

# **Babergh and Mid Suffolk District Councils – Working Together**

## **Strategic Asset Management Plan**

**2020 to 2025**

## **Contents**

1. Portfolio Holders' Foreword	page 3
2. Executive Summary	page 4
3. Introduction – purpose, scope, outlook	page 6
4. Estate at a glance	page 8
5. Strategic and Policy Context	page 15
6. Our approach	page 22
7. Oversight and Decision-Making	page 29
8. Asset Performance	page 33
9. Action Plan	page 38

## **Appendices**

Appendix A	Property Transactions Policy Outline	page 43
Appendix B	Community Asset Transfer Policy	page 53
Appendix C	Scheme of Delegations	page 60
Appendix D	Property responsibilities	page 62
Appendix E	Strategic Land and Property Fund	page 65
Appendix F	Policy Context Summary	page 68
Appendix G	Summary Fixed Asset Register	page 73

## **1. Portfolio Holders' Foreword**

We are both delighted to introduce our new joint Strategic Asset Management Plan which provides a strong framework to ensure that we manage our property assets effectively and efficiently over the next five years and beyond.

The plan will ensure that we have a consistent approach to decision making whilst ensuring that property decisions can still be made on the basis of the individual characteristics of the individual assets within the portfolios.

Our Councils are ambitious and we seek to use our land and property to help to deliver more housing development within our districts, support the delivery of strategies for high street and town centre regeneration, contribute to carbon reduction and improve our residents wellbeing. This plan will enable us to best manage our assets to help the Councils' to meet their strategic priorities and objectives to build great communities for everyone to live, work, visit and invest in.

*Signed by both portfolio holders*

## **2. Executive Summary**

This document sets out Babergh and Mid Suffolk's Strategic Asset Management Plan 2020-2025.

The Asset Management Plan describes the Councils' approach to the management of its assets and provides links to the operational and technical details that underpin the overall strategy.

This Asset Management Plan is intended to provide the framework for decision-making across the estate and for individual assets, and shape delivery of a resource at the heart of the Councils' current and future offer to residents.

The Councils' assets provide the framework for service delivery. They have a significant, and growing, value and represent a means to drive investment and resources despite the significant pressures on public finances.

The Strategic Asset Management Plan 2020-2025 aims to achieve the following:

- Generate maximum income from property management and investment, balanced appropriately with the social value that can be derived from assets;
- Diligent investment in assets to provide good returns and sustainable income;
- Utilise the strategic property fund to respond to new opportunities quickly;
- Diligent disposal of under-performing and surplus assets where use of these assets is otherwise unviable for the Councils;
- Continual review of the asset base to determine best use and value;
- Seek opportunities to diversify the portfolio and increase the value of assets through change of use;
- Maintain and renew as appropriate, all publicly accessible assets;
- Ensure property assets make the optimum contribution to the Councils' priorities and objectives;
- Pursue best value in property management activities;
- Strategically manage the portfolio to maximise benefits to the Councils and communities;
- Develop a longer-term housing pipeline;
- Delivery of key programmes and projects.

A summary of the Councils' asset register is set out in section 4 of this document.

Effective management of the Councils' estate is an essential part of getting value for money from the corporate estate and responding to the Councils' wider financial pressures. Section 5 of this document sets out the strategic and policy context whilst Section 6 details the approach proposed for the estate in terms of fully utilising our assets.

A core priority for the Councils has been to strengthen the management of corporate assets and use this to ensure they are safe and improve the quality and value for money of the service they can deliver. Section 7 of this document describes the foundations of this change include more robust data and process, and clear governance and decision-making.

The final section of the Strategic Asset Management Plan describes the activities proposed to deliver effective and efficient asset management by setting out an overview of the actions and projects to be completed and identifying the overall timetable for delivery.

There are a number of work strands planned and underway aimed at delivering the objectives set out in the associated action plan.

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### 3. Introduction

#### 3.1 Introduction

Public services are invariably delivered directly or indirectly from land and buildings, collectively called property. The property portfolio of public organisations must be right for both organisation and customers, and for the processes necessary to deliver products and services for that organisation.

*“Strategic Property Asset Management is the process which aligns business and property asset strategies, ensuring the optimisation of an organisation’s property assets in a way which best supports its key business goals and objectives”*

(RICS, Public Sector Asset Management Guidelines 2<sup>nd</sup> Edition March 2012)

Property is a key resource of the Councils. It has value, costs money to use and maintain, and is critical in supporting service delivery. The Councils have a vision to improve the economic and social wellbeing for the people of Babergh and Mid Suffolk. To realise this vision the Councils’ property portfolio must be managed so it acts as a catalyst for service improvement and community prosperity whilst also ensuring value for money. This Strategic Asset Management Plan (SAMP) identifies the key strategic policy and resource influences affecting our districts and the Councils and in response sets a direction for asset management over the medium term, enabling its property portfolio (and associated professional support) to be optimised to meet identified needs. This SAMP is not a static document but is part of a process designed to engage Members and officers in debate about the nature of and future direction for the management of the Councils property portfolio.

It is intended to promote a common understanding of property and to set a direction for its management. The plan has a medium-term planning horizon, will be updated periodically and is restricted to consideration of the property assets that the Councils own or use.

#### 3.2 Purpose & Scope

The Councils have produced this strategy, which is linked to the joint corporate vision and priorities within the Joint Corporate Plan, to provide a blueprint for the effective and efficient use of the Councils’ property assets for the benefit of the residents of Babergh and Mid Suffolk. Properties within scope include the Councils’ operational and non-operational property, surplus property and land. Housing assets are excluded as these are covered by the Housing strategy and HRA business Plan including asset management proposals. However, any property declared surplus by the Housing service area would be within the scope of this document. Properties owned by the Councils’ companies are also outside of the scope of this document.

This document sets out the Councils’ high-level strategic framework for managing our corporate property portfolios. Together with the other strategy and policy documents referred to within this document it forms the Strategic Asset Management Plan (SAMP) for the next five years to ensure that our property portfolios perform to maximum effectiveness to support the communities we serve.

This document will be reviewed on an ongoing basis to ensure it remains fit for purpose and will be revised five years from the date of this document. Other policies, procedures, action plans and strategies which are aligned to this document will be revised at appropriate intervals to produce a “living” SAMP that responds to change as required.

It identifies five principles which will be followed and implemented through management practices and techniques ensuring the Councils meet their overriding objective of maintaining a corporate property portfolios which is both fit for purpose and achieving its potential in terms of efficiency and sustainability. The day to day management and use of assets will largely remain with service areas particularly those used by public realm, leisure and waste but strategic decision making will be covered by the SAMP including major investment and disposals.

In the context of this strategy, we will look to our land and property to help to continually improve services, assist the delivery of housing development and the delivery of strategies for high street and town centre regeneration, carbon reduction, wellbeing and embed the emerging accommodation & agile strategy.

The SAMP has been produced having regard to the latest guidelines on strategic asset management and local authority asset management best practices issued by the Royal Institution of Chartered Surveyors (RICS), the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Association of Chief Estates Surveyors & Property Managers (ACES).

### **3.3 Outlook**

Delivery of the SAMP is against the backdrop of the COVID 19 pandemic and the associated impact of our local response and recovery on residents, finances, services and staff.

In terms of land and property, our priority will be to ensure that our income producing assets maintain or increase rental income whilst minimising running or holding costs. In accordance with the Local Government Act 1972 Councils have a duty to achieve best value when managing and disposing of our assets.

We will also need to undertake critical cost benefit analysis as part of proactive asset reviews to identify capital receipts from disposals where appropriate. Consideration will be needed of whether there are opportunities to generate additional income from surplus assets prior to disposal for a capital receipt.

## **4. Estates at a glance**

### **4.1 Assets and Value**

BDC own a varied portfolio of land and buildings totalling 989 assets with a total book value of £23,962,989 as of 1<sup>st</sup> April 2020.

MSDC owns a varied portfolio of land and buildings totalling 152 assets with a total book value of £20,987,880 as of 1<sup>st</sup> April 2020.

The joint estate therefore totals around 1,140 assets with a total current book value of £44,950,869 excluding HRA land and property.

The joint estate comprises commercial assets together with service delivery (operational) assets and surplus assets being those held for development or disposal purposes.

The register of assets is held in the BMSDC Fixed Asset Register (FAR). The councils use the register to manage the gross and net book values of the assets. The assets are re-valued on a cyclical basis in line with CIPFA accounting requirements.

### **4.2 Asset Groups**

For the purposes of this strategy the councils' assets are grouped together as Operational (or service delivery assets), Non-operational (or investment assets), and Surplus assets (land held for disposal or development).

The following section outlines the number and value of assets held in each category and the percentage mix of use and value of those assets. The information in this section has been extracted from the FAR as of 1<sup>st</sup> April 2020.

It would not be possible to list all Council property assets here as there are over 1,000 individual assets, but in summary they include:

#### **Operational**

These are held, occupied, used or contracted to be used on behalf of the councils in the direct delivery of services.

- Offices and touch down points
- Depots
- 44 Play parks and leisure spaces
- 800 other public open spaces
- 6 Public conveniences
- 4 Leisure Centres
- 32 Car parks
- Boat shed, TIC, arts centre, bus station, marketplace, etc.

#### **Non-operational/Investments**

These are held for the purpose of generating rental income and/or capital appreciation or to contribute in other ways such as by providing suitable small business accommodation within the district.



- 33 Industrial units and workshops
- Borehamgate shopping centre - 16 retail units, offices, flats, telecoms, parking
- South Suffolk Business Centre
- Former Aldi Unit, Gipping Way, Stowmarket

### **Surplus assets/Land held for Development or Disposal**

They are held for the purpose of placemaking and regeneration, capital receipts or stimulating development of affordable and market value housing.

- Former HQ sites at Needham Market and Hadleigh
- Belle Vue House and adjacent former pool area
- Paddock House, Eye
- Former Natwest Bank premises 11 Market Place, Stowmarket

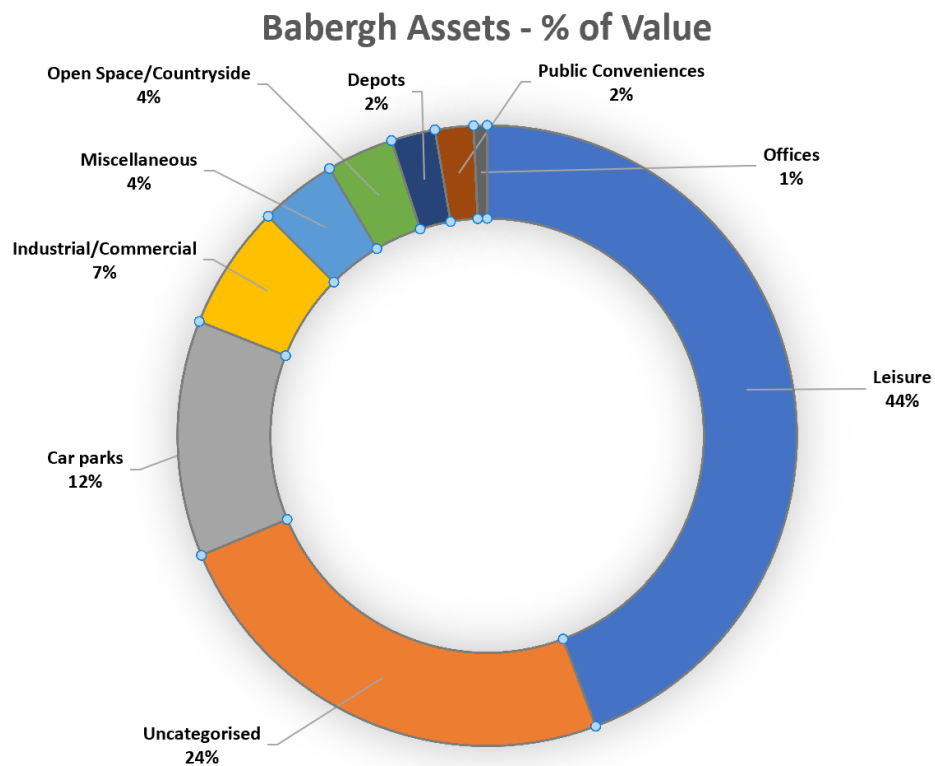
A summarised extract of the FAR is included in **Appendix G** for information. Full details of the FAR are held in the Councils' accounts.

The Councils may own other assets unaccounted for in the FAR. Identification of these remaining unregistered land assets continues as part of the ongoing data analysis and registration work with HM Land Registry.

This strategy and associated action plan will systematically review these assets to obtain best value on disposal by sale or lease or best use for service delivery.

### **4.3 Analysis**

The following charts analyse the asset base in terms of % of value for both councils and % of use.



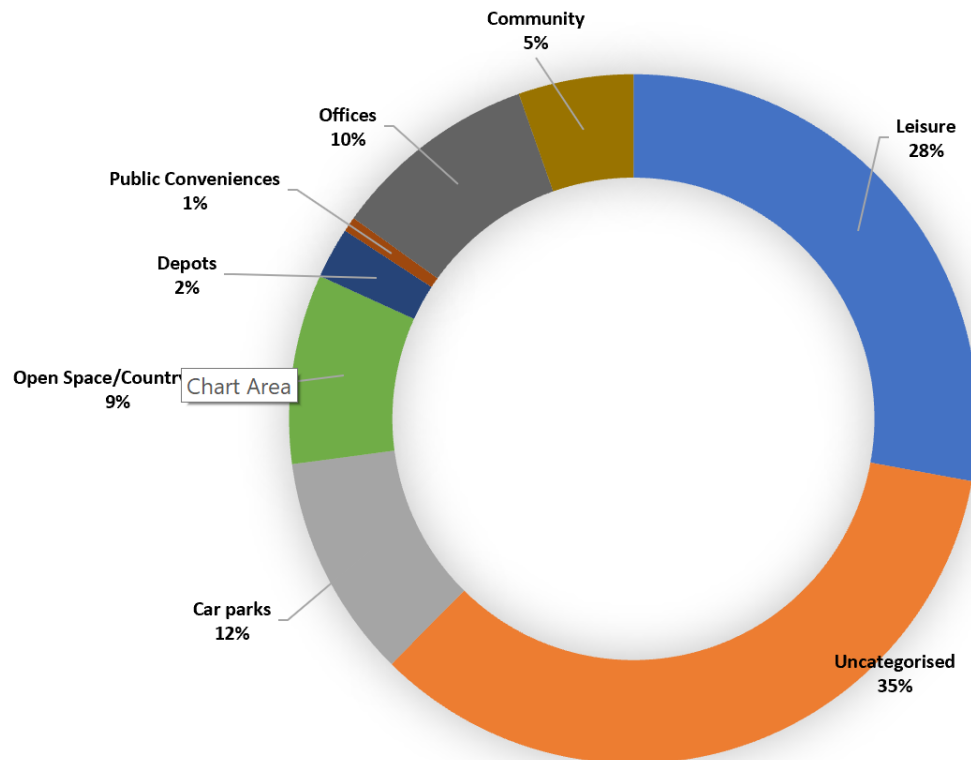
*Chart 1 – Babergh Assets % of Value*

The value of assets held by Babergh District Council is heavily weighted in 2 Leisure Centres making up 44% of the total value of assets held.

The next largest asset group is currently uncategorised holdings totalling 24% of total value of assets but is spread amongst some 900 assets including hedgerows, planted areas, grassed areas and woodland.

Industrial and commercial assets make up just 7% of asset value currently and as we develop our approach to asset management, we will meet our ambitions to use the income from this group of assets to support wider corporate delivery.

## Mid Suffolk Assets - % of Value

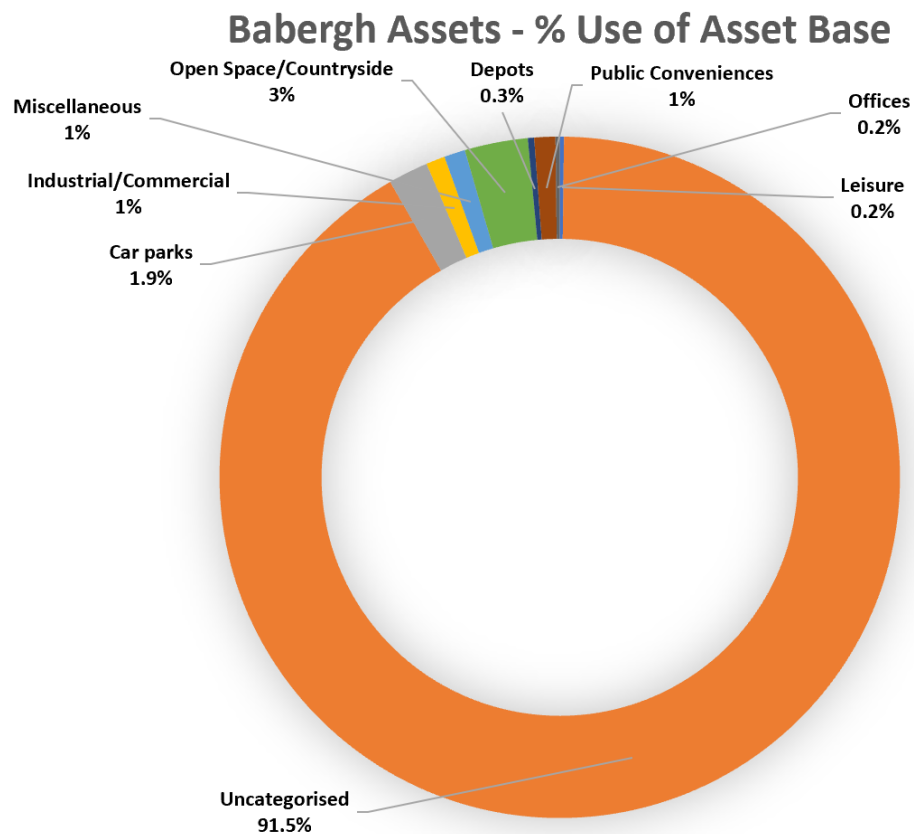


*Chart 2 – Mid Suffolk % of Asset Value*

The value of assets held by Mid Suffolk District Council is heavily weighted in uncategorised holdings totalling 35% of the total value of assets held.

The next largest asset group is leisure centres representing 28% of the total value.

In terms of the asset use profile based on value, there is a more even spread of value across the asset base.



*Chart 3 – Babergh Assets % Use*

The Babergh asset base is currently largely uncategorised with multiple low value holdings yet to be reviewed and categorised such as grassed areas, woodland, hedges and other planted areas. Much of these assets add to the look, feel and wellbeing of Babergh and may garner latent value.

## Mid Suffolk Assets - % Use of Asset Base

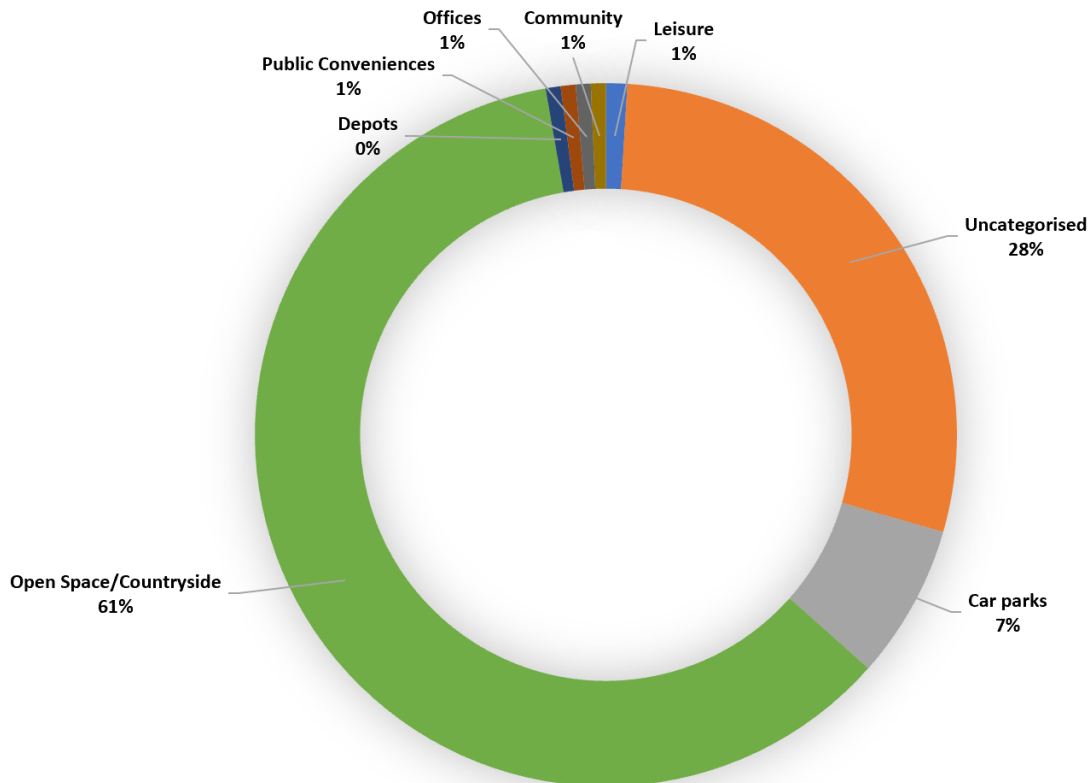


Chart 4 – Mid Suffolk Assets % of Use

The Mid Suffolk asset base is dominated by amenity land and open space.

The currently uncategorised asset group includes leisure, commercial, and development assets which will need to be reviewed and categorised as soon as possible once the SAMP is adopted and as a result of our data project being delivered.

### 4.4 Why land and property assets are important.

The Councils place strong emphasis on the role of asset management in improving public services. Property can have a major influence in delivering better outcomes for citizens and in creating a sense of place. Where properties are located and how properties are used can be critical to prosperity and the quality of public services. Public sector performance and confidence in public services are inextricably linked, and property underpins this linkage.

It is therefore crucial that efficient and effective use is made of these assets to support corporate objectives.

Asset management is a structured process that seeks to ensure best use and value from property assets in serving the needs of the councils and therefore the community.

The main features of property assets and their management are:

- High value (total book) in terms of capital cost/value and annual cost to retain and manage

- Need to be carefully managed over lifecycle to ensure best use and value
- Time to determine, plan and execute new property needs and decisions and procure and provide for them
- High ability to deliver social outcomes to local economies and communities

The Councils hold and consequently acquire and dispose of property assets to continually support their aims and objectives and consequently public service delivery.

#### **4.5 One Public Estate (OPE)**

Babergh and Mid Suffolk are part of the Ipswich, Central and East Suffolk OPE Partnership together with other public sector bodies such as Suffolk County Council, NHS and the police. Activities include:

- Using public sector property assets as a catalyst to transform public services.
- Facilitating partners with co-production of services, service re-design and sharing resources.
- Supporting growth and regeneration by releasing redundant public sector land & buildings.
- Modernising, making more suitable/flexible and increasing utilisation of the public sector property estate.
- Reducing property costs and generating income streams to reduce dependence on grant.
- Generating capital receipts for reinvestment in services or the repayment of debt.

#### **4.6 New Anglia Local Enterprise Partnership**

Suffolk, along with Norfolk, is part of the New Anglia Local Enterprise Partnership (LEP). Working with public agencies and private business the LEP seeks to promote the regional economy through job creation.

Both Suffolk and Norfolk are leaders in life sciences, food and agriculture and an emerging force in the development of the green economy with the LEP chosen as the government's Green Economy Pathfinder.

Key priorities for the LEP are around the green economy, developing tourism and skills development.

## 5. Strategic & Policy Context

### 5.1 Context

Property and asset management do not exist in isolation but are set within the context provided by the joint corporate plan and other corporate service plans and strategies. These in turn are a response to wider government policy and legislative drivers impacting local authorities and property owners.

### 5.2 Fit with the Corporate Plan

The BMSDC Corporate plan is a guiding strategic document for the period 2019-2027. The document sets out the Councils' vision, values, priorities and aims that have informed the production of this strategy.

The vision is:

To build *“great communities with bright and healthy futures that everyone is proud to call home”*

Supporting this vision are 6 key priority areas, each with its own aims and corporate outputs.



Chart 5 - Corporate Wheel

For each theme there are priorities which Asset Management has a significant part to play in supporting, ensuring that the Councils make the best of their assets underpinning the ability to achieve the priorities set out in the corporate plan. Specific links show how these are met through SAMP managing corporate assets effectively and efficiently and investing to generate income.

## Joint Local Plan

A new Local Development Scheme was approved in July 2020 setting out the timetable to produce the Joint Local Plan which will replace all previously adopted Local Plans, Core Strategies and the Stowmarket Area Action Plan. It is important that the Local Plan is kept up to date so that change is managed strategically and at the local level.

As landowners, the Councils will have a key role to play in delivering Local Plan objectives and creating a property landscape best placed to deliver all Corporate priorities.

This SAMP summarises how the Councils intend to use their land and property assets in accordance with the Local Plan and other policies and strategies to make a significant contribution to delivery of the Councils' priorities.

As part of our delivery of this SAMP we will prepare plans and development briefs for identified sites for development/investment and accelerating housing delivery in line with the emerging Local Plan.

### How Asset Management contributes to corporate priorities

The following table outlines how Asset Management directly contributes to the appropriate priorities:

Strategy	Aims	How SAMP contributes
Economy	Support business development and regeneration  Encourage commercial activities	Providing suitable accommodation for employment of the right type in the right place supporting the development of job opportunities and skills within our districts  Maintain flexible lease terms Undertake property development  Improve availability and use of employment land  Undertake considered acquisitions and disposals which meet specific criteria
Environment	Lead development of sustainability practices  Manage our carbon reduction  Ensure communities are developed in a sensitive and sustainable way to protect our environment	Manage and develop council assets in an environmentally sensitive way  Seek highest appropriate level of environmental benefit during maintenance and construction processes  Bring forward environmental initiatives as per the carbon reduction plan  Identify surplus land for 'greening' or wellbeing activities



Housing	Deliver new homes	<p>More of the right type of homes, of the right tenure, in the right place.</p> <p>Deliver housing to new design and technical specifications</p> <p>Develop and acquire new affordable housing to meet housing needs</p>
Wellbeing	Improve health, wellbeing and standards of living	<p>Deliver housing to new design and technical specifications</p> <p>Provide fit for purpose leisure centres and open spaces throughout our districts for public use to improve health and wellbeing</p> <p>Recognising that social value can be as important in financial value in decision making</p>
Customers	Improve customer access and experience	<p>Develop new ways of working to deliver benefits to customers</p> <p>Deliver accommodation and agile strategy</p> <p>Bring forward new models of asset management</p> <p>Clarify asset ownership to determine liability</p>
Communities	<p>Work in partnership to regenerate areas in our districts</p> <p>Utilise the ten approaches in the Communities Strategy so that working styles build community confidence and capacity</p> <p>Engage with communities about the delivery of local facilities and recreational spaces</p> <p>Work with Members to develop their roles as community champions</p>	<p>Encourage use of council assets to contribute towards regeneration</p> <p>Provide adequate public car parking</p> <p>Divest where services can be better provided at a micro-local level and where appropriate, transferring assets to local communities for local management.</p> <p>Ensure accessibility and sustainability embedded in land and property decisions</p> <p>Ensure agreements for the maintenance and provision of public assets are upheld.</p> <p>Consult with ward members, parish and town councils on property transactions and projects and where appropriate other community groups.</p>

*Table 1 – Corporate Fit*

### 5.3 Links to other strategies

In addition to the Corporate Plan 2019-2027 the Council has a number of corporate strategies and policies and/or is a partner in other strategies and policies which inform this strategy.

#### **Joint Capital, Investment and Treasury Management Strategies the Medium-Term Financial Plan.**

The Joint Capital Strategy gives a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future sustainability. It demonstrates that the councils take capital expenditure and investment decisions in line with service objectives and properly take account of stewardship, value for money, prudence, sustainability and affordability.

The Joint Investment Strategy focuses on the commercial investments which are disclosed in the councils' accounts and are held primarily or partially to generate a profit. For each investment type, the councils demonstrate the contribution the investments make to the councils' objectives.

The Joint Treasury Management strategy details the councils' approach to borrowing, investment, risk management. It focuses primarily on the effective management and control of risk and striking a balance between the security, liquidity and yield of those investments. The councils' objective when investing money is to strike an appropriate balance between risk and return.

In terms of the SAMP aligning to these strategies ensures that:

- Physical assets are efficiently and effectively used to support the Corporate Plan.
- Issues related to property and other assets are fully reflected in the Councils' planning, specifically adequate funds for maintenance are available.
- Review of the asset management plans to identify surplus assets which can move through to a disposal process to generate new capital resources or income.
- The councils invest in commercial and residential property within their districts with the intention of developing and generating a surplus that will be spent on local public services, regeneration and development for the benefit of the communities they serve. (NB. Surpluses generated from social housing activities are ring fenced within the Housing Revenue Account for expenditure for social housing purposes only)

The link to these strategies is important because they can help prioritise capital investment (for property assets) whether that is re-investment, refurbishment or regeneration and it can also return funds into the capital reserve via disposals.

They also respond by prioritising affordability for both the requirements from the property portfolio but also wider capital requirements in accordance with the corporate priorities and set the balance between income and capital receipts generated from property.

## Carbon Reduction Plan

The Carbon Reduction Management Plan was adopted by the Councils in 2020. These proposals set the foundation for how the Councils will conduct their work going forward, in terms of their responsibilities. The plan has key actions that will take place in the short term. With immediate commencement of longer-term aspirations.

In terms of the SAMP aligning to this plan ensures that:

- We will support the delivery of low energy projects through proactive asset review of the Council owned estates or other investment opportunities.
- Support the delivery of a sustainable specification for new build housing acquired or developed for the Councils.
- Assess energy performance across the estate to ensure the Minimum Energy Efficiency Standards (MEES) are met or exceeded in support of an Energy Action Plan to reduce corporate energy use, produce and act upon recommendations for each asset.
- Review and revise the Councils' letting agreements to incorporate reasonable 'green' clauses to improve management and environmental performance by both landlord and occupier.
- New Council facilities are designed and built or refurbished to the highest standards of energy efficiency possible.

## Other linked strategies or plans

The other linked strategies, processes and policies that this AMP need to consider are:

- Emerging Accommodation & Agile Strategy
- Procurement Strategy
- Contract Standing Orders
- Constitution
- Risk Management Strategy
- Homelessness Reduction and Rough Sleeper Strategy
- Corporate Projects Register

## 5.4 Fit with Corporate Values

The following table demonstrates the Asset Management commitment to the Councils values:



OUR  
PEOPLE



OUR  
CUSTOMERS



BEING OPEN  
and HONEST



TAKING  
OWNERSHIP



BEING  
AMBITIOUS

<b>Value</b>	<b>Asset Management Commitment</b>
Our people	<p>We will continue to be proactive in consulting our communities with regards to land and property in their areas.</p> <p>We will provide accurate information regarding our assets</p> <p>We will ensure fairness and equality when making future decisions</p> <p>Through our Accommodation and Agile strategy, we will deliver a work anywhere approach increasing flexibility and creating inspirational collaboration spaces with technology enabling flexible meetings and use, in a central location maximising partnership working</p>
Our customers	<p>We will consult our building users to determine satisfaction levels with the condition and sustainability of buildings and their facilities.</p> <p>We will use customer feedback to deliver improvements in our asset portfolio.</p> <p>We will continue to be proactive in consulting our communities with regards to land and property in their areas.</p> <p>We will produce and maintain a Strategic Asset Management Plan to demonstrate what we do and why we do it.</p>
Being open & transparent	<p>We will rationalise our assets where this is in the interest of the Councils and our communities.</p> <p>The investment of new assets will be planned on a 'whole life' basis following professional property standards.</p> <p>We will continue to work with our partners to ensure that the shared use of assets is explored and optimised wherever possible where a joined-up approach to service delivery will improve outcomes for our communities.</p>
Taking ownership	<p>We will use property assets to improve the quality of the environment in the district.</p> <p>We will seek to optimise the use of our assets in the communities they serve.</p> <p>We will consider opportunities to transfer assets to our communities where this approach will best serve our community's needs.</p> <p>Our public buildings will be accessible and welcoming to all sections of the community and located in the right place, to the right standards and appropriately branded.</p> <p>We will provide energy and water consumption data of our buildings to enable reduction of use.</p>

	<p>Regular reviews of our assets will be undertaken to ensure that they are being used appropriately.</p> <p>We will consider options for the use of sustainable materials and components in the design, construction and maintenance of our buildings</p>
Being Ambitious	<p>We will occupy efficiently and purposefully.</p> <p>We will deliver safe and healthy environments that support physical and mental wellbeing</p> <p>We will develop and manage land and property ensuring sustainable financial resources</p>

*Table 2: Asset Management Commitment to Corporate Values*

## 6. Our approach

### 6.1 Asset Management Principles

Occupying Efficiently	Meeting Customer Needs	Sustainability	Flexibility	Strategic Property
<ul style="list-style-type: none"><li>• Well maintained</li><li>• Well used</li><li>• Costs controlled</li><li>• Income opportunities taken</li><li>• Sufficient Property</li><li>• Maximising gains from surplus property</li></ul>	<ul style="list-style-type: none"><li>• Well located</li><li>• Accessible</li><li>• Outward looking</li><li>• A Positive experience</li></ul>	<ul style="list-style-type: none"><li>• Sufficient financial resources</li><li>• Transport routes</li><li>• Design and construction</li><li>• Reducing Consumption</li></ul>	<ul style="list-style-type: none"><li>• Changes :-<ul style="list-style-type: none"><li>• Working Patterns</li><li>• Technology</li><li>• Service models</li><li>• Customer needs and behaviour</li></ul></li><li>• Ownership models</li></ul>	<ul style="list-style-type: none"><li>• Strategy</li><li>• Satisfactory return</li><li>• Maintained</li><li>• Supporting Regeneration</li><li>• Flexible in changing markets</li><li>• Regularly reviewed</li></ul>

Chart 6 - AMP Principles

### 6.2 Asset Management Strategic Vision, Aims and Objectives

Strategic asset management planning is recognised as best practice in order to optimise property portfolio performance by managing property assets in a logical and consistent manner, targeted at using property to help achieve the aims and vision of the portfolio's owners.

This SAMP has been prepared against a backdrop of uncertainty and financial pressure on Local Government as a result of the COVID 19 pandemic and economic recession. This has created huge challenges in service delivery, maintaining an effective and cohesive staffing structure, partnership working and delivering innovation but also provided opportunity in developing our approaches in an agile way and in some areas bringing forward changes that had been a later part of our delivery strategies.

#### Corporate approach to property

Single estate approach – ongoing reviews and updating processes to support efficient property management across the councils, including commissioning of property services, property data to improve performance and policy framework for sharing property with partners including community asset transfer.

This corporate model will foster confidence within the councils and a shared sense of ownership and responsibility for property outcomes. It will also result in streamlining of decision-making processes and create an operational landscape that best use and value from our assets and the right resources, at the right time, in the right way.

Operating this way will provide improved clarity of responsibility in defining, managing and doing activities and also:

- Create a strengthened corporate property strategic function, helping to ensure that property is used effectively to help deliver Council objectives and ensuring consistency with 'best practice' in asset management;
- Promote effective contract management driving value and performance, ensuring the potential benefits of strategic partnerships are maximised;
- Give clear strategic direction and establish operational roles and responsibilities, allowing staff to focus on priority areas and use their skills most effectively;
- Facilitate better programme management of the Councils' property activity, deliver improved cost and time certainty and value for money;
- Focus on improvement and benefits realisation.

## **Vision**

The Vision for Asset Management to meet the required corporate priorities is:

To manage the Councils' property assets effectively to:

- Provide sustainable properties that are fit for purpose, providing access for all which meet service needs.
- Generate growth and sustained income to underpin the corporate priorities.
- Support economic and environmental regeneration and well-being of our districts and communities.
- Build community capacity and empower communities.

## **Strategic Aims**

This is what we want to achieve as a result of our actions:

- Sustained revenue income.
- Support the capital programme through the generation of capital receipts.
- Optimise the value of the assets to their best use and capacity for service benefits and financial or social value return.
- High quality, utilised, safe, and accessible assets.

## **Strategic Objectives**

These are the activities we will undertake to meet our aims:

- Generate maximum income from property management and investment balanced appropriately with social value that can be derived from assets
- Diligently invest in new assets with good returns and existing assets for sustainability of income
- Diligently dispose of under-performing and surplus property assets where use of these assets for income generation is not viable for the Councils.
- Continually review best value and best use of all property assets.
- Seek opportunities to diversify the portfolio and increase the value of assets through change of use.
- Maintain and renew as appropriate all publicly accessible assets.
- Ensure property assets make the optimum contribution to the Councils' priorities and objectives.
- Pursue best value, including social value, in property management activities.
- Strategically manage for a balanced portfolio of use.

- Diligently develop or acquire sufficient new council homes in Babergh and Mid Suffolk in line with the Housing Revenue Account Business Plan
- Develop a longer-term housing pipeline
- Effectively and efficiently manage key programme and project delivery

A well maintained and properly operated corporate property portfolios is critical both to service delivery and the delivery of the Councils' joint strategic aims.

### **6. 3 Asset management definition:**

The Councils' land and property assets are largely held in support to the main business of the Councils, which is to provide services. First and foremost, the property resources must be used to maximise benefit to services in the most efficient and effective manner. The current strategic direction of travel for the Councils in this regard is to maximise financial return from the held assets and to subsequently use that income for improvement to overall service delivery balanced with opportunities to create social value from the use of our assets

Strategic asset management for our land and buildings is:

- Linked and focused on our business, corporate and organisational objectives.
- Systematic and coordinated.
- Concerned with both non-financial and financial matters.
- An activity that sees property as a key strategic resource to the Council.
- Ensuring these assets make a positive contribution to regeneration of the district.
- A corporate activity and not solely the province of property professionals or service leads.
- Planning on a medium/long term basis.
- Ensuring the portfolio is developed, maintained and used in a sustainable way and having due consideration to the impact on the environment.
- Being concerned with whole life costs and benefits.

### **6.4 Due Diligence**

Due diligence is the process of factual and legal investigation, research, analysis and discovery into the relevant borrower, asset, sponsor and other principal parties typically undertaken by a prospective buyer, lender or investor prior to entering into a transaction.

The precise scope of the exercise will vary depending upon the nature and value of the transaction and/or asset, timing and cost considerations but, in the context of the acquisition or investment typically involves:

- A physical inspection of the property;
- A valuation of the property
- An investigation of/report on the title to the property and/or legal restrictions affecting its use, an analysis of any risks associated with owning the relevant property arising from a legal or structural perspective and an assessment of the likely impact of other creditors, tenants or other persons also having interests in or rights over the property;
- Where property is let, a review of the stability of the rental income stream, the creditworthiness of the occupational tenants, the terms of the occupational leases and insurance and asset management arrangements;



- A “health check” on the physical condition of the property and any buildings located on it, typically comprising reports on structural, measurement, planning and environmental risks;
- Consideration of the principal insurances;
- An assessment of the impact of the transaction upon existing contractual arrangements or permits;
- Specialist surveys and reports;
- Planning consultancy;
- Options and viability appraisals;
- Identification of key stakeholders in the community

## **6.5 Stakeholder engagement**

With a corporate approach, internally it is important for there to be a clearly defined ‘lead’ on property asset management within the organisation. The Corporate Manager Strategic Property will be the manager in the organisation that orchestrates property asset management as a corporate activity.

Those concerned with property assets across the organisation must be clear that all major property matters must be referred to the ‘lead’ on property asset management as soon as they arise. Operational teams within the organisation will often have differing and sometimes competing needs which may need to be corporately prioritised.

Externally, it is clear that if there is to be comprehensive engagement of those with an interest in property assets across the organisation, then good and regular communication and reporting lines between them, will be required.

### **Methods**

- Briefings and presentations to Members and key stakeholder groups
- Meetings and interviews with Partners, Colleagues and Members
- Staff surveys and updates e.g. Working Together
- Intranet and Website updates and press releases

### **Levels of Engagement**

**Insight** - Understand better the needs, views, and concerns of our residents and key stakeholders using existing data.

**Inform**- As an open council provide balanced information to assist understanding about something that is going to happen or has happened.

**Consult** - Capture residents’ and stakeholders’ views on issues of relevance to them. Give an extensive range of opportunities for residents to have their say.

**Involve** - Involve residents/stakeholders in testing, designing, and evaluating what we do to ensure that concerns and aspirations are understood and considered prior to decision making.

**Empower** - Empower public/service users to co-design, develop, manage and evaluate services. Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.

## 6.6 Asset Review

All of the councils' assets should have a defined purpose. Either for direct provision of front-line services or indirect service delivery such as back office accommodation, income generation or supporting the community.

A critical review of assets is required to challenge and determine best use and best value on a regular basis to ensure that the councils only retains the assets they need and ensure they meet the principles, fit and purpose.

The process of proactive asset review will be defined as part of the action plan and will form a regular asset management activity moving forward.

A series of broader place based, or locality reviews should also be put in place to identify opportunities with partners and other stakeholders as part of wider service reviews.

An asset will be deemed surplus to requirements if one or more of the following apply:

- It makes no contribution to the delivery of services
- It has no potential with regard to the delivery of the Councils' corporate outcomes
- An alternative more cost-effective service delivery site has been identified

## 6.7 Transaction Policy

A transactions policy is included at **Appendix A**.

It describes the process for making decisions about what needs to be acquired and the procedures to be followed. This policy sits alongside the Strategic Property Fund process which provides delegations to the Assistant Director for Assets and Investments for strategic purchases up to a maximum value of £1.5m. One of the actions that will follow in the action plan will be how we best utilise the strategic property fund, to be able to swiftly respond to new opportunities, this is likely to come forward as a separate project.

It also details how we will determine that land and property is surplus to requirements and what happens next.

Priority should be given to income generation, Council development for housing or service needs before disposal to partners or community users. However, we will need to undertake careful review and appraisal of asset use and viability on a case by case basis to ensure we are clear on whether we will prioritise divestment ahead of open market disposals on case by case decision. This will require a standard process but give a bespoke answer.

We also need to establish a fair and reasonable approach for small land transactions. These often require a similar level of effort and resources to bring to completion without a positive cost benefit. Developing a minimum pricing/prioritisation policy will aid more efficient use of resources in asset management. This policy will need to link back to our corporate outcomes and utilising resources appropriately.

## 6.8 Community Asset Transfer

Undertaking community asset transfer where there is a strong voluntary group with a compelling business case to acquire and manage Assets of Community Value, and they are able to use the asset for improved community or social outcomes. For those community

groups not ready for a full asset transfer or where the councils' preference is to retain the freehold ownership, a medium-term lease can allow them to still take control with limited liability. This approach should allow voluntary groups to flourish and increase activity, improve outcomes and attract external funding whilst divesting liabilities from the Council.

This process is most effective when it is developed in partnership with communities to develop shared visions, collaborative proposals and when we ensure that groups taking on the responsibility for operating assets have the support and capability to do this successfully. This can be a resource intensive and time-consuming process carefully managed and properly resourced.

There is not a one size fits all solution to shape community provision. Each area has a different starting point and has different needs. Rather than devising a high-level, theoretical vision and then trying to apply this top down approach across a range of different localities with different needs and starting points we need to do a more detailed piece of work to understand: -

- Changing service delivery models in our people and place-based services
- The potential for collaboration with our partners in the districts
- The state of our estate, the future liabilities and the potential of our assets.
- Through engagement with our communities, to better understand what they value and what they need.

The Community Asset Transfer Policy attached to this document in **Appendix B** covers this in greater detail.

## **6.9 Vacant Property**

At any given time, the Councils will own and manage a number of vacant properties, land and buildings which are not leased out to third parties or used operationally. We need a focussed approach to managing these assets with a view to developing, re-using, leasing or disposing to keep vacancy rates and holding costs at a minimum. The most significant costs of holding premises vacant are business rates, security and maintenance.

In managing vacant properties, we aim to:

- Have properties in vacant management for a minimal time prior to re-use, disposal or letting
- Tailor the management of a vacant property having regard to location, vulnerability, property type, future use, existing condition etc.
- Maximise income generating opportunities where possible and minimise liabilities

We will document a specification as to how property will be managed, involving a number of activities focussing on security, maintenance, compliance, utilities, insurance, business rates and inspections.

## **6.11 Making the best use of resources**

Procurement: The Councils recognise the need to have efficient and effective methods of procurement. Procedures are in place that support Contract Standing Orders and financial regulations which incorporate an emphasis on sustainable procurement.

**Project Management Methodology:** The Councils recognise that all major projects must be led by an officer with appropriate project management and technical skills. This takes into consideration capital bidding processes, corporate requirements and sustainability considerations.

**Risk Management:** Effective risk management allows the most to be made of opportunities, enables the right decisions to be made and objectives achieved. The Councils policy of embedding risk management into every aspect of the organisation ensures that risks are identified, managed and monitored.

## **6.12 Statutory compliance**

Ensuring the portfolio conforms with statutory obligations is a high priority of the council. Failure to do so may expose council staff and clients to health and safety risks or expose the council to financial penalties. The statutory obligations for the portfolio and related professional services are varied and subject to continued revision and therefore need to be monitored closely.

We will work with the councils' Building Services and Health & Safety colleagues to ensure:

- Asbestos management
- Energy Performance
- Electrical and Gas Safety Certification
- Legionella monitoring and control
- Electrical testing certificates
- Water quality and water hygiene records
- Health and safety record keeping
- Fire risk assessments, fire and evacuation procedures and emergency lighting system tests
- Bacteriological testing of the hot and cold-water systems
- Servicing and maintenance records

## 7. Oversight and decision making

### 7.1 Decision Making

There is a need to ensure there are structures in place through which decisions are taken regarding management of the Councils' assets. The Council has adopted a Cabinet structure with delegated decisions being provided to Cabinet for each service area of the Council.

The Constitution of the Council sets out the rules under which the Council operates. The key parts of the Constitution in regard to the decision-making process are contained in Part 3 (Delegations) and Part 4 (Standing Orders, including Contracts Standing Orders and Financial Regulations and Financial Procedure Rules).

In a majority of cases decision making regarding Asset Management will follow the standard procedures from the Councils' constitution.

The following table sets out where/how decisions are taken which are relevant to the Asset Management function:

<b>Approval Limits</b> <i>(Any amendments to values stated in the constitution will automatically be carried into this policy)</i>	<b>Approver</b>
Property transactions above £250,000 capital value or at less than best consideration	Cabinet
Rental transactions <ul style="list-style-type: none"><li>• At less than market rental value or</li><li>• Binding the Council to a future transaction that will be at less than market rental value</li></ul>	Cabinet
All other property transactions which fall within their areas of responsibility, in accordance with the scheme of Delegations to Officers.	Strategic Director and Assistant Director Asset & Investments
Market value property transactions, below £150,000 capital value or binding the Council to a future transaction that will not exceed those limits.	Corporate Manager Strategic Property
Leases, licences or other property related contracts, as delegated by the Strategic Director and Assistant Director Assets & Investments	Corporate Manager Strategic Property

Table 3 -Governance

### 7.2 Transparent and Open Decision Making

Transparent decision making that is strategy and policy compliant is essential to excellent asset management. Every property decision will be taken by the appropriate body or person in accordance with the Councils' Constitutions and delegations, with minutes of all decisions in Cabinet or Council being published.

We are formally required to publish Officer decisions relating to transactions of more than £10,000 in value and publish notification of key decisions on the forward plan 28 days prior to taking the decision.

Delegated decisions affecting property will be recorded by the Corporate Manager Strategic Property so that these are available for scrutiny or audit. It is only in exceptional circumstances, such as commercial sensitivity or legal privilege, that information would be withheld from the public domain.

Mindful of the need to be able to operate on an equal footing with commercial investors and developers, and to be able to make quick and informed decisions in relation to property investment opportunities, the Councils have established a Strategic Property Fund to facilitate competitive opportunistic market transactions.

### **7.3 Portfolio Holder Briefings**

Both Councils have a member responsible for Assets and Investments. These portfolio holders are consulted on all significant property development, regeneration, disposal, management, policy and investment opportunities, through regular periodic meetings with officers.

### **7.4 Strategic Property & Land Investment Funds**

Each Council holds a £3 million Strategic Property & Land Fund to enable the council to act immediately when properties are available for strategic purchases

Allocation of a dedicated fund provides opportunity to react and secure when required land and property within the districts. These funds do not require a secondary decision-making process with the final decision to purchase delegated to the Strategic Director responsible for Assets & Investments in consultation with two Cabinet Members.

All transactions will have a thorough due diligence process and will follow the strict criteria and process set out in **Appendix E** and summarised below:

- The property/land will be within the districts;
- Both urban and rural opportunities will be considered;
- The purchases of the property/land would represent good value for money
- The property/land will have some development potential, although not necessarily immediate, to allow the Council to be able to take a medium and long-term view;
- No more than £1.5m will be paid for any individual land or property acquisition.

### **7.5 Responsibilities for Property Management**

The Transactions Policy provides guidance on where responsibility lies for property transactions which is outlined in **Appendix A**. A more detailed list of responsibilities in **Appendix D** enables clear identification of where decision making, and action should take place amongst officers.

The Transactions Policy is supported by Delegations (**Appendix C**) and processes within the Strategic Asset Management Team to ensure that policy is followed whenever property transactions or decisions take place in that team.

## 7.6 Ongoing Monitoring and Review

Regular review of this SAMP is required to ensure that it continues to align with corporate aims and objectives, and that it remains fit for purpose in view of external and internal changes.

This SAMP will be subject to annual rolling operational review with a full review and comprehensive review at year 5. These reviews will be based on the principle that the SAMP will only be amended if significant change is required.

## 7.7 Data Management

The councils acknowledge that accurate and accessible data is essential to an effective system of asset management. Without accurate information it is impossible to assess the current health of the portfolio.

Asset data is currently held in a number of locations throughout the councils as described below:

System	Location/Owner	Description of data	System Type	How used for asset management
GIS & Gazetteer	Overlay data owned by service department.	Land ownership and other land data	CadCorp	Land ownership and responsibility designation
FAR	Financial Services	List of all the assets and book values	Electronic	Cross reference ownership and values
Deeds store	Shared Legal Services	Property Deeds and other property related documentation	Paper based files and records	Ownership and transaction records
Property document files	Asset Management service, Property Services	Individual asset and property files with hard copy documentation	Electronic and paper-based files and records	Asset management purposes
Performance system	Performance	Data on performance indicators and milestone data for project progression	Electronic/web based	Record performance data and monitor progress to regularly report

*Table 4 – Data Locations*

### ePims

All property assets should be recorded on the ePims Lite system to aid public sector partnership working such as OPE. This is currently complete and up to date but will come under review as part of ongoing data work.

## **7.8 Corporate Property Asset Database**

Establishing and maintaining an accurate and complete central property asset database is crucial to effective asset management. It enables swift, informed decision making and is an essential tool for reviewing the portfolio which can subsequently feed into review processes. This will assist with identifying asset specific compliance and risk assessment and will help with efficient and consistent property management and reporting.

A property database project has been proposed which will harvest data from existing sources to populate a robust database with core data on all property assets. This will then be linked to the Geographical Information System (GIS) digital mapping system. Lease details will be added, and scans of leases deeds and other documents attached.

This will form a complete picture of our property assets so that users can clearly identify the property we own, understand the legal situation and rights and obligations of occupiers, and deal appropriately with all property management issues. This will include lease renewal and rent review, repairing obligations, transfer of leases, new lettings, day to day management, health and safety, legionella, asbestos, routine maintenance, etc.

A thorough property review process will be possible when a comprehensive database is available to identify assets in relation to nearby property that we own, similar properties throughout the portfolio and the legal and other constraints and opportunities applicable.

Viewing access will be shared between both councils. Core data input rights will be designated and limited to specific post holders and deputies to ensure that the central data remains robust and controlled. The database will be cloud based so that it can be accessible by staff from any location.



## **8. Asset Performance**

### **8.1 Performance Management**

The Council has a corporate approach to performance management which feeds performance targets and indicators from individual Service Plans into the Councils' Corporate Plan. The process identifies under performance and seeks to support performance improvement and share learning from successes.

Regular monthly performance monitoring will take place and quarterly performance reports are submitted to Cabinet for oversight.

The approach adopted here is a pragmatic one focussing on a small number of indicators where data is robust and developing specific local operational measures which are relevant to delivery of the SAMP and which can be tracked over the longer term.

Key performance information is available and aligned to our strategic priorities.

The outcomes for both Finance & Investments and Housing are summarised as:

#### **Health of the organisation – Our Outcomes**

To provide strong, proud and inspirational leadership. People want to work with and for us. Dedicated and focused on positive outcomes for our communities. Innovative, creative, values driven, unafraid to do things differently and all provided against a backdrop of efficiency, and sound financial robustness. Helping us to achieve:

- A great place to work
- A great place to work and grow
- Places where we are encouraged, energised, and enabled to deliver our ambitions
- A robust financial strategy

Clear and strong performance targets and corporate guidelines for the investment asset portfolio in terms of new revenue contribution, occupancy rates and levels of rental arrears are being established. The Council has identified the need to review the environmental sustainability of the portfolio to ensure its assets are as energy efficient as possible and further work needs to be undertaken on the performance indicators that can be adopted and relevant data that can be captured to monitor this.

### **8.2 Program and Project Management**

The councils operate within a project framework. This requires tasks that do not have a defined process to be undertaken as projects within the corporate process. Regular monthly Highlight reports will be requested for submission via the Project Office.

### **8.3 Recommended Performance Indicators**

There are several different methods of adopting performance management and indicators to assess asset management performance.

The seven nationally recommended asset performance areas are:

- Condition of asset and required maintenance

- Environmental property issues
- Suitability surveys
- Building accessibility surveys
- Sufficiency (capacity and utilisation)
- Revenue (spend on property, energy, cleaning and rents payable)
- Capital (accuracy of forecasts of estimates and timing of works)

It is good practice for every organisation to choose indicators that are relevant to that organisation adopting best practice wherever possible.

However, relevance and priority need to be considered in using indicators that will directly monitor the Councils' asset base and indicate improvements required.

### Strategic Performance Indicators

The following table outlines the recommended indicators that should be adopted and where they are adopted, along with the recommended action for implementing them if they are new:

Category	Objective	Indicator	Performance Target
Income	Rent collection v. Budget	<ul style="list-style-type: none"> <li>• % of budget successfully collected reported in quarterly reporting</li> </ul>	90%
Occupancy (Void Management)	Maintain occupancy of income producing assets	<ul style="list-style-type: none"> <li>• % occupancy</li> </ul>	90%

### Operational Performance Indicators

In addition, we will monitor the following performance areas for operational efficacy:

Category	Objective	Indicator	Performance Target
Administrative Improvements	Establish robust property data to support performance improvement	% of asset data verified: <ul style="list-style-type: none"> <li>• Full address</li> <li>• Asset reference number</li> <li>• Tenant</li> <li>• Rent</li> <li>• Keys dates</li> </ul>	100%
Premises	Ensure all properties are compliant with statutory legislation	% of built assets with current EPC	100%  90%

	Repairs and maintenance	% of built assets with EPC rating between A and D  % spend on reactive repairs versus % spend on planned maintenance	
Operational Premises		% of operational properties with current risk assessments	100%
	Reduce resource usage costs on retained properties to contribute to the councils' overall targets	% of properties where holding costs assessed on £/psqM basis	90%
Surplus Assets	Minimise surplus assets	% of assets identified as surplus	

It is noted that some of the Performance Indicators above have already been established and some require further development and benchmarking.

#### 8.4 Rationale for Performance Indicators

The above Performance Indicators have been selected following consideration of:

- Best practice against the recommended indicator areas.
- What is relevant to the Councils' property portfolio.
- What can reasonably and realistically be collected.
- Expectation of indicating performance in delivery of the Asset Management key strategic aims.

#### 8.5 Benchmarking

Currently the Council does not undertake benchmarking of its Asset Management indicators.

The assessments, metrics and measures described above will provide information which will be compared to past performance within the organisation and enable comparisons with other similar organisations elsewhere.

This comparative benchmarking, as it is called, provides a valuable insight into performance trends, potentially giving 'sightings' of how the operations might be re-engineered to further improve services.

Internal performance measurement provides a trend line of performance, hopefully improving over time. It will immediately show where lapses in the performance of property assets or services have occurred and enable immediate remedial action to be taken.

External benchmarking offers the prospect of using the experiences of other organisations to leverage performance 'at home'. Again, this will highlight lapses of performance compared to other organisations, but care is needed to ensure that the metrics being compared are indeed entirely comparable – 'the apples with apples' comparison.

Once this SAMP is established, consideration of external benchmarking should follow. There are a limited number of benchmarking groups have been created over the years.

For those taking part in benchmarking schemes, there are key essentials to bear in mind:

- mutual trust and honesty, openness and a complete willingness to share information
- fully agreed and clear operational rules from the outset with an agreed operational programme
- agreement of key metrics and methodologies for collecting data and calculating performance.

The benefits of such benchmarking schemes include the innovation which comes from organisations that are trying out initiatives which may have inter-organisation application, the attention which can be directed towards the big efficiency and effectiveness drivers and the focus on under-performing property assets requiring particular management attention.

The variety of systems across the public sector will produce compatibility and comparability problems and these will need to be carefully handled.

## **8.6 Monitoring, Review & Challenge**

### **Quarterly Cabinet Reports**

Publication of a revised performance report which has been developed in collaboration with Cabinet Members, Senior Leadership Team and Corporate Managers.

The report highlights the six key priority areas from the Corporate Plan (2019 -27), together with information on the Health of the Organisation.

Firstly, providing a snapshot of the headline performance indicators against each priority, followed by progress on key objectives and narrative on other main achievements. The report also includes a 'look forwards' by providing key information on work commencing in the coming months. Taken in its entirety the report seeks to provide high level assurance that the Council is delivering against the Corporate Plan.

Sitting below the information, additional performance measures are set and regularly monitored by services to support operational and day to day management of the service, these remain available at any time as a self-service option, alongside performance information from previous years as part of the 'Our Performance' section located on Connect.

### **Monthly Programme Board Highlight Reports**

Data will be submitted for regular monitoring of project milestones and outturns against indicators and targets.

These highlight reports include:

- RAG status – current, trend, overall, summary, time, cost, quality
- Issues
- Milestones
- Risks
- Change control

### **Fixed Asset Register (FAR)**

The FAR:

- forms the basis of part of the Councils' annual return;
- forms the basis of decisions on risk and insurance issues;
- provides information on the age and potential lifespan of certain items; and
- provides assurance of the continued existence of the councils' assets.

It is regarded as a working document and requires updating when assets change status, are acquired or disposed of.

The start point for the FAR is agreed at the end of the preceding financial year. Any new assets will be recorded at their purchase price. The financial ledger should also be checked for all asset sales during the year which should be removed from the FAR. A stock take of FAR items should be undertaken regularly to ensure that all recorded assets can be physically verified.

A summary of the FAR is included in **Appendix G** and the full detailed FAR can be viewed in the Councils' accounts.

## **9. Action Plan**

### **9.1 Property Review**

Property Review is the regular assessment of property to examine whether it is performing in line with corporate property objectives.

Property reviews will be carried out on a proactive and need basis according to priority and a rolling programme at least once every three years according to asset status, geographical area, property type, or service type. Some assets will need more frequent reviews according to use or condition and some will be triggered at rent review, lease renewal or termination.

The review of each property will include: -

- Whether it is needed for the current use
- Opportunities for sharing occupation
- Condition
- Future major expenditure profile
- Suitability
- Utilisation
- Rights of occupiers
- Location
- Any development potential/ Review of Planning Policy
- Legal, physical and environmental constraints
- Income opportunities
- Regeneration possibilities
- Identification of Stakeholders

Analysing this information will enable consideration of all options for the future use of the property or properties being reviewed so that a preferred option can be chosen for action.

Acquisition opportunities require at least a similar level of scrutiny to ensure that any property acquired will perform well as an investment or service property. This process of “due diligence” will include looking at all of the property review matters listed above together with an understanding of likely future performance of the property.

A programme of property reviews will be drafted annually and carried out to ensure that over the life of this SAMP the portfolios are entirely reviewed. This will result in action plans including disposals, development and acquisitions.

### **9.2 Activities to deliver our Strategic Approach**

The following activities constitute our strategic approach to Asset Management:

- Establishment of our corporate approach to property;
- Use of Intelligence mapping as part of a Strategic Fit Property Review;
- Aligning our approach to capital investment through the MTFP and C & I strategy and utilising strategic property fund and regeneration funds;
- Introduction of planned maintenance programme including revenue and capital prioritisation;
- Integration of sustainability principles into the Strategy of business as usual

- processes and practices;
- Delivery of accommodation and agile strategy;
  - Clear Facilities Management service delivery needs, and responsibility models developed across the portfolio;
  - Arrangements to ensure statutory compliance and safeguard users of buildings;
  - Review of Strategic Property Team knowledge, skills, and resources to support development of the SAMP and clarify service plan requirements and specification;
  - Performance review of external professional services contracts and supply chain management to ensure quality and value
  - Projects and prioritisation – importance and effort – plan better – important and urgent first approach

### **9.3 Action Plan for Assets**

A number of areas for further examination have been identified comprising the action plan for assets.

The detailed list of action plan topics identified in 8.4 together with their current status are grouped as follows:

- Asset Strategy & Policies;
- Assets Intelligence;
- Assets Support to Delivery Programme Projects;
- Governance;
- Organisation for Asset Management;
- Processes;
- Office Accommodation

#### 9.4 Action Plan Topics and Priority

Item	Action	Rating (High, Medium, Low)
<b>ASSET STRATEGY &amp; POLICIES</b>		
	Corporate Property Strategy & Asset Management Plan <ul style="list-style-type: none"> <li>Draft document produced.</li> </ul>	High
	Transaction Policy <ul style="list-style-type: none"> <li>Draft Transaction Policy for Land and Property produced.</li> </ul>	High
	Lease Management Procedures <ul style="list-style-type: none"> <li>Lease Management Approach and Procedures document to be produced.</li> </ul>	High
	Strategic Maintenance Procedures <ul style="list-style-type: none"> <li>Discussion paper to be produced outlining approach to Strategic Asset Maintenance Planning.</li> <li>Approach to maintenance planning to be agreed</li> </ul>	High
<b>ASSETS INTELLIGENCE</b>		
	Assets inventory <ul style="list-style-type: none"> <li>Additional data added to register of assets as part of SAM project.</li> </ul>	High
	Intelligence maps <ul style="list-style-type: none"> <li>Phased approach to production of GIS based maps defined.</li> <li>Work in hand to produce intelligence maps of public assets in key target locations for review</li> </ul>	Medium
	Baseline profiles of assets – pen pictures <ul style="list-style-type: none"> <li>Work to document information in respect of each asset as part of property review.</li> </ul>	Medium
	Strategic Fit Property Review <ul style="list-style-type: none"> <li>Assessment of principal assets for retaining in current use; alternative use; disposal and identify opportunities for other public assets to meet identified needs. Attend regional OPE meetings to share best practice and develop SAMP approach further.</li> </ul>	High
	Statutory Compliance Review <ul style="list-style-type: none"> <li>Review of current status of programmes to identify and manage issues in respect of health &amp; safety; asbestos; legionella etc.</li> </ul>	High
	Identify outstanding maintenance requirements <ul style="list-style-type: none"> <li>Survey work to update property condition information and identify need for work as part of Strategic Maintenance Plan.</li> <li>Use information to contribute to budget process addressing investment requirements.</li> </ul>	High
<b>ASSETS SUPPORT TO DELIVERY PROGRAMME PROJECTS</b>		



	<p>Delivery of key &amp; strategic sites</p> <ul style="list-style-type: none"> <li>Identify range of development initiatives being considered and contribution of assets to investment appraisals and business cases.</li> </ul>	High
	Develop housing pipeline	High
	<p>Develop the locality approach</p> <ul style="list-style-type: none"> <li>Identify potential contribution of Council assets to local economy and sense of place.</li> <li>Identify sites to acquire as part of existing capital or regeneration projects to aid development and placemaking.</li> </ul>	Medium
	<p>Delivering the Public Realm differently</p> <ul style="list-style-type: none"> <li>Contribute to review of management and ownership arrangements to ensure integrated approach.</li> </ul>	Medium
	<p>Customer Access and Demand Management</p> <ul style="list-style-type: none"> <li>Facilities Management input to Customer Access Strategy.</li> </ul>	High
	<p>Commissioning for outcomes</p> <ul style="list-style-type: none"> <li>Contribute ideas on alternative procurement and supply chain opportunities.</li> <li>Review existing contracts, suppliers and spend analysis.</li> </ul>	Low
	<p>Sheltered Accommodation Review – assets advice</p> <ul style="list-style-type: none"> <li>Alternative use and development opportunities.</li> <li>Impact of ‘deregistering’ units and potential for right to buy.</li> </ul>	Medium
	<p>CIL implementation</p> <ul style="list-style-type: none"> <li>Valuation aspects and future impact of land values on affordable housing and council obligations.</li> </ul>	Medium
	<p>Developing our strategic approach to leisure</p> <ul style="list-style-type: none"> <li>Property considerations of future contract negotiations for management contracts with different providers. Schedules of condition and responsibilities for financing maintenance and building improvements.</li> <li>Identify assets issues in respect of play and amenity space provision.</li> </ul>	Medium
<b>GOVERNANCE</b>		
	<p>Programme Boards</p> <ul style="list-style-type: none"> <li>Proposed model outlined in Integrated Strategic Asset Management Report.</li> <li>Proposals to Programme Boards</li> </ul>	Medium
	<p>Review Scheme of Delegations for Property</p> <ul style="list-style-type: none"> <li>Draft produced and forms part of SAMP</li> </ul>	High
	<p>Review Financial Limits for Property</p> <ul style="list-style-type: none"> <li>As part of Contract Standing Orders.</li> </ul>	Medium
<b>ORGANISATION FOR ASSET MANAGEMENT</b>		
	<p>Integrated organisation for asset management</p> <ul style="list-style-type: none"> <li>Proposed model outlined in Integrated Strategic Asset Management Report.</li> </ul>	Medium

	Performance review of existing property contracts <ul style="list-style-type: none"> <li>Review current performance against KPIs (to be produced) and engage with key suppliers to agree actions to address areas for improvement identified.</li> </ul>	Medium
	Commissioning arrangements for Building Professional Services <ul style="list-style-type: none"> <li>Review specialist services and call off arrangements and pricing.</li> </ul>	Low
	Contracts Procurement and Delivery Strategy <ul style="list-style-type: none"> <li>Review of responsive maintenance contract arrangements.</li> </ul>	Low
<b>PROCESSES</b>		
	Integrate asset management systems with financial system <ul style="list-style-type: none"> <li>Contribute to process improvement project to ensure system improvements deliver improved functionality.</li> </ul>	Medium
	Select and populate Computerised Asset Management System <ul style="list-style-type: none"> <li>Contribute to specification of asset management requirements for corporate assets database.</li> </ul>	Medium
	Review works order processing and invoice payment systems <ul style="list-style-type: none"> <li>Identify current areas for improvement and contribute to process improvement work.</li> </ul>	Medium
	Agree set of local performance measures and adopt local performance indicators to assist delivery of operational improvements <ul style="list-style-type: none"> <li>Identify measures and agree standards and KPIs. Agree reporting details and frequencies.</li> </ul>	High
	Review customer feedback arrangements <ul style="list-style-type: none"> <li>Agree customer satisfaction surveys and consultation arrangements.</li> </ul>	Medium
	Consider benchmarking performance with peer groups <ul style="list-style-type: none"> <li>Consider benefits of participating in peer group performance benchmarking as part of membership of the AMP Network once SAMP embedded to garner additional value from performance management</li> </ul>	Low
<b>OPERATIONAL ACCOMMODATION</b>		
	Accommodation & Agile Strategy <ul style="list-style-type: none"> <li>Principles produced; SLT &amp; ELT briefed</li> <li>Space Planning brief and new normal to be established</li> </ul>	High
	Depot Review <ul style="list-style-type: none"> <li>Assessment of principal assets for service needs; alternative use; disposal, and identify opportunities for other public assets to meet identified needs</li> </ul>	High
	Leisure Centre Review <ul style="list-style-type: none"> <li>Assessment of principal assets for service needs; alternative use; disposal, and identify opportunities for other public assets to meet identified needs</li> </ul>	Medium

## **APPENDICES**

### **Appendix A**

#### **Babergh and Mid Suffolk Councils Property Transactions - Policy and Procedures**

##### **1. Purpose of this Document**

1.1. To set out the Councils' policies and operational arrangements for effectively managing transactions affecting their property portfolios.

##### **2. Background**

2.1. Property is the Councils' most valuable asset after people and is essential for the effective provision of all Council services. It is a major user and producer of both capital and revenue. The Councils view property as a dynamic asset which must be continuously reviewed, improved and rationalised to drive efficiencies and ensure that our property is an effective platform for delivery of quality services to the people of Babergh and Mid Suffolk.

2.2. This document sets out the policy and procedures to be followed to ensure that the process of acquiring, leasing or disposing of property by the Authorities is clearly defined and controlled, to achieve best value and avoid any impropriety. This policy is an appendix to the Councils' Strategic Asset Management Plan (SAMP) and replaces any previous policies of the Councils regarding the general acquisition, review and/or disposal of property.

2.3. This policy does not override procedures for disposal by formal sealed tender. It also does not affect arrangements for the leasing of the Councils dwellings to individuals as their home through granting secure tenancies, which remain under the control of the Housing teams.

##### **3. The Meaning of Corporate Property**

3.1. The property belonging to the Councils is a corporate asset occupied by Council services. The services will ensure that the property they occupy is managed to minimise risks and costs, and to deal with maintenance needs. Property will remain available for use by other services, shared use or for disposal according to corporate priorities. The property needs of all services will be considered when property reviews take place to maximise utilisation and release surplus property. Occupying services do not have the authority to agree terms for lease or sale of any property (as further detailed below).

3.2. The Councils will strategically consider their property holdings, continuously reviewing their portfolios and making necessary changes in occupation, releasing surplus property and making capital investment, to ensure that overall the property holdings are contributing to the Councils' Priority Outcomes set out in the Joint Strategic Plan and meeting the Corporate Property Objectives.

3.3. Capital receipts arising from property sales may be a persuasive argument in making a business case for a particular scheme. However, Capital receipts are dealt with corporately and there is no requirement that the sale of a particular asset will result in the capital receipt being allocated to the last occupying service. Capital

receipts will be added to the general capital funds of the Councils and allocated as part of the Corporate Capital Programme approved according to corporate priorities

#### **4. Legal Framework**

4.1. All property transactions carried out by the Councils are governed by the general land law applying in England and Wales. In addition, there are particular areas of legislation applicable to local authorities only.

##### **4.2. Section 123**

4.2.1. When the Councils are disposing of land and property in their ownership they are subject to the provisions of Section 123 of the Local Government Act 1972 which states that *“Except with the consent of the Secretary of State, a Councils shall not dispose of land ... otherwise than by a tenancy of less than seven years, for a consideration less than the best that can reasonably be obtained”*.

4.2.2. The General Disposal Consents issued by Central Government, allow disposal of property at less than best consideration without the consent of the Secretary of State, providing that the authority consider the disposal would contribute to the promotion or improvement of the economic, social or environmental well-being of the whole or any part of its area, or all or any persons resident or present in its area and the sale price is no more than £2 million below 'best consideration'.

##### **4.3. Crichel Down**

4.3.1. The Crichel Down rules were developed by Central Government in relation to large areas of land such as military airfields, training camps, weapons ranges, etc. acquired by, or under the threat, of compulsory purchase. The rules require Central Government departments to initially offer any such surplus land back to the original owner at full market value as if the land had not been developed. The rules are recommended to local authorities but are not mandatory, due to the complexities resulting from successive local government reorganisations which make tracing original owners and identifying the purpose/method of acquisition very time consuming.

4.3.2. The Councils therefore cannot undertake that they will always be able to implement the rules when they are applicable to a proposed disposal. However, steps will be taken to attempt to identify the original method of acquisition and if a Crichel Down situation is identified, to identify the original owner. Where property is known to have been compulsorily acquired and the particular circumstances make offering it back to the original owners desirable and equitable, then this route will be pursued.

##### **4.4. Compulsory Purchase Powers**

4.4.1. Various legislation gives the Councils the powers to acquire property through compulsory purchase for purposes such as housing, leisure, planning schemes, etc. The process first requires identification of the land required for a particular scheme. A schedule of ownership and statement of reasons for

compulsory purchase are then publicised and submitted to Central Government. A Public Inquiry will follow if objections are received. If the Compulsory Purchase Order (CPO) is confirmed by Central Government, then the ownership of the land will pass to the Councils and the former owners will receive compensation based on the market value of their interest and other qualifying losses resulting from the compulsory purchase legislation.

4.4.2. These powers need to be used only when appropriate as they deprive owners of their property and in some cases their homes. However, CPO is a useful means of forcing action from landowners who allow their property to become derelict or stand in the way of much needed public schemes.

#### **4.5. Councils' Policy**

4.5.1. Property dealings by the Councils are governed by the following Council Policies:

4.5.2. **The Strategic Asset Management Plan (SAMP)** - Provides an overall strategy for the effective management of all of the Councils' property

4.5.3. **The Constitution** - Sets out how the Councils is governed. It governs the scheme of delegations for property transactions which includes delegations to officers that allow them to deal with day to day property transactions and management. Higher value and sensitive transactions will require Cabinet or full Council approval. A Register of Delegated Decisions for disposals, acquisitions, new leases and other significant transactions, will be maintained by the Corporate Manager for Strategic Asset Management under the direction of the Assistant Director Assets and Investments.

4.5.4. **The Member's Code of Conduct and Code of Conduct for Local Government Employees** - Documents which govern the conduct of Members and officers to ensure that they are aware of the need to act with propriety and care throughout their work for the Councils, including the negotiation and completion of all property transactions.

#### **4.6. Babergh and Mid Suffolk District Councils' Corporate Property Objectives**

4.6.1. The following Corporate Property Objectives are set out in the Strategic Asset Management Plan.

- **Occupying Efficiently**
  - a. Well Maintained**  
Our operational property will be maintained to a good standard with resources applied effectively to reduce whole life costing.
  - b. Well Used**  
We will aim to ensure that our property is fully utilised.
  - c. Costs Controlled**  
Property costs will be actively managed and continuously challenged to ensure value for money and to achieve savings where practical.
  - d. Income Opportunities Taken**

All property will be regularly reviewed to ensure that new and existing income opportunities are realised and maximised.

**e. Sufficient Property**

We will continue to hold those properties required, to meet service and customer needs subject to having sufficient resources to fund continued operation. Where property does not meet service or customer needs or cannot be financed, it will be declared surplus and disposed of unless there are specific strategic reasons, to retain it in the short term, or to hold it for income generation.

**f. Maximising Gains from Surplus Property**

We will ensure that when surplus property is identified we use it effectively to maximise gains for the community by housing delivery, stimulating the local economy and/or raising capital for further investment.

- **Meeting Customer Needs**

- a. Well Located**

- We will strive to locate our property where it meets our customers' needs.

- b. Accessible**

- We will take steps to ensure that our property is accessible to all of our customers, visitors and staff.

- c. Outward looking**

- We will continually review opportunities to work with local communities, other organisations and businesses to provide property in partnership where this is to the benefit of our customers and is financially viable.

- d. A Positive experience**

- We will seek to provide customers, visitors and staff with a positive experience in terms of the quality and suitability of our properties, for delivery of the services provided at each location.

- **Sustainability**

- a. Sufficient Financial Resources**

- We will only retain property which we forecast can continue to be funded in the medium term.

- b. Transport Routes**

- We will strive to ensure that properties providing customer facing services are located and have the facilities to enable them to be accessed using the usual forms of transport (on foot, bicycle, motor vehicle, public transport).

- c. Design and Construction**

- Whenever we invest in improvements, extensions or new build, to employ sustainability and whole life principles in design and construction.

- d. Reducing Consumption**

- We will continue to act to reduce consumption of physical resources and to reduce energy usage within our properties to ensure their impact on the environment is minimised.

- **Flexibility**

- a. Changes:**

- Our properties will be flexible to take account of changing circumstances, including: -

- i. Working Patterns**

- Increasing home working, agile working, and flexible work patterns.

- ii. Technology**

- Rapidly changing technology. For example, in the areas of; transactions, communication and transportation.

- iii. Service Models**

- Innovative methods of service delivery affecting the type of property required to deliver services.

- iv. Customer Needs and Behaviour**

- Changes in demographics, health, consumption, travel, means of accessing services and customer expectations. **Maximising**

- b. Ownership Models**

- As owners, landlords and as tenants, we will choose appropriate occupation models for owning and leasing property, to ensure that financial resources are used efficiently, and flexibility is retained.

- **Strategic Property**

- a. Strategy**

- We will invest in property within the parameters of Investment Strategies which seek to maximise returns on our investments, having regard to the further objectives detailed at items b to f below.

- b. Satisfactory Return**

- We will actively manage the investment properties, minimising voids, enforcing lease obligations and recovering monies owed, to ensure that our investment property performs well, producing a satisfactory rate of return when compared to industry benchmarks for the type of property investment concerned.

- c. Maintained**

- We will ensure that our investment property is adequately maintained to meet our contractual obligations and to maintain value, and that whenever possible maintenance costs are recovered from occupiers.

- d. Supporting Regeneration**

- We will favour investment in property to support Regeneration whenever we can demonstrate that a satisfactory rate of return can be achieved and that the property to be acquired will meet the other parameters of the property investment strategies.

- e. Flexible in Changing Markets**

We will aim to invest in properties which give flexibility for future changes in property markets to ensure a robust investment portfolio.

**f. Regularly Reviewed**

The Investment Strategies, portfolio composition and individual property investments, will each be regularly reviewed to ensure that they are aligned with corporate policy, the Property Investment

## **5. Disposal of Surplus Property**

### **5.1. Property Review**

5.1.1. The identification of surplus property will be achieved by the continuous Property Review process set out in the Strategic Asset Management Plan. Property holdings will be reviewed by area, property type and service user. Property reviews will identify the properties concerned, gather data, ascertain service and user needs, to identify the opportunities and actions required, to; minimise costs, maximise income, produce development sites and provide for service needs. This process is augmented by each service identifying future property requirements and property problems, as an integral part of Service Planning and Service Asset Planning. These processes reveal where property is surplus, or acquisition is required. It is then necessary to follow the procedures set out below to dispose, lease or acquire as appropriate.

### **5.2. Procedure for Disposal**

5.2.1. When the Strategic Property Team or occupying service, identifies property that it considers might become surplus appropriate investigation will occur to identify constraints, opportunities within the wider asset strategy and likely timescales.

5.2.2. If a Service expects that a property it occupies may become surplus to its needs, then that service will inform the Strategic Property Team and advise them of the likely timescale.

5.2.3. In either case, the Strategic Property Team will consider other Service's requirements and if appropriate will liaise with other Services to ascertain whether they have a need for the surplus property. This consultation will not be required when it is obvious that the property has no further useful service purpose, or it has already been resolved to dispose of the property.

5.2.4. Responses received will be used to help assess the best future use for the property. There is no presumption that the property will stay with the Service that is declaring it surplus to their needs, or that other Services requesting the property will be allowed to take up occupation. A decision on future use will be made in light of the entire property needs and priorities of the Councils in accordance with the SAMP.

5.2.5. If a significant decision is proposed such as closure of a point of service delivery or disposal, the Strategic Property Team will consult with the Cabinet Members, Senior Leadership team, programme boards, local Member and the



Town, Community or Parish Council as appropriate. This will not be necessary for non-contentious disposals of small areas of land to individual homeowners.

5.2.6. If no Council use is appropriate, authority will be sought to have the property declared surplus and it will either be sold or, if suitable and meeting investment criteria, held for income generation. Where a decision of Cabinet is required the report will set out the principal proposed terms and seek delegation to the Assistant Director Assets and Investments of all steps required to conclude the disposal at the stated value (or a better price). These steps may include for example, the marketing method, negotiating terms, instructing solicitors, disposal in part, appointing agents, making planning applications or carrying out works of demolition or improvement to increase value.

5.2.7. If disposal is identified as the correct course of action, then the Strategic Property Team will conclude all work required to effect a sale. The proceeds of sale will be added to the corporate capital funds, unless there is a legal requirement to do otherwise.

The administrative procedures of the Strategic Property team will ensure that the proposed transaction has been valued by a suitably qualified Chartered Surveyor and that best value is to be achieved. A Cabinet decision will be required in the event of a disposal at less than best value, for example where there are significant benefits to the community.

5.2.8. The budget and costs of holding the property until disposal will be transferred to the Strategic Property Team by the last occupying Service on the date when the property is fully vacated by the Service, in a condition ready for marketing, or the property is declared surplus, whichever is the later. This will ensure that occupying Services are encouraged to notify their intentions at the earliest possible opportunity, thus allowing time for site investigations, the submission of planning applications, and disposal to take place as close as possible to the date when the property is fully vacated, thereby saving revenue costs.

## **6. General Procedures**

6.1. The Assistant Director Assets and Investments and Corporate Manager Strategic Property have delegated authority to agree terms for the disposal, acquisition or leasing of Council property. The only exception is the leasing of houses, bungalows or flats to individuals under Secure Tenancies covered by the Housing Acts, to provide individuals with a "Council House". The terms of these Secure Tenancies may only be agreed by the Housing team and are otherwise outside the scope of this document.

6.2. Surveying staff within the Strategic Property Team will be authorised to quote and negotiate draft terms on any property for sale or lease, or for property proposed for acquisition by purchase or lease. No other officer may quote or negotiate terms for the sale, lease or acquisition of (non-council house) property.

6.3. For disposals of freehold and ground leasehold interests, meeting best consideration requirements, Corporate Manager Strategic Property will prepare a report stating the agreed draft terms and submit this to the Assistant Director Assets

and Investments, seeking authority to instruct Legal Services to complete the transaction.

6.4. For leases and other similar agreements such as easements, licences and concessions, we will seek an independent report stating the agreed draft terms, supported by a valuation signed or countersigned by an officer who is a Chartered Surveyor, and submit this to the Corporate Manager Strategic Property seeking authority to instruct Legal to complete the transaction.

6.5. Where insufficient delegated authority exists, the matter will be referred to the Assistant Director Assets and Investments or Cabinet as required by the Scheme of Delegations for Property Transactions.

6.6. Following these procedures will ensure that property matters are dealt with in a co-ordinated fashion ensuring that best value is obtained and corporate objectives are aligned

6.7. Seeking consent from Central Government for sales at less than best consideration which are not covered by general consent will only be considered in rare circumstances where there are significant advantages to the Councils and only with Cabinet approval.

## **7. Definition of Roles and Responsibilities**

### **7.1. Conflict of Interest and the Code of Conduct**

7.1.1. Officers and Members are required to avoid any conflict of interest in the exercise of their duties both under their respective Codes of Conduct and the requirements of any relevant professional body of which they are a member. Where a Member or an officer of the Councils is the prospective purchaser of surplus property an independent written valuation will need to be obtained at the expense of the Member or Officer concerned. Cabinet approval will be required for all such transactions.

7.1.2. Members or officers who have been directly involved in the decision to declare a property surplus, or in the management or marketing of the property will be prohibited from purchasing or leasing the property other than at Public Auction and only then if the Strategic Director or Chief Executive Officer is satisfied that no conflict of interest has arisen. In the case of a sale by auction, formal written permission for the officer or Member to bid for the property must be sought from the Strategic Director or Chief Executive Officer as soon as the property is brought to market.

### **7.2. Member Roles and Responsibilities**

7.2.1. Members have an important role in promoting the local economy and regeneration of Babergh and Mid Suffolk. To this end they may discuss in general terms property that the Councils have on the market and introduce third parties who wish to invest in Babergh and Mid Suffolk, to the Strategic Property Team.

7.2.2. To ensure transparency and propriety in decision making, no Member may quote or negotiate terms for the acquisition, leasing or disposal of property involving the Councils (whether as vendor, purchaser, lessee or mortgagee) nor

be present during such negotiations save where the Member is ordinarily employed in such capacity on behalf of clients whereupon they must immediately declare a pecuniary interest and not engage in lobbying other Members or officers relating to that transaction.

7.2.3. No Member may bring undue pressure on other Members to attempt to influence the terms of any property transaction relating to price, against the advice of professional officers. Members may convey the concerns or aspirations of their ward constituents to the Assistant Director Assets and Investments who will decide whether these should be reflected in the draft terms.

## **8. Disposals to Community Groups**

8.1. A range of Community Groups may seek to lease or purchase property from the Councils to support their objectives. These transactions will be carried out at a market value (best consideration), which takes account of proposed terms which restrict the use of the property, other than where the use of property and their community objectives support the Councils' vision and Joint Corporate Plan. Each transaction of this nature will need approval from the Cabinet.

8.2. Sales to Community Groups may, in exceptional circumstances, proceed at less than best consideration and in those cases where this is considered appropriate, the amount of "subsidy" or significant positive social value must be clearly identified in a report to Cabinet, and a decision made on whether this is acceptable to the Councils in the light of the wider benefits that will arise from releasing the property for the proposed purpose.

8.3. New leases to Community Groups or similar organisations, will only occur at market rent. Where the relevant Service which deals with such a group undertakes to provide financial support to that group this will be from the Service's own budgets and not via a reduced rent, to ensure that the amount of subsidy is transparent.

## **9. Acquisition**

9.1. The Councils will acquire property either for specific schemes such as public space improvement or regeneration projects, or for investment to generate income from assets.

9.2. Where it is proposed to acquire land for individual schemes in the Capital Programme, the relevant Project Manager will instruct the Strategic Asset Management Team directly to negotiate suitable terms for recommendation to the Cabinet or the Assistant Director Assets and Investments. As the time taken for acquisition is often lengthy, it is the responsibility of the Project Manager to identify likely timescales and budgets before drawing up a project plan and to issue instructions at the earliest opportunity. If insufficient time is allowed by the Project Manager, the project may fail or run outside programmed timescales. The possibility of needing to use Compulsory Purchase powers should be taken into account in project planning as this will add a considerable period to the process of acquisition.

9.3. The Constitution includes delegations to the Assistant Director Assets and Investments that authorise acquisitions below certain limits. All acquisitions above those limits and any sensitive acquisitions must be approved by Cabinet.

9.4. Where the owner of property to be acquired is a Member or Officer of the Councils or a close relative of a Member or Officer, then an independent valuation of the property must be obtained to accompany the report of proposed terms to Cabinet.

## **10. Leases**

10.1. The law relating to Leases, Licences and Tenancies at Will is complex and varies according to the particular use of the property. Tenants can gain security of tenure and rights to compensation. In some cases, the tenants will gain a right to purchase the freehold. It is therefore essential that any occupation of Council property by third parties is governed by appropriate legal agreements negotiated by suitably qualified property professionals from the Strategic Asset Management Team. No officer may allow a third party into possession of Council property without first obtaining the consent of the Assistant Director Assets and Investments.

10.2. The only exception to this will be the lease of Councils dwellings on Secure Tenancies, the terms of which will be the responsibility of the Housing Team and any officers within the service that they may authorise.

## **Appendix B**

### **Community Asset Transfer Policy**

#### **Background - Community assets**

The Councils' own a number of assets that bring about a benefit to communities. This includes:

- recreational and sports facilities often in parks and open spaces
- assets that sit within the Councils' portfolio that maybe leased or provided as a grant in kind to voluntary organisations that benefit communities and residents due to the specific work undertaken by the organisations concerned

There are a number of definitions to community assets but in the context of the District Councils' they are land and buildings owned or used by the council or leased or managed by community organisations for the benefit of residents and communities and include community centres, sports facilities, recreational facilities and other buildings.

It is important to recognise that the Districts have a variety of buildings and facilities under different ownership including public, voluntary and private ownership, that are used by communities for community led activities.

In many cases, the voluntary sector is best placed to host community facilities as their management and use can be more responsive to the needs and opportunities of communities. Assets held in this way can also play an important role in supporting and sustaining the third sector with facilities being managed by the people who regularly use them.

#### **Why is a community asset transfer policy required?**

There may be times when council owned community assets used by community and voluntary organisations are returned to the council, are surplus to requirements, uneconomic to maintain or could be better run by the community themselves.

The development of a community asset transfer policy therefore provides a mechanism for the council to have a clearly defined approach to the future of these assets that will:

- define when community asset transfer is appropriate
- ensure the process for community asset transfer is transparent
- apply a consistent approach to the assessment and process of transferring assets in the future, focussing on securing social, economic and environmental benefits of the asset
- ensure the efficient use of assets to minimise cost

#### **What is Community Asset Transfer?**

Community asset transfer is the transfer of land or buildings from the councils' to parish councils or a third sector organisation.

Community asset transfer has the potential to achieve a number of objectives:

- to form long-term partnerships with third sector organisations
- devolving responsibility & decision making to communities
- providing assets for wider voluntary and community sector use

- maximising community benefit
- minimising financial liability for the council in the future
- supporting the building of social capital.

Community Asset Transfer can take place in different forms including through:

- a management agreement
- a licence to occupy
- a short lease
- a long lease
- freehold

Community Asset Transfer may involve a transfer at less than market value, at a reduced cost, peppercorn rent or free of charge. The level of subsidy applied to the asset transfer, will be determined by the social, economic or environmental benefits generated by the transfer and the value of the asset.

Community Asset Transfer can apply to community buildings, community facilities and also other community venues owned by the council.

### **What criteria will the council use to consider a Community Asset Transfer?**

When a community asset is returned to the council, is no longer viable or it has been assessed that there is an opportunity for the community to run the facility better, a stage one asset review will be undertaken. This provides a high-level assessment of the future options for the asset including whether the asset is appropriate for Community Asset Transfer.

Other options include:

- Disposal
- Change of use
- Retention within the council

When community asset transfer is determined as the preferred option, the asset will be advertised for community asset transfer through direct engagement with identified stakeholders.

Bidding organisations will be asked to provide a business case, demonstrate that they have the capacity to run the facility and show how they contribute towards the Councils' corporate objectives.

Proposals from community organisations which set out to improve the wellbeing of the whole community or those which include the co-location of several organisations will be encouraged in this context.

### **How will community benefit be maximised?**

To ensure that the property delivers maximum community benefit, the organisation concerned will need to ensure that the premises are used primarily for community-based activities that directly benefit:

- the local community
- residents of Babergh and Mid Suffolk.

Where appropriate, the building should be available for hire for general community use including weekends with priority given to local groups and grass-roots organisations. This requirement will form part of the transfer arrangements.

The arrangements will also where appropriate provide opportunities for the organisations to be able to sub-let. The focus will be a flexible approach to the development of lease arrangements to maximise the benefit to the voluntary organisation, the councils and wider community.

### **What tenure will be granted?**

There is not a one size fits all solution to shape community provision. Each area has a different starting point and has different needs.

The Councils' preference will be to retain freeholds wherever possible favouring leasehold divestments to communities on appropriate lease terms according to their business case and capabilities.

This approach should allow community groups to flourish and increase activity, improve outcomes, and attract external funding whilst divesting liabilities from the Councils.

### **For how long will leases be granted?**

The councils will consider the specific needs of the community organisation, the condition of the asset and the requirements of any funders. The length of the lease will be based on:

- the business plan
- the capacity of the organisation to manage the asset
- financial capacity - any future requirements for the asset by the councils
- the condition of the asset.

Once granted, leases can be extended or restructured at a future stage, to meet the changes to the organisation's activities or circumstances.

Community asset transfer leases will be accompanied by a service agreement that will define the expected benefits of the community asset including any requirement for use of the asset by local residents for locally organised activities or use as a polling station. This may include the hours the asset is made available to local communities.

Leases will contain clauses that prevent the asset being assigned or sold on for unintended financial gain and the loss of the community agreed benefits.

Leases will also contain suitable clauses to ensure the return of the asset to the councils if the terms of the service agreement are not met, or in the case of dissolution, insolvency or corruption.

How will community assets available for transfer be advertised?

The Councils will advertise the availability of community assets through the councils' website, various information networks available to the council and by directing notifying voluntary and community sector organisations.

### **Property maintenance**

The lease will define responsibility for maintenance and repairs, insurance and all outgoings on the property. The Councils will provide information that it holds on the condition of the property. This assessment will be provided as a guide and the future tenant should carry out their own checks, as the property may have deteriorated further since it was last surveyed. The assumption is that property maintenance will be the responsibility of the lessee.

**What should the business case for community asset transfer contain?**

- full details of the services and activities to be provided from the asset including any partnerships or co-location plans with other organisations
- evidence of the management capacity and experience of the bidding organisation to utilise and develop the asset
- detailed evidence that use of the asset is financially sustainable over the life of the proposed tenancy and will not incur future financial liabilities for the councils; the councils will assist by making relevant information and data available on request
- details of the anticipated benefits that the asset will produce and how these will be measured and evaluated - details of the type of asset transfer and lease terms sought
- evidence of support from councils' officers, councillors, other voluntary organisations, local stakeholders

**Assessment criteria**

Organisations (or lead organisation where there is a consortium or partnership applying) are required to meet the councils criteria for commissioning. If these criteria are not met, no further consideration will be given to an application.

The business case assessment criteria will be made up of three sections:

- Organisational criteria (see notes below)
- Social value assessment (based on the councils' emerging Social Value Framework)
- Activity specific assessment

The assessment forms for both expressions of interest and business cases are available on request.

Examples of organisational criteria that might be included are found in the table below. This is not an exhaustive list and at all times compliance with the organisational criteria will be proportionate and relevant to the size and value of the asset and the length of term of the asset transfer.

**Provider's organisational criteria**

**Management**

You must have appropriate governance arrangement in place, hold regular committee meetings, including an annual general meeting; have a current business plan or demonstrate that one can be developed for the organisation.

**Financial systems**

You must comply with all financial and accounting requirements of charity and/or company law and follow good practice in relation to internal financial controls. If you are a new



organisation, you should demonstrate how you will implement good financial systems in future.

#### Equal opportunities

You must have a written equal opportunities/diversity policy and code of practice that comply with current relevant legislation.

#### Insurance

Your organisation must have adequate insurance cover for activities, events, staff, premises, equipment, vehicles including: Public liability; employer's liability cover if staff are employed; property and equipment insurance.

#### Criminal records checks

You must ensure and have evidence that all staff and volunteers working with children and vulnerable adults have been vetted through the disclosure and barring service. DBS checks should only be requested for eligible roles and not for all staff if it is not needed.

#### Safeguarding children and vulnerable adults

Organisations working with children and vulnerable adults must have safeguarding children and adult's policy and procedure in place. Staff and volunteers working with children and vulnerable adults must be appropriately trained. Evidence of these policies will be requested.

#### Equality

Detailed knowledge of the districts and an understanding of how to apply that knowledge to engage / work with / deliver services in the districts. Evidence of activities and services being designed to be accessible to as many residents as possible.

#### Cost

The ability for the organisation to meet any rental payments, pay external and internal repairs, insurance and utility costs. Evidence of a clear budget with income and expenditure expectations should be provided for the life of the proposed tenancy.

### **Indicative assessment process for community asset transfer applications?**

Detail and processes included in each stage are below:

Stage 1 – Advertising of Community Asset Transfer opportunity and request for expressions of interest - Maximum of 4 weeks

Stage 2 – Review of expressions of interest received by council officers. Successful applicants informed - 4 – 6 weeks depending on volume

Stage 3 – Selected organisations to compile business case - 4 – 6 weeks

Stage 4 – Business case assessment by council officers and senior staff. Agreement in principle for one applicant - 4 – 6 weeks

Stage 5 – Professional advice and council report - 6 – 8 weeks

Stage 6 – Lease agreement and completion - Maximum of 12 weeks

Ongoing - Asset transfer review Annual review of the service agreement targets and measure benefits - Where applicable, 5-yearly renewal of the service agreement

## **Breakdown by stage**

### **Stage One**

Once a building is identified as suitable for community asset transfer it will be advertised as open for Expressions of Interest.

This will be done by:

- Placing an advert on our website
- Engagement with residents local to the building
- Community newsletters will include the opportunity / websites/ notice boards as appropriate
- Parish Councillors and Ward Members

An open day will be held at the building in this time for organisations to inspect the building. During this window, the webform can be used to submit an Expression of Interest in leasing the property (guidance available).

### **Stage Two**

Council officers will review all Expressions of Interest against identified criteria (see the Expression of Interest guidance). Officers may ask for meetings with organisations to clarify points within the submitted form. Organisations that satisfy the criteria for use will be informed by letter and invited to submit a more detailed business plan for their use of the centre.

### **Stage Three**

The business case can be submitted in any relevant format but will need to reference:

- Organisational objectives and aims
- Evidence of the organisations previous impact and service delivery
- Specifics around the use of the building and what services/activities will be delivered from it
- Robust financial planning including details of any planned investment into the building and evidence of current financial capacity
- Evidence of the community need being address by the organisations plans and demonstrable community endorsement
- Evidence that new services and activities would not duplicate existing provision in the local area

Not essential but desired:

- Evidence of partnership working with other organisations
- Detail of the evaluation processes which will be used to measure the outcomes of the buildings' use During this business case development phase, organisations may request a meeting with council officers to discuss their draft plans before submission.

### **Stage Four**

All business cases will be reviewed by council officers and relevant professional for suitability. Applications will be assessed against the criteria laid out in the Community Asset Transfer policy document and will reflect the social value to the districts of each application.

These will include:

- benefit to local residents
- benefits to the councils
- sustainability of the financial plans
- whether applications duplicate existing provision
- demonstrable community support Each organisation will be invited to discuss their application with officers and relevant professionals to elaborate on any points and review any questions.

An “in principle” decision will be taken by the service’s Assistant Director or the Strategic Director. The successful group will be informed in writing. Local residents will be informed of the decision and asked to comment as part of the subsequent report.

#### Stage Five

If needed, legal and profession advice will be sought by officers at this stage. The successful “in principle” organisations’ business case will be presented as a detailed report to the councils’ senior leadership team (SLT) and portfolio holder. SLT will also decide whether cabinet are required to authorise the award of the Community Asset Transfer at this stage. If it a transaction at less than value, it will need to be submitted to cabinet for member approval in line with the Transactions Policy. Once fully approved, written confirmation will be sent to the successful organisation. Should approval not be awarded, the asset will be reviewed and, if appropriate, re-advertised for further expressions of interest.

#### Stage Six

At the stage the Strategic Property Team will work with the communities team to determine proportionate evaluation and performance indicators, and work with the successful organisation to determine the full content of the lease, the rent and the length of the lease. When both parties are happy with the heads of terms in the lease, they will ensure the building is ready to be transferred and the organisation will be given the keys to the building. Ongoing Leases will be reviewed as a minimum every 5 years although shorter terms may be agreed at the lease stage. Should there be any agreed outcomes and evaluation on the use of the building, the organisation will be expected to supply this to the councils in line with the agreed arrangements. These may include usage statistics, service evaluations, or other key indicators and will be clearly laid out in the service level agreement.

## **Appendix C**

### **Babergh and Mid Suffolk District Councils Scheme of Delegations to Corporate Manager Strategic Asset Management**

#### **1. Cabinet will authorise: -**

- Property transactions above £250,000 capital value or at less than best consideration
- Rental transactions
  - At less than market rental value or
  - Binding the Council to a future transaction that will be at less than market rental value

#### **2. The Strategic Director and Assistant Director with responsibility for Assets and Investments will authorise: -**

- All other property transactions which fall within their areas of responsibility, in accordance with the scheme of Delegations to Officers.

#### **3. The Assistant Director Assets and Investments gives delegated authority to the Corporate Manager Strategic Asset Management to authorise: -**

- Market value property transactions, below £150,000 capital value or binding the Council to a future transaction that will not exceed those limits.
- Leases, licences or other property related contracts, committing the Council to less than £150,000 cumulative payment over 10 years maximum.

#### **4. Register of Delegated Decisions**

Significant property transactions which are completed using delegated powers will be recorded by the Strategic Asset Management team and reported to the Monitoring Officer as soon as reasonably possible to be entered into the central register of delegated decisions together with supporting documentation to enable oversight and publication by the Monitoring Officer within ten working days. The record will include: -

- The date the decision was taken
- A record of the decision taken and the reasons for the decision
- Details of alternative options if any considered and rejected, and
- Include the name of any member who has declared a conflict of interest in relation to the decision

A significant property transaction is any transaction which has a capital or annual value of £10,000 or above.

#### **5. Day to Day Portfolio Management**

The Assistant Director Assets and Investments and all of those staff acting by their consent, will have authority to carry out the “Day to Day Actions” required for effective management of the Councils’ property portfolios to ensure that council property meets the Corporate Property Objectives.

This will include the following; inspection, valuation, negotiation, investigation, collection and storage of data, service of notices, authorising expenditure, marketing of property, making planning applications, responding to notices, managing Landlord and Tenant matters, assignment, sub-letting employing contractors, charging for staff time/professional services, and all other general actions required for effective management.

“Day to Day Actions” does not include entering into contracts which commit the Councils to material expenditure or income, materially affect capital value, or grant rights in perpetuity. Those matters must be dealt with using the appropriate reporting mechanisms outlined above.

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## Appendix D

### Property Responsibilities

Strategy responsibilities			
	Directorates	Strategic Property	Both
Clarify Supply	<p>Use the Corporate Property Database as the sole property database</p> <p>Provide data for the Corporate Property Database</p>	<p>Ownership of Property Data</p> <p>Receive queries on the portfolio from Directorates and Members that they cannot deal with on a self-service basis with direct access to the database</p> <p>Clarify the overall supply and the current issues with it</p> <p>Collect and maintain property data</p> <p>Provide data analysis reporting requested</p> <p>Provide market insights on the supply situation outside</p>	<p>Agree adequacy and sufficiency of current supply</p> <p>Review the data that should be collected and maintained</p>
Clarify Demands	<p>Clarify current and forecast demand</p> <p>Identify service strategies</p> <p>Identify changing demands for property</p> <p>Identify service synergies</p>	<p>Clarify overall demand</p> <p>Set occupation standards</p> <p>Provide market insights on the demand situation outside</p>	<p>Identify co-location opportunities</p> <p>Challenge demand</p> <p>Agree occupation standards</p>
Opportunities		<p>Identify imbalances of supply and demand</p> <p>Clarify opportunities and needs</p> <p>Develop plans to realise opportunities and satisfy demand</p> <p>Review deliverability of opportunities</p>	<p>Develop co-location opportunities</p> <p>Agree opportunities and needs</p>

Governance	<p>Provide AD input</p> <p>Check that proposed corporate property strategies support the directorates service strategies</p>	<p>Develop and set accommodation strategy</p> <p>Own the AMP</p> <p>Secure all property approvals and report progress in delivering them</p>	<p>Agree accommodation strategy</p>
Capital Planning	<p>Identify capital investment needs</p> <p>Identify sources of grant funding</p>	<p>Identify capital investment needs</p> <p>Manage the process for determining capital investment priorities (property only)</p> <p>Establish overall levels of funding availability</p> <p>Establish the needs for initial cost planning/feasibility</p> <p>Check compliance of investment proposals within agreed strategy and policy</p> <p>Pipeline review and resource scheduling</p>	<p>Agree the capital programme</p>
<b>Asset Management responsibilities</b>			
Acquisitions	<p>Identify the need/opportunity</p> <p>Develop user requirements</p> <p>Secure funding</p>	<p>Ensure compatibility of requirements and strategy</p> <p>Manage the capital prioritisation and allocation process</p> <p>Determine the solution i.e. location, tenure, term etc</p> <p>Secure all internal approvals</p> <p>Manage member liaison</p> <p>Develop brief and instructions to commission valuers and lawyers etc</p> <p>Report progress on live cases to members/directorates</p>	<p>Develop/agree business case</p> <p>Agree user requirements</p> <p>Agree solution</p>

Disposals	Sign off on surplus space or buildings	<p>Develop the strategy to identify specific buildings for disposal</p> <p>Own and drive the pipeline of disposal opportunities</p> <p>Develop business cases for carrying out value enhancing, pre-disposal works and secure approvals for any such investment</p> <p>Secure all internal approvals</p> <p>Manage member liaison</p> <p>Develop disposal briefs and provide instructions to commission valuers and lawyers etc.</p> <p>Liaise with finance e.g. provide capital receipt forecasts and updates</p> <p>Review progress on live cases</p>	Challenge the need for identified buildings and develop plans to vacate
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## **Appendix E**

### **Strategic Land and Property Fund**

#### **PURPOSE**

- The Strategic Property and Land Investment Fund of £3million was established, to enable the Councils to act immediately when opportunities are available for strategic purchases.
- The allocation of this dedicated fund will provide the Council with the opportunity to react and secure, when required, strategic properties and land, within the districts.
- The proposed fund will not require a secondary decision-making process, with the proposed final decision, to purchase, delegated to the Strategic Director (responsible for Assets and Investments) in consultation with a minimum of two Cabinet Members including the Cabinet Members for Assets and Investments, Finance and Economy. All transactions will have a thorough due-diligence process and will follow the strict criteria. Acquisitions will be reported, at Cabinet, following the completion of all purchases.

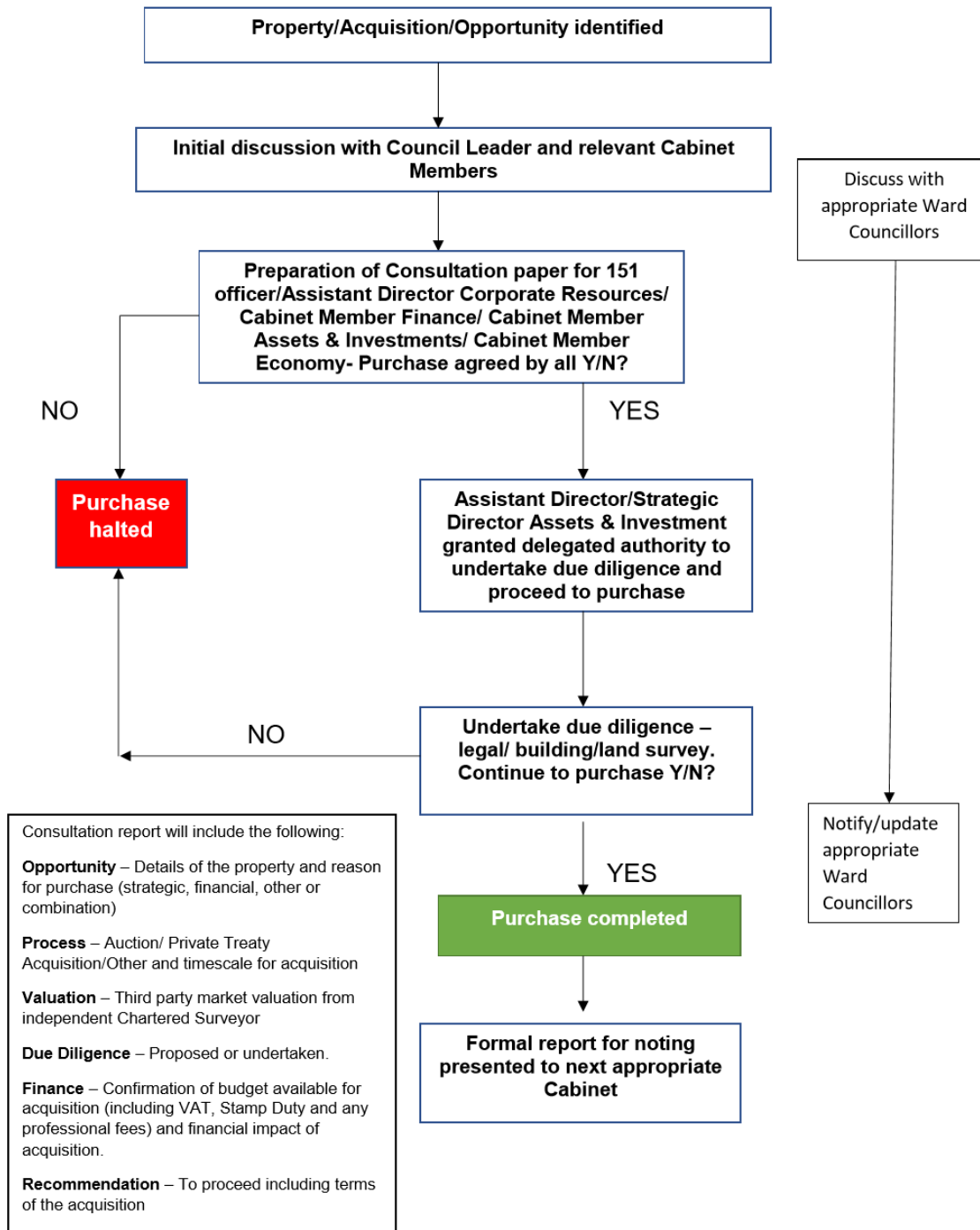
#### **KEY INFORMATION**

- The ability to act quickly with authority is particularly important when properties are sold by auction or by way of other restricted timescale methods such as best bids with a set completion date. For example, if a key piece of property within a regeneration area were to be listed for sale at auction, the Council would need the ability to act quickly to acquire it. Failure to do so could result in a lengthy and costly Compulsory Purchase Order process to enable the regeneration to come forward or alternatively could result in the inability to deliver the proposed regeneration to the detriment of the wider community.
- Equally where property is available adjacent to other land and property holdings there can be opportunities to add value by merging the interests into a single ownership. For example, acquiring a small strip of land adjacent to a car park may enable the car park to be laid out more efficiently to provide more spaces or alternatively adjacent to residential development land it could increase the number of dwellings that can be provided.
- The nature of negotiating on property and land purchases means that the ability to act quickly and with the relevant authority is often needed. Having to make offers which are subject to Cabinet approval and wait for the next meeting cycle for proposals to be formally approved is not efficient, especially when in competition for strategic property and land with the commercial and housebuilding sectors.
- The following criteria will be used to guide such property and land purchases:

- a) The property/land will be within the districts of Babergh or Mid Suffolk;
  - b) Both urban and rural opportunities will be considered;
  - c) The purchases of the property/land would represent good value for money;
  - d) The property/land will have some development potential, although not necessarily immediate, to allow the Council to be able to take a medium and long-term view;
  - e) No more than £1.5m will be paid for any individual land or property acquisition.
- Further checks and balances will be put in place. Before agreeing to purchase any property/land, the Cabinet Members for Assets and Investments, Finance, Economy and local members will always be consulted. Once completed, the details of all property and land purchases will be reported, in full, to Cabinet. The Fund, its operation, and performance will be reviewed annually.



### Opportunity, Land and Property Acquisition Indicative process



## **Appendix F**

### **Policy Context**

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	<b>Operational</b>	<b>Commercial</b>	<b>Housing Sites &amp; redevelopment opportunities</b>	<b>Economic Development &amp; Regeneration</b>	<b>Leisure &amp; Recreation</b>	<b>Other</b>
<b>Description</b>	Property assets used to deliver services	Held to provide commercial revenue returns. Also promote and support business growth, regeneration and employment opportunities.	Held to provide a pipeline of sites for housing development	Land to facilitate any type of capital regeneration project or development either directly or through development partnerships or Growth Companies.	Land and property held for community, leisure and recreational uses.	Majority of small land parcels of planted or open space or land owned by the council as the result of legacy.
<b>Example</b>	Endeavour House, Gt Wenham Depot, Creeting Road Depot, Stowmarket customer access point etc	Pure Gym, Borehamgate Shopping Precinct, Chilton Industrial Estate etc.	Needham Market Middle School, Stowmarket Middle School, Paddock House, Angel Court, review of garage sites for redevelopment opportunities, S106 acquisitions etc.	Belle Vue/Hamilton Road Quarter, Market Hill public realm, Leisure centre projects, Needham Lake Visitor Centre, Solar PV car ports etc	Stradbroke Leisure Centre, Mid Suffolk Leisure Centre, Kingfisher Centre, Hadleigh Pool, Belle Vue Park etc.	Miscellaneous parcels across the districts.
<b>Outcomes</b>	Through the delivery of services from our operational estate (both office and field based) we support and enable the delivery of all our strategic priorities.	By investing in commercial property, we can support growth in the districts' economy and the delivery of the councils' MTFP.	Quality Housing for all.	This will also support growth in economy through investment in development and improving the quality of the local environment for residents and businesses.	By using our community, leisure, open space and heritage assets to support wellbeing and education, we enable families and communities to be healthy and active.	Requires careful asset review to assess contribution on a case by case basis to support housing, wellbeing, or other strategic opportunities.
<b>Strategy</b>	Occupy efficiently Principles. Retain where meeting operational needs.	Maximise revenue returns but also understand the value of the wider benefits – for example jobs created;	Provision of appropriate housing in right locations to meet with identified need.  Any potential market residential sites will	Connected and sustainable – energy and low carbon support, connectivity FTTP to all business premises in the districts, sustainable transport improvements in key business	Asset approach supports specific adopted community and leisure policies.  Communities & Well-being Strategies including placed	Needs to be identified as specific projects arising from asset reviews; Assess for longer term strategic potential. If none, then seek to transfer,

	<p>Explore leased in assets and opportunities to vacate or re-gear to meet changing needs and aspirations.</p> <p>Look for opportunities to share facilities and co-locate with other public sector bodies and relevant partners.</p> <p>.</p>	<p>increased no' of start-ups; increased salary levels; increased skills and attainment etc.</p>	<p>be assessed for partnership opportunities with the Councils' Growth Companies.</p> <p>Sites may be acquired as strategic land, but again the companies will be given the opportunity to appraise sites early.</p>	<p>locations and town centres, commercial development on key transport corridors.</p> <p>Innovative and creative – develop a growth programme to support businesses, particularly in technology and innovation sectors; create the right conditions for entrepreneurs and innovators; develop regional and national sector clusters and attract investment and innovation into districts; rejuvenate our key towns through culture, creativity and innovation.</p> <p>Successful and skilled – develop business led multi sector centres of excellence for lifelong learning; raise ambition and aspiration in primary and secondary school children; business supply chain and sector growth opportunities; delivery of new commercial floorspace to meet specific demand across both districts.</p>	<p>based and needs approaches to enable communities to thrive.</p> <p>Leisure, Sport and Physical Activity Strategy including: the delivery of invest to save opportunities for our Leisure centres, behaviour change and increased activity.</p> <p>Divestment of assets.</p>	<p>divest or dispose of surplus assets.</p>
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<b>Approach</b>	<p>Maintain and seek efficiencies on operational running costs. Ensure efficiency of space and use. Maintain and extend the lifespan of our buildings and infrastructure</p>	<p>Ensure lease events kept up to date and rents agreed are at Market levels. Respond swiftly to non-paying tenants and ensure lease terms adhered to in order to maintain the value of the individual asset.</p>	<p>Identify potential sites in the operational and non-operational estate portfolio of the council that may be redeveloped to meet the housing delivery pipeline</p>	<p>Identify any potential upcoming surplus land and property on the estate and appraise for possible re-development to generate revenue and/or disposal to generate a capital receipt.</p> <p>To manage existing land holdings used for the purpose of providing energy infrastructure and consider future opportunities.</p> <p>Understand and assess potential for viable development and regeneration opportunities.</p> <p>Long term, stable return on investment; increased resilience for our communities. Removing a key barrier to growth; Opportunities for the Council to demonstrate best practice/show leadership and deliver Visions for our districts and towns.</p>	<p>Management of leisure centres, playgrounds, pitches, and so on. Part of Operations but separate from management of estate and commercial portfolio.</p> <p>Divestment of assets.</p>	<p>Manage any liabilities as appropriate – seek to dispose or transfer where possible</p>

				<p>The councils can also invest in properties which promote, and support start up enterprises; small to medium sized companies; or properties which generate business growth in the area.</p> <p>Other investments could be purchased to support the retention of key employers.</p>		
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## Appendix G

### Summary of Fixed Asset Register

#### Babergh Assets

ASSET CATEGORY	NUMBER OF ASSETS	TOTAL VALUE (to nearest £)
Office	2	£60,787
Depot	3	£555,379
Leisure Centre	2	£10,621,668
Car Park	18	£2,966,847
Public Convenience	9	£520,221
Open Space/Countryside	29	£856,205
Miscellaneous	9	£971,186
Industrial/Commercial	9	£1,561,019
Uncategorised	c. 900	£5,849,672

#### Mid Suffolk Assets

ASSET CATEGORY	NUMBER OF ASSETS	TOTAL VALUE (to nearest £)
Office	1	£2,092,500
Depot	1	£525,861
Leisure Centre	2	£6,010,957
Car Park	11	£2,255,268
Public Convenience	1	£150,288
Open Space/Countryside	c.70	£1,929,856
Miscellaneous	29	£2,441,628
Uncategorised	33	£6,164,990