

## REVIEW OF CORPORATE SERVICES – PROPERTY ROADMAP

1. Any alignment of Property services needs to be informed by the organisational context of functions in the two authorities. In summary:
2. In LDC the remit of Facilities has developed organically over recent years. However the current Property, Contracts & Facilities (PCF) team is responsible for asset management, managing budgets for day-to-day maintenance, delivering capital investment and ensuring surveys for statutory compliance and undertaken and monitored. (Although buildings managed by Parks and Waste & Recycling are currently outside the remit of PCF). The major service departments have small property teams which provide the “client” function on property issues and day-to-day repairs and maintenance. LDC has a service level agreement with ESCC for the provision of property management services and additional specialist advice is sought as required where expertise does not exist in-house.
3. Following CIPFA and iESE reviews of property and estate requirements, EBC have decided to establish a Corporate Landlord model which enables the centralisation of staff, reduction of duplication and improved savings (e.g. through corporate procurement of services). The ‘journey’ to implementation (potentially April 2015), has involved comprehensive building of information on asset condition of the estate and service activity. Six components of service are delivered by the full Corporate Landlord model:
  - i. Strategic Asset Management
  - ii. Estate Management
  - iii. Repairs and Maintenance
  - iv. Facilities Management
  - v. Statutory Compliance
  - vi. Project Management
4. Both Councils foresee benefits from greater integration, in providing greater resilience and capacity in strategic asset management (and in improving yield and reducing costs though an ‘asset challenge’ approach), and in creating significant savings in operation through possible joint procurement arrangements of operational services.
5. To begin to align and potentially realise these benefits, three areas of action and decision need to be taken forward.

**(a) Alignment regarding Corporate Landlord model**

Assessment of LDC property information, and comparison with EBC. This information is likely to include: <ul style="list-style-type: none"><li>• Expenditure on asset management</li><li>• Contract registers</li><li>• Planned maintenance work</li><li>• Condition surveys</li></ul>	October 2014
Detailed examination and comparison of contracts in place, considering possible opportunities for change and transition plans.	December 2014
Decisions to proceed with Corporate Landlord model in LDC, and subsequent action on budget centralisation in both authorities, involving financial management of service spending and assessment of staff resources potentially impacted through centralisation.	December 2014

**(b) Alignment regarding Procurement**

Joint assessment of strategic considerations and 'appetites' (see indicative questions at the appendix).	October 2014
Review of current organisational needs and activities across authorities and the areas that could be in scope for consideration of delivery models.	December 2014
Review of the market, best practice and consideration of joint options for procurement.	January 2015
<i>Activities will be supported by iESE under Eastbourne and Lewes Shared Procurement Service arrangements.</i>	

**(c) Alignment regarding Staffing**

In the short-term it is recognised that the team in Lewes is at capacity and there are gaps in knowledge and resilience challenges. Greater sharing of EBC expertise especially around strategic asset management would be beneficial on an informal basis.
In the short- to medium-term, following implementation of the Corporate Landlord model in both authorities there would be reconsideration of staffing resource previously involved in property functions across both authorities. This could bring efficiencies and opportunities for redesign of in-house property functions. Future options (for example a joint-owned 'Teckal' company) might then also be considered. Furthermore over time, any new recruitment or job redeployment should consider staff from both authorities in terms of potential for sharing resources.

## **APPENDIX - STRATEGIC CONSIDERATIONS**

### **1. Strategic Asset Management**

- Is there a shared vision i.e. commitment to a sustainable asset base, Corporate Landlord?
- Is there an appetite for 'asset challenge' in both organisations for both operational and non operational assets? i.e. willingness to adopt a challenge model that requires the capture and analysis of key data (survey, financial, business case etc.) in order to make informed decisions about assets
- Is there a potential to create/share a joint Governance structure to achieve a sustainable asset base?
- Should a joint asset management plan be considered?

### **2. Repair and Maintenance**

- To what standard do both organisations wish to maintain their assets, post asset challenge?
- How do both organisations wish to deliver their R&M function i.e. procurement options?

### **3. Facilities Management**

- To what standard do both organisations wish to provide the service?
- Do either existing FM providers meet this standard?

### **4. Project Management and Delivery**

- How will capital projects be priorities and delivered by the Corporate Landlord?
- What are both organisations' views of how these are currently delivered and what is the appetite for these being delivered by dedicated resources/alternative providers?

### **5. Estate Management**

- Is there a joint capital and revenue strategy for the asset base?
- Do both organisations expect lease management/valuation to be undertaken to best practice, e.g. RICS guidance for all assets?

### **6. Statutory Obligations**

- How are both organisations expecting these to be centrally delivered and reported?
- Does this require role re-evaluation for existing personnel?