MAKING SURE WE HAVE THE RIGHT PROPERTY IN THE RIGHT PLACES

Proposals 10: Asset rationalisation of current and former operational buildings
Proposal 11: Additional income from operational buildings
Proposal 12: Exit rented accommodation and changes to other leased accommodation commitments
Proposal 13: Review and disposal of operational and non-operational land and assets
Portfolio Lead: Reform & Governance

1.0 Summary of Proposals

1.1 This grouping of proposals centres on the rationalisation of operational and non-operational assets within the Council investment and operational estate. Assets will be retained only where they provide a responsive and fit-for-purpose offer. This will enable effective asset management that will bring increased capacity at which buildings can operate, delivering savings within the Single Property Budget.

1.2 Within the framework of the Medium Term Financial Plan, the proposals within this theme are:
- Proposal 10: Asset rationalisation of current and former operational buildings
- Proposal 11: Additional income from operational buildings
- Proposal 12: Exit rented accommodation and changes to other leased accommodation commitments
- Proposal 13: Review and disposal of operational and non-operational land and other assets

1.3 This work stream will lead a strategic approach to rationalising assets under the core principles of retaining an asset, where it provides a responsive and fit-for-purpose offer designed around place based community needs. Assets will be assessed for their ability to generate additional income, to aid the running costs of the properties.

1.4 The Council's estate is costly in terms of maintenance and the associated running costs, therefore further development of a robust approach of the functionality of the estate is essential. The multiyear capital programme and the development of a revised and longer term capital strategy, as required by the

changes to the prudential code, will facilitate the redesign of how assets are used and will allow us to fully rationalise the estate. This will enable a reduction of unnecessary costs and deliver a focused portfolio of properties that work for communities and the Council in key sited locations, providing a suitable offer and better availability.

2.0 Proposal Update

2.1 In Appendix 1, an update as to the status of the projects is included. This shows the projects that are being undertaken as part of the four proposals.

2.2 Many of the projects are running as expected. Where projects are in initiation stage, they will be monitored closely to ensure they are delivered within the necessary timescales. Reviews will continue to be conducted so that opportunities for income generation and asset rationalisation can continue. Work to exit rented accommodation is moving forward, with feasibility studies being conducted in conjunction with services.

2.3 We will continue to work with partners, landlords, tenants, and colleagues to achieve the savings and also ensure that the estate works for those who use it.

3.0 Financial Summary

Saving Name	2018/19 Cash Limit Budget £000	Full Year Saving £000	Revised Cash Limit £000		2019/20 £000	Cumulative 2020/21 £000
Asset rationalisation of current and former operational buildings *	4,223	(295)	3,928		(220)	(295)
Additional Income from Operational Buildings	(440)	(240)	(680)		(240)	(240)
Exit rented accommodation and changes to other leased accommodation commitments	156	(110)	46		(85)	(110)
Review and disposal of operational and non-operational land and other assets	Capital savings aligned to *				-	-
Sub-total:	**3,939**	**(645)**	**3,294**		**(545)**	**(645)**

4.0 Consultation and Engagement

4.1 Those projects which involve the relocation of services. Relevant parties have been engaged in order to continue to move projects forward.

4.2 Whilst the majority of projects relate to Council owned assets and any changes to these assets will not affect the public, we will work closely with colleagues to support the consultation process in order to determine under what circumstances the public will need to be consulted with. As work progresses, particularly with those projects that are initiation stage, we will keep in close contact in order to monitor this.

5.0 Risks

5.1 Due to the long lead in time for many of these projects, many have them have already started so that the savings can be realised in 2019/20. Their progress will be overseen closely. Certain factors have the potential to disrupt timescales, however mechanisms and mitigations are in place so that we can work flexibly to attenuate these risks.

5.2 Capital costs of relocation will only be undertaken when they provide an invest-to-save model to the Council. However, where extensive capital works are required due to the current condition of any retained assets, a longer term approach to savings implications may be adequate to justify the capital investment required

6.0 Recommendations

6.1 Members of Scrutiny are asked to:

a) Provide comments on the proposals; and,

b) Approve the proposals for final decision at Cabinet February 2019.

7.0 Appendices

Appendix 1: Place & Property Schedule 2019/20

8.0 Equality Impact Assessments

Equality Impact Assessment	
Asset rationalisation of current and former operational buildings	**24/09/2018**
	Stage: Draft

Stage 1: Do you need to complete an Equality Impact Assessment (EIA)?

The outputs of the EIA will vary, depending on the outcomes of the proposal.
This proposal will involve the relocation of staff from their current accommodation and move into other buildings. This will affect the staff that are being relocated and also may affect staff in existing buildings. Some partner organisations also occupy the building so they would need support to be relocated.

It is currently considered that these proposals will not impact the public as these buildings are within the operational estate. Where assets are being disposed of, they are either currently vacant, or their current use will continue after disposal.

Stage 2a: Further data and consultation

Stage 2: What do you know?

This EIA would assess whether moving staff into another location would disadvantage any groups with protected characteristics as part of the move. As feasibility studies are still currently underway, the impact of any move will be assessed once plans have been confirmed.

Analysis will be completed regarding staff profiles of the teams that occupy the buildings in scope to determine those protected characteristics that might be affected by these proposals. As the proposals are developed, the need for further information will become clearer.

Engagement and feedback from staff will be used to inform evidence about the impacts specific proposals may have.

Consultation with affected staff will not be required. However, engagement with staff will be conducted once relocation proposals have been confirmed. This will be used to assess any impact.

Stage 3: Results and Measures

To be completed once projects have been scoped and approved and staff have been engaged.

Stage 4: Decision Stage

To be completed once projects have been scoped and approved and staff have been engaged.

Equality Impact Assessment	
Additional income from operational buildings	**24/09/2018**
	Stage: Draft

Stage 1: Do you need to complete an Equality Impact Assessment (EIA)?

The outputs of the EIA will vary, depending on the outcomes of the proposal. As the proposal is developed, the EIA will be updated accordingly to assess whether any groups with protected characteristics are affected by the proposal.

The proposals are not expected to impact the public, or staff as the commercial proposals are tabled for assets that are vacant.

Stage 2: What do you know?

Analysis will be completed as to whether these proposals will disproportionately affect some groups when the proposals are finalised. As the proposals are developed, the need for further information will become clearer.
We will also use consultation, where consultation is necessary, and feedback as part of the analysis.

Stage 2a: Further data and consultation

To be completed following engagement if necessary

Stage 3: Results and Measures

To be completed following engagement if necessary

Stage 4: Decision Stage

To be completed following engagement if necessary

Equality Impact Assessment	
Exit rented accommodation and other leased commitments	**24/09/2018**
	Stage: Draft

Stage 1: Do you need to complete an Equality Impact Assessment (EIA)?

The outputs of the EIA will vary, depending on the outcomes of the proposal. When it is finalised which buildings are in scope for this, then the need for an EIA will be clearer.

Within these proposals, staff will need to be relocated as part of the exiting of rented accommodation. As part of this, we would need to assess whether any moves would affect staff.

To assign a lease to the current occupiers of 26/27 Market Place, this would only require legal changes to the lease with the current occupiers and the landlord.

It is not expected that the public will be affected by the proposals as the services in scope do not operate in a public-facing capacity.

Stage 2: What do you know?

Analysis will be undertaken on the profiles of the services and staff that currently occupy rented accommodation. It may include staff profiles of the teams that occupy the buildings in scope to determine those protected characteristics that might be affected by these proposals. As the proposals are developed, the need for further information will become clearer.

The feasibility of relocating Pest Control is underway; once they have been confirmed, then engagement with staff will be undertaken to understand what impact a move will have on these employees. Likewise, with the heritage collections and archive, the staff will be consulted before the move.

Stage 2a: Further data and consultation

Whilst the majority of projects relate to Council owned assets and any changes to these assets will not affect the public, we will work closely with colleagues support the consultation process in order to determine under what circumstances the

public will need to be consulted with. As work progresses, particularly with those projects that are initiation stage, we will keep in close contact in order to monitor this.

Stage 3: Results and Measures

To be completed once projects have been scoped and approved and staff and partners have been engaged.

Stage 4: Decision Stage

To be completed once projects have been scoped and approved and staff and partners have been engaged.

Equality Impact Assessment

Review and disposal of operational and non-operational land and other assets	24/09/2018
	Stage: Draft

Stage 1: Do you need to complete an Equality Impact Assessment (EIA)?

The outputs of the EIA will vary, depending on the outcome of the reviews contained with the proposal.
This EIA will assess whether any communities or groups would lose out from disposal of land such as these as the review takes place.
A review of garden tenancies and fishing rights may increase charges levied on residents. This EIA would assess whether this would disproportionally affect any specific groups.
Once the reviews for the above have taken place, then this EIA will be able to assess the impact the decisions will have.

Stage 2: What do you know?

Analysis will be undertaken to ascertain whether any groups with protected characteristics will be disproportionally affected by this proposal.
It is anticipated that it will include demographics as to the regular users of the services listed. As the proposals are developed, the need for further information will become clearer.
Where disposal of land occurs, the relevant services and partners will be engaged. As the proposal is firmed up and sites are identified, this engagement can be undertaken.

Stage 2a: Further data and consultation

To be completed following engagement if necessary

Stage 3: Results and Measures

To be completed following engagement if necessary

Stage 4: Decision Stage

To be completed following engagement if necessary.