



Lewes District Council *and* Eastbourne Borough Council

Corporate Asset Management Plan 2017-2020



Appendices

STRONGER together



Lewes District Council



Working in partnership with Eastbourne Homes

Appendix 1 – IMPLEMENTATION PLAN



The AMP Implementation Plan sets out the key activities to deliver the AMP. It will be reviewed on an annual basis with achievements and progress to date reported to the Strategic Property Board for each Council.

Each activity relates to one AMP strategy themes which in turn support the aims of the Councils Corporate and Council plans.

As this is the first year of the joint AMP, this is very much the start of the process. Each subsequent annual review will give the Councils an opportunity to:

- Include new objectives to meet changes in legislation and government requirements;
- Refine current objectives to reflect changes in the priorities of the Councils' Corporate and Council plans and Medium Term Financial Strategies; and,
- Meet the key strategy themes of the plan for achieving a sustainable asset base by 2021.

Theme 1:**Establish a clear vision for how each Council will achieve a sustainable asset base by 2021**

Links to Corporate Plans	Deliverables	Delivery Dates	Status
LDC: Delivering sustainable services	Property & Facilities Shared Service (PFSS) launched to manage LDC and EBC assets.	May 2016	Green
	Objectives for Asset Management Plan (AMP) defined.	October 2016	Green
EBC: Sustainable performance	AMP produced for consultation.	December 2016	Green
	Develop and implement appropriate property management processes and procedures to support the AMP.	June 2017	Green
	Develop KPIs to measure progress.	July 2017	
	Draft of Building Maintenance Plan produced for consultation.	July 2017	
	Corporate Asset Management Plan adopted	July 2017	Green
	Alignment of decision making processes for each Council.	July 2017	Green
	Annual review of AMP	April 2018	
	Ensure that property data for each Council meets Data Transparency standards.	Ongoing	Green
	Populate and keep updated electronic asset records with good quality property data which will be used to analyse the portfolio and produce management information.	Ongoing	Green
	Develop an options appraisal for the future management of PFSS beyond 2020.	March 2019	

**Theme 2:
Challenge the reasons for retaining assets and ensure that retained assets contribute towards a sustainable asset base.**

Links to Corporate Plans	Deliverables	Delivery Dates	Status
	Identify potential under-performing or high risk assets	May 2017	Green
	Consult and engage with Service Heads and other key stakeholders to understand current and future service needs.	May 2017	Green
	Analyse assets by function, running cost, income and community benefit to set a framework for the first phase of asset challenge.	July 2017	Green
	Complete Phase 1 of the Asset Challenge Process	July 2017	Green
	Identify historic repairs and maintenance spend	April – July 2017	Green

Theme 3:**Identify the benefits and make best use of each asset to stimulate regeneration including the provisions of affordable housing.**

Links to Corporate Plans	Deliverables	Delivery Dates	Status
<p>LDC: Resilient, healthy & engaged communities; Delivering sustainable new housing and infrastructure; Growth and prosperity.</p> <p>EBC: Prosperous economy; Quality environment; Thriving communities; Sustainable performance; 2026 Partnership vision – Premier seaside destination</p>	Deliver an options appraisal on all void assets	September 2017	
	Develop an Estate Plan for the Downland Farms and Open Downland.	September 2017	
	Implement a programme of works to include development and refurbishment of assets to generate a capital receipt, improved yield or improved condition.	July 2017 – February 2018	
	Carry out a review of all leases to summarise the key points so that risks are identified and managed appropriately, maintenance liabilities are understood, and information is available to all in a standard format.	December 2017	
	Identify opportunities for asset disposal or transfer and complete a business case for each.	March 2018	
	Complete Phase 2 of the Asset Challenge process for all property.	March 2018	
	Implement a programme of new build to improve service delivery, asset value or yield generation	May 2017 – August 2018	
	Work with HEDP to deliver the best commercial terms from mixed-use developments.	Ongoing	Green

Theme 4:**Seek opportunities where key strategic assets could realise significant capital and/or revenue returns in order to reinvest in the retained property portfolio.**

Links to Corporate Plans	Deliverables	Delivery Dates	Status
LDC: Delivering sustainable new housing and infrastructure; Growth and prosperity. EBC: Prosperous economy; Quality environment; Thriving communities; Sustainable performance; 2026 Partnership vision – Premier seaside destination	<ul style="list-style-type: none">Using the business cases as an output within Themes 3 and 4, develop a pipeline programme of capital investment to improve rental yields.	April – August 2018	
	<ul style="list-style-type: none">Using the business cases as an output within Themes 3 and 4, develop a pipeline of disposals to ensure future capital receipts.	April – August 2018	
	<ul style="list-style-type: none">Conduct Phase 3 of the Asset Challenge Process	September 2018	
	<ul style="list-style-type: none">Identify opportunities for asset development and investment and complete a business case for each.	March 2019	
	<ul style="list-style-type: none">Identify opportunities to acquire property that will produce additional revenue streams and which meet the test(s) set out in the Property Acquisitions and Investment Strategy.	Ongoing	Green

Theme 5:**Reduce ongoing property maintenance and financial liabilities for each Council.**

Links to Corporate Plans	Deliverables	Delivery Dates	Status
LDC Delivering sustainable services; Growth and prosperity. EBC Sustainable performance; Prosperous economy; Quality environment	Establish a procedure for procuring works and services <£100k that aligns with the Contract Procedure Rules.	December 2016	Green
	Assess current compliance levels, set up systems to record and resolve incidences of non-compliance and record inspections.	May 2017	Green
	Develop a PROTECT and PREPARE action plan	June 2017	
	Develop a facilities management SLA with service areas and arrange quarterly maintenance and SLA review meetings.	April – July 2017	
	Review, revise and update condition survey data.	September 2017	
	Develop Building Maintenance Programme for 2018-19 (1 year plan).	September 2017	
	Achieve 100% compliance.	September 2017	Green
	Develop a maintenance programme for car parks and public conveniences.	September 2017	
	Develop a programme of inspections to ensure that all incursions are identified.	September 2017	
	Implement a programme of Landlord inspections on the leased Estate to inform AMP and BMP.	October 2017	
Set up a programme of monthly H&S walkarounds for operational buildings and review and update Risk Assessments, Safe Systems of Work, Policies and Procedures.	May 2017-March 2018		

	Implement the FM procurement programme	March 2018	
	Complete 3-5 year maintenance plan	March 2018	
	Develop a plan to meet the requirements of the Energy Act 2011 (MEES), taking into account the need to be compliant by 1 st April 2018.	March 2018	
	Develop and implement a preferred suppliers framework for minor works.	September 2018	
	Deliver a shift from 100% reactive maintenance to 60% planned, identifying the resources required to deliver the plan.	December 2016 - March 2019	
	Rationalise the property portfolio for each Council to deliver revenue savings.	March 2019	
	Increase agile working and explore the potential for collaborative working with other public sector partners to reduce running costs.	Ongoing	Green
	Carry out Landlord's inspections of properties and agree schedules of dilapidations with tenants.	Ongoing	Green
	Review the procurement of consultants and contractors for the provision of works and services.	Ongoing	Green
	Carry out rent reviews generally on an open market rent basis in a timely manner. Social value benefits to be considered where relevant.	Ongoing	Green

	Identify and rectify all property risks associated with statutory compliance, including new and changed legislation.	Ongoing	Green
	Programme access audits to ensure adherence to Equality Act 2010 and public sector Equality Duty issues.	Ongoing	

Theme 6: Ensure that retained assets deliver social, cultural, environmental and economic benefits.			
Links to Corporate Plans	Deliverables	Delivery Dates	Status
LDC Delivering sustainable services; Growth and prosperity. EBC Sustainable performance; Prosperous economy; Quality environment	Identify leaseholders in receipt of EBC Rent Support Grant (RSG) and work with the Strategy and Partnership Lead for Thriving Communities to develop a business case for each which reduces the reliance on RSG over time.	March 2018	Green
	Achieve target increase of 10% growth in rental yield for LDC and EBC.	March 2018	Green
	Demonstrate cost savings achieved against current spend on FM services.	March 2018	
	Demonstrate contract management efficiencies achieved through the reduction of suppliers.	March 2018	
	Working with service areas, develop and deliver a pipeline programme of strategic property projects that meets the aims and objectives of each Council.	September 2018	
	Assess investment opportunities against the Acquisition and Investment Strategy.	Ongoing	Green

Appendix 2 – STRATEGY AND POLICY PRINCIPLES

PFSS have developed a range of strategies and policies to support the AMP and to ensure that property is managed in a transparent and equitable manner. The policies and the principles underpinning each one are set out as follows:

Acquisition and Investment

- That the yield from the investment should achieve a return to the Council at a specific % above the cost of capital borrowing, and after servicing the purchase costs, to be agreed on a case by case basis by the Council's Section 151 Officer.
- Due diligence checks are to be carried out on each acquisition
- That investment risk is spread over a range of property assets
- The asset base is to be balanced with the overall aim to achieve 70% of non-operational assets held as a long-term investment and 30% trading for profit.
- Where the business case is strong enough, acquisitions may occur outside of the Council's boundaries.

Disposal and Transfer

- In the normal course of events, property will only be identified as surplus to requirements having first been taken through the Asset Challenge process and clear reasoning provided. In exceptional circumstances, properties may be identified in advance of Asset Challenge.
- Due diligence to be carried out prior to consideration of a disposal.
- The most appropriate disposal method to be identified (subject to relevant approval), which will usually be either private sale, private auction, informal negotiated tender, formal tender, or exchange of property.
- All disposals will be advertised via an agent and on the Council's website.

Lease and Rent Management

- All new leases will generally be assessed on an open market rent basis. Social value may be taken into consideration if this is clearly in support of the Councils' main aims and objectives.
- New leases cover standard issues and will clearly explain both the landlord's and the tenant's responsibilities.
- Tenant selection and assessment will be clearly defined.
- Leases will specify how rent reviews will be conducted, along with the basis for assessment.
- Lease term will be considered on a case by case basis.

Accessibility

- Accessibility funding will be prioritised in order to duties under the Equality Act 2010 are discharged.
- Where it is not possible to improve access to a building, an access plan will be put in place and alternative arrangements made so that the Councils' services remain accessible.
- Poorly performing assets will be identified and recommendations made to rationalise the corporate estate.
- Equality Impact Assessments will be carried out where relevant to ensure no-one has been discriminated against by our property management processes.

Risk and Compliance

- The Councils will provide and maintain buildings that are safe for users and staff by ensuring that the duty of care is fulfilled by meeting our statutory requirements.
- Landlords' responsibilities will be met.
- A rolling programme of surveys and assessments will be undertaken to identify, quantify, and prioritise any risks, or possible risks, to our staff, users, contractors, the general public and to our buildings.
- Safe management and ultimately the safe removal of any high priority risks identified will be prioritised.
- Procedures and measures will reflect the requirements of current legislation and regulations.
- In partnership with other public sector agencies, LDC and EBC will explore shared learning with the aim of reduce our costs, sharing opportunities to streamline inspections and testing regime, and to develop best practice.
- Contractors will be monitored to ensure that their performance targets are being met in relation to the Councils' inspection and testing regime.

Property Maintenance

- Maintenance spend will be focused on planned rather than reactive works.
- Energy saving works will be included in replacement programmes where it is cost effective to do so.
- Operational buildings will be maintained to a Good (Grade B) standard.
- Essential statutory maintenance will be undertaken correctly.
- PFSS will engage with service managers through provision of appropriate and timely information to help them comply with all current policies, strategies and management procedures for health and safety including associated compliance.
- Predictable risks will be identified and managed for the H&S of occupants and visitors.

APPENDIX 3

PROPERTY AND FACILITIES SHARED SERVICE STRUCTURE CHART

