

Corporate and Partnerships Overview and Scrutiny Committee

Property Update
August 2022

- The Council's Property Portfolio
- How Property Will be Managed
- Savings Programme
- Service Plan
- Priorities over the next 6 months

The Property Portfolio

The Property Portfolio consists of approx. 3,323 property assets, including: -

36 Offices 102 Leisure Properties 130 Public WC's 154 Residential Properties / Sites 3 Harbours 5 Conference Centres	220 Maintained Schools 120 Academies
559 'Commercial Properties'	
177 Farms / Agricultural Lettings	

Budget

- Gross expenditure estimated to be c£42 million
 - Including £14.8 on energy
- Income (predominantly rent) estimated to be c£13 million
- Net budget c£30 million

How Will Property Be Managed?

Corporate Landlord Model: -

- Enables a corporate approach to ensure that property meets service objectives
- Ensures a strategic approach to the management of property
- Consolidates expertise and resource within a central team within the Resources Directorate
- Basis for efficient way of working - achieving more with fewer assets
- Helps to highlight property performance and better inform investment decisions

Two Functions

Strategic Property

Asset Strategy (including Energy Management)
Long Term Investment Planning
Estates
Capital Project delivery

Compliance and Facilities Management

Compliance
Maintenance
Workplace

Transformation, Service Planning and Savings

Transformation and Savings Targets

- £70m NYC corporate savings target over 3 years (equates to a notional 12.5% target)
- Commercial, Property & Procurement service area notional 12.5% target = £4.1m
- Savings identified circa £6.5m, including: -
 - Rationalisation 'Quick Wins'
 - Service Restructure
 - Single Asset Management System
 - Harmonisation of Contracts
 - Review of the Estates Function and review of rental income opportunities

Key Service Plan areas

- Workforce planning, workplace development plans and bringing teams together – property service very fragmented and managed under 13 different service areas within predecessor councils
- Development of Asset Strategy and Corporate Landlord model
- Asset rationalisation – offices, customer hubs, depots and operational sites
- Centralised Asset system
- Compliance
- Utilities – consumption, monitoring, carbon reduction plans
- Building safety: Fire wardens / First aiders
- Harmonising and renewing contracts

Priorities for Next Six Months

- Appoint to Head of Service roles
- Restructures below HoS
- Build NYC teams and develop NYC procedures and ways of working taking best practice from predecessor councils
- Delivery of Service Plan actions
- Development of performance management framework
- Delivery of corporate savings (our service + corporate support to facilitate others)
- Establishing Target Operating Models for Property linked to Corporate Landlord model

Questions