

A Modern Use of Property

Cheshire East's approach to
Corporate Property Management 2009 - 2014

Overview

Property represents the Council's largest physical resource in financial terms and is needed to support all our service activities. It therefore follows that proper corporate asset management must be an integral element of high quality service planning and delivery. By its very nature, property is expensive to procure, manage and maintain, and is also inflexible in terms of responding to changing service needs, so it is therefore important that its management is at the heart of the Council's corporate forward planning process. Only in this way can we maximise use and efficiency of our property portfolio to support and facilitate modern and changing ways of working and hence make a long term, positive contribution to successful and economical service delivery.

The Council owns a substantial portfolio of over 600 property assets, with a current use value in the order of £440m, through which are delivered a wide range of services to the people of Cheshire East. The scope of the portfolio is extensive and includes schools, libraries, day centres, short-term accommodation for young people and the elderly, highways depots, car parks, business generation centres, industrial units and land, household waste sites, farms, parks, leisure centres, historic buildings and offices. Running and maintenance costs for the majority of these are borne directly by the Council.

Some services are also delivered through partnerships using property not in the Council's control, for example homes for the elderly.

The Corporate Context

The Council, in its role as a community leader and partner, is committed to delivering services through the natural communities and neighbourhoods within Cheshire East, ensuring there is easy access to services, and that they are designed from a customer's point of view.

Through development and change, Cheshire East works to:

- [Involve local people](#) and to make all Cheshire East's communities great places to live, work and play in safety.
- [Help all our children](#) and young people to make the most of their lives
- [Promote healthy communities](#) and to support people to live as independently as possible.
- [Achieve sustainable communities](#) which are socially, economically and environmentally viable

Cheshire East's commitment to this is underpinned by Service specific objectives with property a crucial component in their support, delivery, and enhancement.

In managing our property we aim to

- Continually review our portfolio to ensure that it is fit for purpose to deliver the services required.
- Look at all property we use and not just focus on what we own
- Be clear about how decisions are made about what to acquire, what to use and invest in, and what to sell
- Maintain a robust measurement and reporting regime to ensure that property performance is closely monitored and action taken as appropriate
- Implement our decisions in an efficient and effective manner and continually monitor our performance

The over-arching criterion for all these, as fully described in the range of documents forming the corporate property strategy (see page 5) is the extent to which they will contribute to the key aims set out in the Council's Corporate Plan.

Core Asset Management Principles

- **Property is a corporate resource.** Land and buildings are made available to Departments for the delivery of services but 'ownership' is retained centrally with the Assets Manager.
- **Property is held only if it is required to meet operational need** or if it contributes demonstrably to one of the Council's corporate aims. Any property no longer required for operational or investment purposes is sold promptly.

In support of these key principles, the Asset Management Services works:

- To provide a property portfolio of optimum size, suitability and condition to meet the Council's business needs.
- To continuously review operational and investment requirements and property performance to ensure the changing needs and Corporate aims are anticipated and met
- To challenge the basis for holding or acquiring property in the traditional way, exploring partnerships and new ways of working wherever appropriate
- To reduce over time the financial resources tied up in property, both capital and revenue.
- To ensure that property decisions are fully justified against measurable criteria, demonstrating a clear business case and best value for money.

So how is property management undertaken?

To enable the property portfolio to be managed on a day-to-day basis, respond to changing needs and for the Council to develop strategies to provide services in a better way in the future,

the Assets Manager, in conjunction with Services and Corporate Members, undertakes the activities listed below:

Improved corporate management

- Assists the Council to take account of significant trends affecting property and its procurement and develops visionary strategies to deal with them. For example demographic changes, planning policy, construction practice and major governmental initiatives.
- Supports and undertakes property review and option appraisals for individual Services and stakeholders in planning for changes required to meet corporate goals
- Provides an information service for property users which is accessible and accurate and aids decision making on individual projects
- Provides regular reports to Senior Officers and Members so that appropriate decisions can be made in accordance with Corporate and Service priorities.

Better use of resources

- Continuously assesses the condition of properties in order to quantify and prioritise maintenance spending to improve the portfolio
- Undertakes whole life costing on building projects to obtain the best balance between capital and revenue investment.
- Continuously monitors property performance, energy and running costs to optimise use
- Manages the farms estate and takes the opportunity to rationalise holdings in accordance with the Farms Strategy
- Maximises receipts from redundant properties for reinvestment in Service delivery and modernisation
- Manages the corporate offices to ensure that there is sufficient good quality modern office space to accommodate all of the Council's staff, and flexibly designed and fitted out to promote new ways of working

Increased financial accountability

- Project manages construction and maintenance projects in an efficient and timely manner using the most appropriate procurement techniques and partnering arrangements with reviews on completion.
- Ensures that the disposals programme is undertaken in a timely manner to meet the requirements of the Capital Programme.
- Manages financial return from industrial Units, farms and other income producing assets

Increased customer satisfaction

- Seeks new ways of providing services through rationalisation of properties, partnering arrangements, or alternative ways of flexible working where these are beneficial
- Takes advantage of regeneration projects to enhance opportunities for providing services nearer to local people - for example improved customer satisfaction through better accessibility of Services.
- Undertakes reviews of completed major projects with Services and stakeholders to assess fitness for intended use and to learn for the future
- Helps Services and their stakeholders to facilitate suitability and efficiency assessments of the existing portfolio

Compliance with statutory codes/changes in legislation

- Puts in place new inspection regimes in order to comply with legislative requirements e.g. Asbestos, Legionella and Disabled Access, to ensure a safe and healthy environment for all property users.

Environmental improvement

- Develops policies for new Council buildings including design, construction standards, and environmental sustainability

The Corporate Property Strategy 2009 - 2014

Property asset management is a crucial corporate activity. It is championed by the Assets Manager but is an inclusive process involving Members, the Corporate Centre, Services, external partners and stakeholders alike. Each has an important part to play and it is essential that the process is adequately resourced and involvement maintained throughout in order that the maximum cross-cutting benefits can be achieved.

The Corporate Property Strategy 2009 – 2014 is encompassed in two key documents, the Corporate Asset Management Plan and the Capital Strategy which set out key policies, procedures, and detailed actions arising from the Corporate and Service planning processes. In turn they are supported by a further range of documents also set out below:

- **The Corporate Asset Management Plan 2009-2014** (*describing management criteria, building performance and action plans over a 5 year period*)
- **The Capital Strategy 2009-2014** (*describing capital expenditure criteria, together with spending and funding plans over a 5 year period*)

The Corporate Asset Management Plan and Capital Strategy will be supported by the following documents, which will be available by September:

- **Area and Service Asset Management Plans**

(identifying issues facing specific areas or services, their property implications and key service actions to deal with them over a 5-10 year period)

- **Property Maintenance Plan**

(identifying assessment criteria and prioritisation of maintenance items over a 5 year period)

- **Asset Disposal Plan** *(identifying disposal proposals over a 5 year period to match capital funding requirements).*

- **Sustainable Construction Policy** *(setting out standards for construction and energy use in new buildings)*

- **Design Guide** *(setting out planning policy and design influences pertinent to Council developments)*

- **Office Accommodation Plan** *(setting out the agreed office strategy covering the next 3 years, combining space and quality standards and identifying how the Council's offices will underpin the introduction of new ways of working designed to facilitate customer focused service delivery whilst improving the working environment for staff)*

- **Farms Management Strategy** *(setting out the Council's objectives for the future management of the Farms Service)*

- **Capital Projects Procurement Plan** *(setting out the means by which new projects are procured, including their management and anticipated workload over a 5 year period)*