



**STOCKPORT**  
METROPOLITAN BOROUGH COUNCIL

# Scrutiny Review Panel

The Councils Property Portfolio – The Next  
5 – 10 Years

Operational Estate

23/02/2022



# Key Priorities

- The role of the Estate & Asset Management team is to deliver safe and sustainable high quality operational estate to support the delivery of key council services for both residents, members and colleagues.
- **Operational suitability** – is the asset of the correct type and in the right location to deliver the best outcomes for residents and create the best environment for Staff and Members.
- **Capital and Revenue Costs** – does the asset fit within modern budget profiles. Does it represent efficient use of resources. What are the future financial commitments related to the asset.
- **CAN Objectives** – what is the carbon footprint of the property. What actions can reasonably be taken to move the asset towards net zero.



# Background - Portfolio

The councils property assets falls in 4 main portfolios

- **Operational** – Assets used to deliver key council services. Ranging from sports pavilions and depots to Leisure Centres and the Town Hall
- **Education** – Schools estate which remains within Council control. 76 properties coving primary and secondary education.
- **Tenanted Non Residential** – The portfolio encompasses ground leases, industrial units and retail units.
- **Investment and Development** – The I&D portfolio covers large scale redevelopment investment.





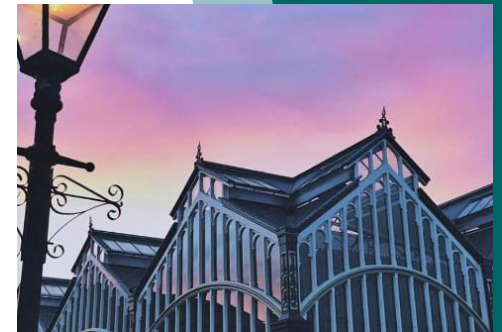
# Existing Operational Portfolio

- 192 operational assets across the borough
- Revenue costs of the Operational Estate are met from the Single Property Budget (SPB) of circa £4.55m per annum.
- The current value of the operational estate is circa £621m
- In 2020/21 - 4200 planned maintenance tasks and 6300 reactive tasks were undertaken, excluding Covid 19 related activity.
- Significant works of refurbishment, renewal or lifecycle replacement that cannot be met from the SPB cash limit budget are funded by the Capital Programme Asset Management Plan (AMP). 2022/2023 circa £2.5m budget



# Corporate Landlord

- Central strategic approach
- Single point of accountability for building performance
- Corporate Management and control of property assets
- Centralised and consistent commissioning of maintenance works
- Single approach to statutory compliance
- Investment decisions based on strategic objectives rather than short term operational need.



# Office Accommodation

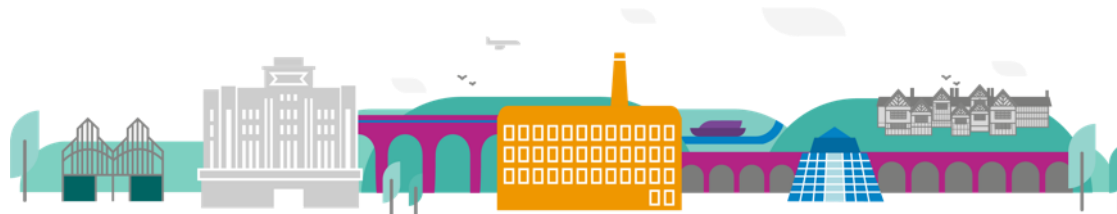
Do we have the right property in the right place?

- **Phase I** - Town Centre Asset Review was approved in December 2021
  - Refurbishment of Stopford House and the letting of Fred Perry
  - Met the 3 challenges (Operational, Financial & CAN)
- **Phase II** - Town Hall (Summer 2022) focusing on the long term future of the assets and how best to use and maintain the building
- **Phase III** - The district centres and remote working, the colocation of services, best use of corporate assets



# Library Estate

- The current library estate consists of Central Library as well 13 assets directly delivered by the council and 3 co-located with community centres managed by Stockport Homes.
- The estate is currently under review with initial site visits under way to be followed by condition surveys as required.
- There are opportunities within the estate to improve council services by offering more services from the same assets.
- The type and the location of the assets must be considered. Whilst there is a reasonable geographic spread of Libraries within more established communities, there is currently no planned provision for new communities such as Woodford Garden Village.





# Leisure Estate

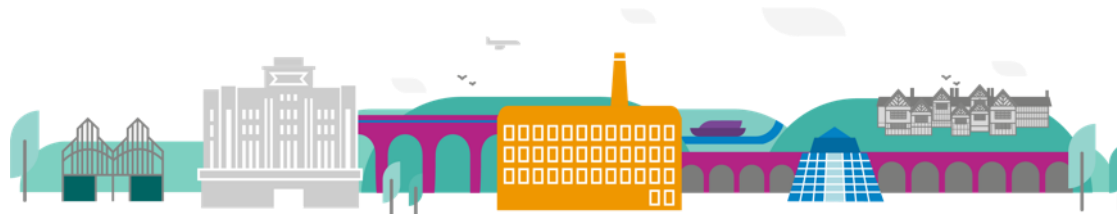
- The Leisure estate is currently leased to the Stockport Sports Trust (Life Leisure) with the majority of routine maintenance devolved to them with the council retaining responsibility for lifecycle replacements of building fabric and Mechanical & Electrical services.
- Transfer of the Life Leisure business from Stockport Sports Trust to the Stockport Active Community Interest Company. This will enable asset challenge linked to the company objectives and public health objectives.
- The Leisure Estate is ageing, but with continued maintenance and investment should continue to provide reasonable standard of premises in the medium term.
- Whilst targeted capital investment has ensured the facilities remain fit for purpose. Energy efficient equipment has been installed where possible, but so far no detailed plan for decarbonisation has been developed.
- It should be noted that Marple Baths, the focus has shifted to deliver a new modern facility for Marple, the design development is ongoing and opportunities to co-locate existing office and library facilities in the neighbourhood are being explored. A funding source for the delivery of the project is yet to be identified.





# Heritage Assets

- The Council is the custodian of a number of heritage assets and listed buildings ranging from Stockport Town Hall, Central Library, to schools, park buildings and Chapels
- As the owner of these assets it is important to note that the capital and revenue costs and the carbon footprint of these assets will be higher than a modern equivalent.
- The future of such assets must be carefully considered and this will be reflected in the review of Town Hall and Central Library.
- Targeted investment to address disrepair and functional obsolescence to ensure that these assets remain suitable for modern service delivery is key to the sustainability of these assets.
- It is worth noting the work undertaken on assets such as Gatley Hill House where capital investment has allowed diversified use of the building securing the longer term use of the asset.



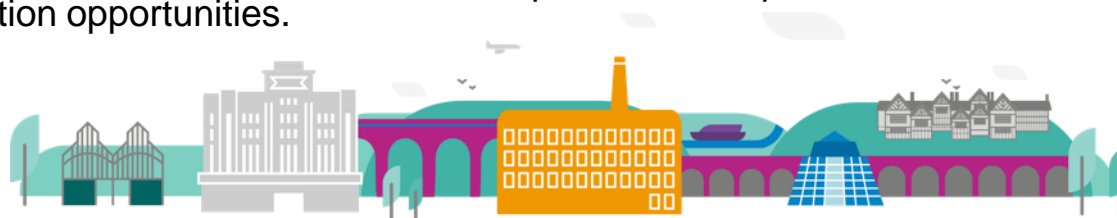
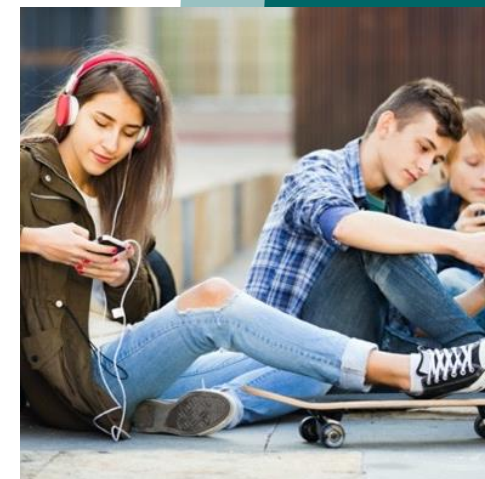
# Depots

- The Council has a number of small operational depots located in Cemeteries and Parks, which support maintenance delivery either locally or on a hub and spoke model.
- In addition, there is large depot provision at Bird Hall Lane and Adswood.
- The office buildings on the Bird Hall Lane site are life expired.
- These buildings will be demolished as part of planned redevelopment of the wider site to provide a new business park as part of the Cheadle Towns Fund initiative.
- The remainder of uses at Bird Hall lane will consolidate on a reconfigured Adswood site or at the Totally Local Co Bredbury site.
- Adswood is currently leased from a private land owner, negotiations are ongoing to obtain security of tenure by way of a new lease or an outright purchase of this site.



# Climate Emergency & Carbon Reduction Commitments (CAN)

- Since the council has declared a Climate Emergency, it has commissioned a number of experts in this field to formulate a carbon reduction and renewable energy strategy.
- It is important to draw a distinction between carbon reduction and cost savings. Where we can reduce reduction in consumption, we can deliver cost savings. However the decision to invest in green technology to decarbonise may often lead to added capital and revenue costs.
- Successful grant bids have been secured to facilitate the investment programme into building retrofit measures, including passive measures such as widows and insulation together with low carbon heat such as Heat Pumps.
- Whilst these measures will increase the scale and pace of carbon reduction activity on the estate, there are likely to be areas where the council will have to fund some of these projects.
- The Leisure and School Estates are areas where the council has a large Carbon footprint. There are significant opportunities to deliver carbon savings within these properties and work is underway
- Where capital decisions are taken either investment, acquisition or disposal, within the Estate we will seek to prioritize de carbonization opportunities.





# Recommendations

- 1 - Note the contents of this report.
- 2 - Endorse the recommendation to carry out further asset challenge of the Council's operational real estate assets to ensure that they contribute to service delivery in a sustainable way.
- 3 - Note that a report on the Commercial estate (Tenanted non-residential property) will follow.
- 4 - Support the review of district assets to deliver the CAN agenda.
- 5 - Note and endorse the review of the Library estate to ensure the assets are in the best location and property to support the service.





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