



Cabinet

Item
8(i)

13 March 2024

Report of	Strategic Director	Author	Mandy Jones / Patricia Barry
Title	The Estate Plan		☎ 282501
Wards affected	All		

1. Executive Summary

- 1.1 Public sector estates across the UK have suffered from decades of under investment and have generally become more of a liability than an asset and a drain on diminishing resources. Colchester City Council (the Council) have taken the brave decision to tackle this issue head on to fully understand the liabilities, risks and opportunities that lie within its estate. In keeping with the organisation's strategic aspiration of 'Fit for the Future', this Estate Plan, will review all assets with the exception of those properties within the Housing Revenue Account (HRA) and is intended to be adopted for the long term. It has been written to be politically agnostic and use best practice principles of asset management to ensure that the estate operates as an advantage to the Council in the longer term delivering a financially sustainable strategy with cross party support.
- 1.2 The Council is no exception to the fact that its estate has grown incrementally rather than in a planned and strategic way. Built assets are usually in place for over 60 years and designed for a single purpose in mind without much flexibility for alternative use or redevelopment. For the Council, this is a significant issue as circa 30% of its 300 properties are either listed or in conservation areas which, on one hand are part of the identity of Colchester, but on the other adds additional strain on finances and potential opportunity. In addition, the Council has responsibility for over 4500 other structures such as weirs, church walls, quaysides, pontoons, river-beds, monuments etc that have been inherited or become our responsibility due to law (closed churchyards) or been given to, or adopted by the City over time, but all come with the responsibility for managing or maintaining them

2. Recommended Decision

- 2.1 Cabinet are requested to approve and adopt The Estate Plan (appendix A)
- 2.2 Cabinet are requested to delegated authority to the Strategic Director responsible for Assets and the Portfolio Holder (Resources) to approve the detailed estate action plan to be completed in May 2024 for immediate implementation.

3. Reason for Recommended Decision

- 3.1 The recommended decisions identified in '2' above will enable the Council to leverage value from the portfolio, manage risk, contribute to decarbonisation requirements, increase efficiency and ensure the estate supports the long-term financial sustainability of the Council. Implementation of the plan at pace will ensure maximum opportunity to support the fiscal position of the MTFE and the Fit for The Future programme.

4. Alternative Options

4.1 No alternative options are proposed.

5. Background Information

- 5.1 In 2023 CIPFA were commissioned to draft a Property Asset Management Framework identifying best practice principles. The key recommendation to deliver change and improvement was the introduction of a Corporate Landlord Model. This was taken forward and approval was given by Cabinet in November 2023.
- 5.2 Under a Corporate Landlord approach the ownership of the asset and the responsibility of its management, maintenance and funding are centralised.
- 5.3 Whilst some Corporate Landlord models are concerned with land and buildings only, Colchester City Council has reviewed its estate through the lens of risk and liability, this Estate Plan therefore includes other miscellaneous structures that it has responsibility for across Colchester (as outlined above).
- 5.4 In addition to the introduction of a Corporate Landlord, the CIPFA report suggested a three-tier document approach of:
- A high-level Property Asset Management **Policy**
 - A Property Asset Management **Strategy**
 - A working Property Asset Management **Action Plan**
- 5.5 The document at Appendix A focuses on the first two tiers as there are significant discovery works underway (at the time of writing this report) in relation to stock condition, risk, commercial performance which will be completed by mid-May 2024. The Action Plan (tier 3) will then be developed and completed by mid-June 2024 following receipt and analysis of information and data. In summary:

Discovery completed	Mid-May 2024
Analysis	End-May 2024
Plan Development	Mid-June 2024

- 5.6 The Estate Plan is predicated upon the Corporate Landlord managing and controlling all assets directly with the exception of those properties within the HRA. It is structured around the operational, non-operational and investment estate and sets out an approach to guide how assets will be utilised efficiently and effectively to achieve the identified objectives and outputs. Decisions made about property will ensure the Council's corporate ambitions and outcomes are fully considered and a 'one council' approach is adopted through the Corporate Landlord function.

6. Equality, Diversity and Human Rights implications

- 6.1 The proposals set out in this report are designed to help the Council achieve its objectives and obligations. Issues of equality and diversity in relation to land and buildings will be considered centrally and part of these obligations included in the relevant section of the report.

7. Standard References

- 7.1 There are no references to the Strategic Plan; consultation or publicity considerations or financial; community safety; health and safety or risk management implications.

8. Strategic Plan References

8.1 The proposals set out in this report speak to the Policy and Strategy elements of the CIPFA recommended framework for Asset Management. The Action Plan that will be developed following the completion of the discovery phase will include detail in relation to the Council's Strategic Plan Priorities.

9. Consultation

9.1 The implementation of the proposals will entail appropriate staff consultation.

10. Publicity Considerations

10.1 The rationale for the corporate landlord model will help with any public explanation of these proposals and should enhance public confidence in the ability of the Council to manage its current and future assets.

11. Financial implications

11.1 The approach to finance will be proactive and transparent in relation to short-, medium- and long-term planning and management which will include whole-life considerations in decision making in relation to capital investment into existing and new assets. Detailed financial planning will be undertaken following the discovery phase that is currently underway.

12. Health, Wellbeing and Community Safety Implications

12.1 The proposals outlined will help manage assets more effectively and efficiently against all priorities, including those with health, wellbeing and safety implications. These will be considered in any decisions made around the future use and management of Council assets.

13. Health and Safety Implications

13.1 These proposals will allow for a more co-ordinated approach to the maintenance of Council assets and enhanced mitigation of any future associated risks.

14. Risk Management Implications

14.1 The approach to Risk management will be proactive and transparent in relation to short, medium and long-term management and risk mitigation activity.

15. Environmental and Sustainability Implications

15.1 Co-ordination of Assets functions should allow greater oversight of how assets as a whole (and separately) contribute to the Council's Climate Change and Carbon Reduction priorities. This will enable the development of the Council's carbon management plan to be considered alongside other Council priorities, with a more joined up approach and greater emphasis given to environmental and carbon reduction objectives in future Asset management Strategy, Policy and Plans.

Appendices

Appendix A: The Estate Plan