategies.

6. CONCLUSION

- 6.1 It is best practice for councils to have an overarching property strategy and asset management plan to ensure the council is making best use of its asset base and achieving value for money. This needs to demonstrate the rationale for continuing to hold certain property assets and show how the property objectives link to the council's corporate priorities, contribute to the budget, improve performance, service delivery, modernisation of the council and provide diverse facilities for the city and enable regeneration.
- 6.2 The decision is required to endorse the adoption of the refreshed AMP 2014-2018 and enables the council to fulfil its commitment to deliver the outcomes for the City and the targets in the action plan.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The council's property portfolio has an estimated value of £1.96 billion and the management and maintenance of these assets plays an integral part in managing the council's financial position and performance. The capital and revenue costs of maintaining and running these assets are a significant part of the council's expenditure and therefore achieving maximum benefit from the asset base is a key principle of the Medium Term Financial Strategy. The AMP will ensure that the council is receiving value for money from its property assets, asset management is integrated with business planning and the council has effective financial management in making decisions related to its property assets.

Finance Officer Consulted: James Hengeveld

Date: 06/11/14

Legal Implications:

- 7.2 Approval of the Corporate Strategy and Asset Management Plan is a function proper to Policy & Resources Committee. Making best use of the council's property assets is consistent with the council's legal duty (per section 3 of the Local Government Act 1999) to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Lawyer Consulted:

Oliver Dixon

Date: 30/10/14

Equalities Implications:

- 7.3 The documents set out ways to support and improve access for all services and major infrastructure programmes. Equalities Impact Assessment screening has identified one main area of impact – accommodation through the Workstyles Phase 3 programme which has an overarching EIA and service EIAs that sit underneath.

Sustainability Implications:

- 7.4 The document provides support to the One Planet Living principles, energy efficiency improvements to council buildings, access improvements to the City Downland Estate, encourages apprenticeships in construction, the use of sustainable building methods and materials and supports regeneration of the City enabling sustainable development.

SUPPORTING DOCUMENTATION

Appendices:

1. Corporate Property Strategy & Asset Management Plan (AMP)

Documents in Members' Rooms

None

Background Documents

