

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 Appendix 9a shows the projects that are subsumed within each proposal and the most recent update.
- 2.2 A number of projects have been completed. These are marked in Appendix 9a.
- 2.3 Where projects are in progress, the Estate & Asset Management team are working, in conjunction with colleagues, to move projects forward. Due to the uniqueness of each project and their own interdependencies, projects will move at a pace dictated by a number of factors, including market conditions, the needs of a service, and the cost of the project.
- 2.4 This is particularly pertinent for projects that require relocation, such as in Proposal 10 and Proposal 12. The ability to relocate a team depends upon the availability of a property or site that would meet the needs of the service and provide value for money in order refurbish and transfer equipment.
- 2.6 *Proposal 10: Asset rationalisation of current and former operational buildings* is well underway and for a list of completed projects, please see Appendix 9a.
- 2.7 *Proposal 11: Additional income from operational buildings* is similarly making good progress. Three out of the four sites have been leased and the final property is on the market.
- 2.8 *Proposal 12: Exit rented accommodation and changes to other leased accommodation commitments* is more complex due to the specialist requirements of the projects involved. In particular, to move the heritage collection, it is imperative that we find a space that will permit the correct storage conditions for the artefacts. Likewise, any move should not put at risk the museum's accreditation. Great care will be given to the move.
- 2.9 *Proposal 13: Review and disposal of operational and non-operational land and assets* contains four projects (please see Appendix 9a for details). Due to resourcing constraints, the projects will begin by the latest April 2019. Existing work exists for all the work that will included within these projects. Estate & Asset Management are already engaged with the Schools Commissioning around the redundant schools land and Greenspaces around other land. There are statutory processes involved which may extend the time needed to complete this project. Additional resources in the form of specialist surveyors may be required.

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)	(162)	(240)
Exit rented accommodation and changes to other leased accommodation commitments	156	(110)	46	(110)	(110)
Review and disposal of operational and non-operational land and other assets	Capital savings aligned to *			-	-
Sub-total:	3,939	(645)	3,294	(493)	(645)

4.0 Consultation and Engagement

- 4.1 Those projects which involve the relocation of services, colleagues will be consulted. 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 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 reduce 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.
- 5.3 Due to the complexity of certain projects, there is a resourcing requirement within the Council that needs to be met, in order for the projects to be delivered successfully and within timescales.

6.0 Recommendations

- 6.1 Members of Scrutiny are asked to:
- Provide comments on the proposals.

7.0 Appendices

Appendix 9a: Place & Property Schedule 2019/20

8.0 Equality Impact Assessments

Equality Impact Assessment

Proposal 10: Asset rationalisation of current and former operational buildings

14/01/2019

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. As feasibility studies are still underway the scale of any impact will become clearer once these are completed.

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

Engagement with staff will be conducted once relocation proposals have been confirmed. This will be used to assess any impact.

For properties that will be/have been disposed of and will be developed, depending upon the nature of the development and the need for planning permission, the public may be

given the opportunity to comment of any development that may occur and the impact can be assessed through that channel.

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

Proposal 11: Additional income from operational buildings

14/01/2019

Stage: Draft

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

The proposals are not expected to impact the public as the commercial proposals are submitted for assets that have been vacant and have been brought back into use.

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.

The projects within Proposal 11 are financial or property based transactions that will not affect the public or Council staff. Spaces are being leased for income, this includes office space throughout a number of sites and also a food and beverage offer within the town centre. The office accommodation on Daw Bank is currently vacant and on the market.

Stage 2a: Further data and consultation

Once any prospective occupier of any of the available office space is known then an assessment will be carried out to determine whether further engagement is required.

Stage 3: Results and Measures

Due consideration will be given to needs and equality and diversity issues throughout the whole process. Thus far, there has not been any evidence that any changes to the proposals should occur due to the EIA.

Stage 4: Decision Stage

For these projects, the EIA has shown that there are no issues around equality and diversity that needs to be considered.

Equality Impact Assessment

Proposal 12: Exit rented accommodation and other leased commitments

14/01/2019

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.

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, or do not require wider public consultation.

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 engaged before the move to advise them of the moving date.

Stage 2a: Further data and consultation

When a suitable location has been identified, staff will be notified of the moving date and any issues pertaining to equality and diversity will be assessed at that point.

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

Proposal 13: Review and disposal of operational and non-operational land and other assets

14/01/2019

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.

This EIA would assess whether this would disproportionately 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 disproportionately 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 with residents and those who will be affected by the proposal.

We will use this engagement feedback as part of the analysis.

Stage 2a: Further data and consultation

To be completed following engagement.

Stage 3: Results and Measures

To be completed following engagement.

Stage 4: Decision Stage

To be completed following engagement.