

13 February 2024

Report of	Strategic Director	Author	Mandy Jones / Patricia Barry ☎ 282501
Title	Fit for the Future – The Estate Plan		
Wards affected	All		

1. Executive Summary

- 1.1. Public sector estates across the UK have suffered from decades of under investment. Although many of Colchester City Council owned buildings, land and public spaces are valuable for the contribution they make to communities, place-making and our economy, in financial terms they 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.
- 1.2. In keeping with the organisation’s strategic aspiration of ‘Fit for the Future’, this Estate Plan, will review all assets, except for properties within the Housing Revenue Account (HRA) (which has its own 30 year Business plan) and is intended to be adopted for the long term. It has been written to be politically neutral, using 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.

2. Action Required

- 2.1. To consider the document ‘Fit for the Future: The Estate Plan’ (Appendix A) and make any recommendations for consideration by Cabinet.

3. Reason for Scrutiny

- 3.1. To allow Panel members the opportunity to review the proposed Estates Plan and agree the approach.

4. Background Information

- 4.1. 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.

- 4.2. Under a Corporate Landlord approach the ownership of the asset and the responsibility of its management, maintenance and funding are centralised. This model is being taken forward as part of the Council's Fit for the Future (Transformation) programme, which is also being considered as a whole programme, at this Scrutiny Panel meeting.
- 4.3. 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 consideration of other miscellaneous structures (in excess of 4500) that it has responsibility for across Colchester to have full knowledge of the whole estate, its risks, liabilities and any opportunities.
- 4.4. 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**
- 4.5 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 and commercial performance which will be completed by mid-April 2024. A draft of the Action Plan (tier 3) will then be developed and completed by end of mid-May 2024 following receipt and analysis of information and data.
- 4.6 The Estate Plan is predicated upon the Corporate Landlord managing and controlling all assets directly, with the exception of those properties within the HRA (the Council's own housing stock). 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.

5. **Equality, Diversity and Human Rights implications**

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 as part of these obligations.

6. **Standard References**

There are no particular references to the Strategic Plan; consultation or publicity considerations or financial; community safety; health and safety, environmental and sustainability or risk management implications.

7. **Strategic Plan References**

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 Strategic Plan 2020-23.

8. Consultation

The implementation of the proposals will entail appropriate staff consultation.

9. Publicity Considerations

The rationale for the corporate landlord team 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. Communications will be considered at each stage of the process of implementation and aligned with those of the Council's Fit for the Future (Transformation) programme.

10. Financial implications

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 cost 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.

11. Health, Wellbeing and Community Safety Implications

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.

12. Health and Safety Implications

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

13. Risk Management Implications

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

14. Environmental and Sustainability Implications

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: Fit for the Future: The Estate Plan