

Confident, Capable Council Scrutiny Panel

23 January 2019

Time 6.00 pm **Public Meeting?** YES **Type of meeting** Scrutiny

Venue Committee Room 3 - Civic Centre

Membership

Chair Cllr Paula Brookfield (Lab)

Vice-chair Cllr Jane Stevenson (Con)

Labour

Cllr Alan Bolshaw
Cllr Jacqueline Sweetman
Cllr Caroline Siarkiewicz
Cllr Payal Bedi-Chadha
Cllr Dr Michael Hardacre
Cllr Ian Brookfield
Cllr Milkinderpal Jaspal
Cllr Peter O'Neill
Cllr Susan Roberts MBE

Conservative

Cllr Udey Singh

Quorum for this meeting is three Councillors.

Information for the Public

If you have any queries about this meeting, please contact the Democratic Services team:

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

Agenda

Part 1 – items open to the press and public

Item No. Title

MEETING BUSINESS ITEMS

- 1 **Apologies**
- 2 **Declarations of interest**

DISCUSSION ITEMS

- 3 **Strategic Asset Management Strategy** (Pages 3 - 46)
Claire Nye, Director of Finance, and Julia Nock, Head of Assets, to present report.

PART 2 - ITEMS CLOSED TO THE PRESS AND PUBLIC

Exclusion of press and public

[To pass the following resolution:

That in accordance with Section 100A (4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information on the grounds shown below.]

(Information relating to the financial or business affairs of any particular person (including the authority holding that information)

- 4 **Supporting Evidence** (Pages 47 - 52)
Presentation of supporting evidence – Appendix 2 and Appendix 3

NOT PROTECTIVELY MARKED

Briefing Note

CITY OF
WOLVERHAMPTON
COUNCIL

Title: Strategic Management of Assets

Date: 14 January 2019

Prepared by: Julia Nock

Job Title: Head of Assets

Intended Audience:

Internal Partner organisation Public Confidential

1.0 Purpose or recommendation

- 1.1 To provide an overview of how the asset portfolio is managed in accordance with the Council's Corporate Plan, highlighting the Strategic Asset Plan, Disposal Strategy and delivery of the office rationalisation programme following the refurbishment of the Civic Centre.
- 1.2 To outline the future opportunities for how the Council continues to challenge, rationalise and invest in its asset portfolio via the 'Our Assets' Programme.
- 1.3 To recommend an outturn report on 2019-2020 Disposal Programme is submitted to Confident, Capable Council Scrutiny Panel Meeting on 12 June 2019.
- 1.4 To recommend an update report on Strategic Asset Plan is submitted to Confident, Capable Council Scrutiny Panel Meeting on 4 September 2019.

2.0 Overview

- 2.1 The council's property portfolio extends to over 1,900 separately listed land and building assets (not including social housing), with a current total book value of over £550 million (as at 31st March 2018) and a total floor area equivalent to approximately 82 football pitches.
- 2.2 The Council's Corporate Landlord Service manages the asset portfolio to ensure it remains fit for purpose and compliant with statutory regulations. Corporate Landlord identifies and recommends future use of assets, disposal and acquisition opportunities and investment programmes. All proposals relating to the asset portfolio are reported to the Council's Corporate Landlord Board.

3.0 Strategic Asset Plan

3.1 In October 2018, Cabinet approved the Council's Strategic Asset Plan 2018-2023. The Strategic Asset Plan clarifies the Council's approach to the management of its land and building portfolio, alongside its aspirational future aims, over the next five years. The Strategic Asset Plan is structured into three logical parts:

- **Asset Management Policy**

This part of the Plan establishes a clear mission and supporting principles for the management of land and buildings.

- **Asset Management Strategy**

Provides an overview of the asset portfolio together with the main priorities for managing and developing it over the next five years. As the Council delivers service changes, the asset portfolio will also need to support, flex and change (e.g. investment, rationalisation and disposal) and ensure the right assets are retained for the future.

- **Asset Management Action Plan**

The Action Plan supports the Policy and Strategy documents and will be used and adapted to manage programmes in relation to asset management. The Action Plan is split into three thematic sections to cover Strategic, Operational and Service Improvement actions that are scheduled over the next three years.

3.2 The full Strategic Asset Plan is detailed in **Appendix 1**.

4.0 Disposal Strategy

4.1 Capital receipts from property disposals are a critical part of the Medium-Term Financial Plan. It is important the Council has a predictable and resilient plan to accurately predict the time and amount of future receipts and demonstrate that best value is achieved.

4.2 The Council has a targeted disposal programme, to be delivered by 2020-2021, identified through asset rationalisation and the release of surplus assets. Disposal channels include sale on the open market, private treaty, auction, community asset transfer and WV Living.

4.3 The target for 2018-2019 is £9.6 million and Corporate Landlord are on target to achieve by 31 March 2019.

4.4 The target for 2019-2020 is £12 million and a programme of disposals has been identified.

4.5 A disposal dashboard is attached as an exempt item (by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972) in **Appendix 2** detailing the breakdown of market and WV Living sales.

4.6 Corporate Landlord are currently implementing several initiatives to create a pipeline of future disposals for 2020-2021 onwards including:

- Targeting the top cost and risk buildings to consolidate their use, reduce cost where possible and analyse the feasibility of moving people and functions to facilitate disposals.
- Implementing Customer Relationship Management (CRM) within Asset Management to ensure the most cost-effective utilisation of buildings (including the Civic Centre) and using occupational cost analysis to identify and reduce costs and highlight future disposals.
- Progressing the feasibility of engaging a commercial property management partner to free up the Assets and Estates team to concentrate on their core work progressing consolidation and disposal opportunities.

5.0 Office Rationalisation

5.1 The majority of the Civic Centre refurbishment works are now complete (reviewing future works on the Mezzanine floor). A review of all office accommodation across the City was included within this project to identify how services could co-locate either within the Civic Centre or a reduced number of office buildings.

5.2 The review identified the future strategy for each asset (retain, invest or dispose) and a number of assets have either successfully been rationalised or are in the process of being so. A disposal dashboard is attached, as an exempt item, (by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972) in **Appendix 3** and provides a breakdown on the office rationalisation programme which supports the Council's disposal programme.

6.0 Future Opportunities

6.1 There is an opportunity to build on the work that the Council has already undertaken on its own asset portfolio by collaborating with public sector partners across the City. This work will identify further opportunities for co-location, rationalisation and joint disposal programmes and is to be delivered through the 'Our Assets Programme.

6.2 'Our Assets' programme is one of five cross-cutting enabling programmes in the Council's Confident, Capable Council (C3) programme that supports the delivery of the Council Plan 2019-2022.

6.3 The programme aims to put in place the practice of city-based asset management, to enable public service providers (including the community and voluntary sector) to collaborate on strategic planning and management of their land and buildings as a collective resource across the city.

- 6.4 Public Sector partners within Wolverhampton are already successfully working together on one-off building projects collaboratively, such as Health and Social Care Hub Solutions and the proposed Public Sector Hub project on Broad Street car park (supported by One Public Estate). This programme aims to build on the success of these projects and adopt the approach at scale across the city. For example, there are opportunities to look at public sector 'campus' type arrangements, shared buildings and community/public service points.
- 6.5 This programme will be jointly led by the City of Wolverhampton Council's Assets Team and Strategy & Change directorate.
- 6.6 The 'Our Assets' programme is supported by the West Midlands Combined Authority and is being considered for a wider roll-out across the region.

Strategic Asset Plan 2018-2023



Asset Management Policy 2018-2023

Introduction	5
Asset Management Policy	6
Our Mission	7
Our Objectives	7
Actions and Behaviours	9

Asset Management Strategy 2018-2021

Introduction	15
Asset Management Strategy	16
Our Land and Buildings	17
Our Money	19
Our Corporate Landlord Approach	22
Measuring our Performance	24
Challenging our Assets	25
Our Assets	26
Maintaining our Assets	27
Working with Partners	28
Engaging with our Communities	29
Supporting our Service Areas	30
Our Forward Plan	31

Asset Management Action Plan

Strategic Actions	34
Operational Actions	36
Service Improvement Actions	38

Asset Management Policy 2018-2023





Introduction

Local Authorities across the UK hold large property portfolios (assets made up of buildings and land) which have been acquired, gifted or inherited over many years.

City of Wolverhampton Council is no different, owning or operating over 1,900 land and building assets (not including social housing), with a total building floor area equivalent to approximately 82 football pitches, or 22 Civic Centres!

A key element of achieving our goals is how we use all our resources, and this includes our land and buildings. To support this, the council has adopted a new Asset Management Framework which comprises three separate elements as follows:

- An Asset Management Policy (this part of the document)
- An Asset Management Strategy
- An Asset Management Working Action Plan

The Asset Management Framework is a suite of living documents, for convenience, divided into three parts - not all parts will need to be updated at the same time for it to remain fresh. Accordingly, readers are advised to ensure that they have the most up to date versions and the parts are always read together to ensure that the correct context is understood.

The benefit of adopting such a structure is that, many areas relating to our approach to asset management are likely to remain constant for several years (such as our Asset Management Policy). In addition, the strategy is unlikely to change frequently but is likely to have a shorter life than our overall land and property policy objectives.

Supporting these two documents is a Working Action Plan, this is a 'living document' and will be used and adapted in order to manage our asset management programmes of work on a regular basis.

Asset Management Policy

This Asset Management Policy establishes some clear principles by which we will manage our land and buildings. It will remain in place for the next five years but be reviewed annually to ensure it is still relevant to what we are trying to achieve.

Page 12

1.

To plan and manage property as a corporate resource for the benefit of the people of the city of Wolverhampton

2.

To provide the right property, fit for purpose, in the right place, to meet current service needs and to plan for the future

3.

To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities from the rationalisation and disposal of land and buildings

4.

To use land and buildings to stimulate development and growth, together with supporting local business needs and encouraging new business to the area

5.

To promote joint working where it will provide benefit for service delivery and in securing efficiencies

Our Mission



Our Objectives

To support the five key strands of our mission we have set out five policy objectives on the following pages. These describe the council's commitment to property asset management and to achieving the benefits that can be delivered through effective use of the portfolio. These objectives are important for decisions made in respect of our property assets.



Actions and Behaviours

In developing these objectives there are certain actions and behaviours that we need to adopt relating to our land and buildings. These are set out under each objective, but not in any particular order of priority. It is also accepted that there will be occasions where some of these elements may appear to be in conflict. The key challenge for the council is ensuring that we maintain an appropriate balance between all of these elements as decisions around land and buildings are made.

1. To plan and manage property as a corporate resource for the benefit of the people of the city of Wolverhampton
 - We have clear corporate decision-making and challenge on all property matters
 - Property budgets are managed corporately to prioritise key investment needs
 - Property is integrated with other resources
 - We will ensure effective balance between corporate and service priorities
 - We will work to ensure that property information is accurate, current and comprehensive
 - Capital Projects will be managed efficiently and effectively, and prioritised to support the council's Strategic Themes
 - Forward planning for property will be targeted at the city's longer term '2030 vision'
2. To provide the right property, fit for purpose, in the right place, to meet current service needs and to plan for the future
 - We will work to ensure that property is suitable and sufficient for service delivery
 - We will work to ensure that property is flexible and is planned to respond to future need
 - We will work to ensure that property is secure, safe to use and fulfilling statutory requirements
 - We will work with our service areas to understand their longer-term requirements, in order to plan for the future
 - We will work with community organisations to optimise the use of assets where most beneficial
 - We will work to ensure that equalities are considered in the development of our asset plans, fully engaging and consulting with diverse communities that could be impacted by a Community Asset Transfer

← Stairs & Exit
↑ Meeting Rooms
↑ Lifts



3. To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities from the rationalisation and disposal of land and buildings
 - We will ensure property is suitably managed and maintained within budget constraints
 - We will challenge the current use of assets and identify co-location opportunities, to include partners, resulting in rationalisation and disposal of our land and buildings where appropriate
 - We will seek efficiencies in occupancy and utilisation and continue to introduce new ways of working
 - We will challenge the cost of property activities to drive performance improvement
 - We will seek to optimise financial return and commercial opportunities
 - We will ensure that property is as sustainable as possible in design, construction, operation and maintenance
 - We will aim to reduce energy and water consumption, and CO2 emissions, using renewable energy where appropriate
 - We will minimise waste wherever possible
4. To use land and buildings to stimulate development and growth, together with supporting local business needs and encouraging new business to the area
 - We will use key assets to stimulate and support regeneration and inward investment
 - We will utilise investment for income generation and to create local employment and training opportunities
 - We will manage our commercial portfolio effectively, balancing regeneration needs, job creation and income generation
 - We will promote a high quality physical environment and city identity
 - We will identify a future supply of land, suitable for housing and employment needs

5. To promote joint working where it will provide benefit for service delivery and in securing efficiencies
 - We will work with other agencies to promote co-location and joint service delivery
 - We will work to support the integration of health and social care
 - We will support the aspirations of West Midlands Combined Authority

Asset Management Strategy 2018-2021





Page 20

2
cycle hub

food station

i10

Introduction

Local Authorities across the UK hold large property portfolios (assets made up of land and buildings) which have been acquired, gifted or inherited over many years.

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A key element of achieving our goals is how we use all our resources, and this includes our land and buildings. To support this, the council has adopted a new Asset Management Framework which comprises three separate elements as follows:

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The benefit of adopting such a structure is that, many areas relating to our approach to asset management are likely to remain constant for several years (such as our Asset Management Policy). The strategy is unlikely to change frequently but is likely to have a shorter life than our overall land and property policy objectives.

Supporting these two documents is a Working Action Plan. This is a 'living document' and will be used and adapted to manage our asset management programmes of work on a regular basis.

Asset Management Strategy

This Asset Management Strategy provides an overview of our land and property estate, together with our main priorities for managing and developing that estate over the next five years.

The Strategy will be reviewed and amended within three years to ensure our estate fully supports the council's Corporate Plan, by contributing to the key objectives for property asset management.

Page 22

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To promote joint working where it will provide benefit for service delivery and in securing efficiencies

Our Land and Buildings

The council's property portfolio extends to over 1,900 separately listed land and building assets, with a current total book value of over £550 million (as at 31st March 2018). This is the amount that is included within the authority's accounts and, whilst this is not necessarily the exact amount that we would receive if we sold all of our assets, demonstrates what a considerable resource our land and buildings are, and why they need to be carefully managed.

Without careful management, there is potential to waste money by keeping buildings that are not fit for use or unnecessary. Equally, all assets have a value and if they are no longer required we might be able to sell them to unlock that value and use or invest the money elsewhere.

As the way we deliver services changes, our assets will also need to change to support the council as it moves forward. We may need to invest in new assets to ensure we provide services fit for the future and to maximise benefit to the people of the city of Wolverhampton.

In support of maximising value for money, in relation to the maintenance and day-to-day running of our buildings, contributory processes are embedded within Corporate Landlord. These processes ensure that capital works are prioritised appropriately, based on evidence from building condition surveys, and in alignment with operational priorities of those services in occupation. Additionally, the Asset Challenge process ensures that the future of those buildings not providing best value are reviewed appropriately before financial decisions are made on them. The governance structure provides further assurance that money is spent in the right places and on the right buildings.

There is a wide range of assets within our current portfolio. It comprises offices, day centres, elderly people homes, car parks, public conveniences, leisure facilities, depots, schools, assets leased to community organisations and even some used to generate a commercial income. The reasons for holding these assets will vary and, as a result, we may need to measure their performance in different ways. Performance of each asset must therefore be linked to the strategic purpose for holding it.

The table on the following page provides an overview of our property estate by asset type, providing a total number for each type of asset.

Asset Type	Number of Assets
Land and Open Spaces	816
Commercial and Industrial Sites	329
Garage Sites	265
Education Sites	123
Culture and Leisure Sites	105
Car Parks	46
Surplus Land and Buildings	46
Allotments and Agricultural Sites	44
Strategic Purchase Sites	43
Social Care Sites	23
Wolverhampton Homes Operational Sites	21
Youth Centres	12
Operational Offices	12
Cemeteries and Crematoria	10
Others (including Community Hubs, Childrens Centres, Public Conveniences, Waste Sites, Depots)	29

Assets deliver a mixture of front line services, indirect service provision, and in supporting local communities. We don't just own assets for the sake of it, they need to have a purpose and we constantly need to be challenging this.

Some assets are legacies from donations, local government reorganisation or previous acquisitions. Our Asset Challenge process means that we are reviewing each asset on a rolling programme to ensure we only keep the buildings we need in the future. This process explores the utilisation of assets, along with analysis of running and maintenance costs, and geographical location. The outcome of this process will identify asset rationalisation and disposal opportunities to support our Medium Term Financial Strategy.

Our Money

Like many other councils, City of Wolverhampton Council has experienced significant funding reductions and we need to make careful choices in where we prioritise the money we spend. This is especially true in relation to property, with a Corporate Landlord property related net revenue budget of £7.2 million (2018/19), and we need to ensure that every pound we spend is done so in the right way. In addition, there is a Corporate Landlord capital budget of £3.2 million (2018/19) for Schools and Corporate buildings.

Despite these financial challenges, the council is committed to supporting the city's economic growth and encouraging job creation and investment through its capital programme. New building development plays an important part in this and it is important to note that the council's capital investment attracts further inward investment. This helps the local economy to grow and thrive so that every pound invested by the authority generates a local economic benefit well in excess of this initial investment.

To ensure that the asset portfolio is compliant with statutory requirements, regular inspection and review of property is completed. The reason for this is that the council has a duty to manage the risk and assess the impact of statutory regulations on its assets in relation to Asbestos, Accessibility, Fixed Wiring and Legionella, as well as Fire Regulation compliance.

The Corporate Asset Management Fund ensures that council property continues to be fit for purpose and meets current and future service needs. It is vital that the council's assets are working hard and contribute to the overall corporate and service objectives.

The management of the Corporate Asset Management Fund is an ongoing activity for rationalisation, statutory maintenance and planned maintenance enhancement projects. Any improvements / enhancements must meet set criteria, aligned to the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance of capitalisation of expenditure, extending the usable life of the asset and increasing the extent to which the asset can be used.

An advanced programme of commercial lease renewals and rent reviews is underway to maximise the income to the council from the commercial portfolio. In addition to maximising annual rental income, this also ensures that income is secured, by locking tenants into current leases at market level rent rates.

The council has a targeted disposal programme, to be delivered by 2020-2021, identified through asset rationalisation and the release of surplus assets. Disposal channels include sale on the open market, private treaty, auction, community asset transfer and WV Living.

Corporate Landlord is refreshing and reviewing the council's Investment Strategy, in relation to assets, and once completed it will be referenced within this Asset Management Strategy document. Current major property investments, within the medium term, include:

i9 and i10 Office and Commercial Buildings

The £8 million i10 office and retail facility was successfully opened in early 2016, attracting big name tenants such as Greene King and Tarmac. The £13 million i9 office building, creating 300 jobs, is due to commence in February 2019 with completion expected in 2020.

Wolverhampton Interchange

The i10 success is complemented by plans for a fully integrated transport hub at Wolverhampton, providing an attractive and effective gateway for the Black Country with improved links to Birmingham and the proposed high-speed railway (HS2). Work is underway on the new railway station with completion expected in 2020.

i54 Business Park

The successful i54 Enterprise Zone scheme has attracted inward investment of around £600 million from Jaguar Land Rover, Moog, Eurofins, ERA, Atlas Copco and International Security Printers Ltd. A further 100-acre expansion is planned which could attract further inward investment and create 2,700 new jobs.

East Park Gateway

The phased delivery of the East Park Gateway regeneration programme will deliver new industrial, housing and environmental improvements, attracting new investment and jobs to the city.

Bilston Urban Village

The Regeneration of Bilston town centre including infrastructure, services and remediation work to bring major new residential and employment opportunities. A new Leisure Centre and Secondary School has seen £45 million in investment. Work is well underway to deliver 500 new homes, with further significant investment in the improvement and creation of new public open spaces, commercial development and employment opportunities.



Civic Halls and Grand Theatre

A major refurbishment of the Grand Theatre was completed in 2016. A £38 million full improvement and restoration scheme to the Civic Halls is underway and due for completion in 2020. This will secure jobs and investment and enable the city to meet future demand and stimulate further economic development.

Markets

A re-invigorated and modernised outdoor market, in its new location within the city centre, opened July 2018. With a £4.9 million investment, this improves and enhances the market offer in Wolverhampton and enables the regeneration of Westside to commence.

Westside Development

The council has announced its preferred Westside developer as Urban and Civic plc, to deliver a multi-million pound scheme, which includes a multi-screen cinema, restaurants, bars, hotel, multi-storey car park, apartments and public realm in two phases over five years.

Primary and Secondary Schools Expansion Programme

The council has approved £34 million of investment between 2015 and 2019 to meet predicted demand for school places in coming years. This includes building a new Primary School along with expansion of several existing schools.

Our Corporate Landlord Approach

The way we manage our assets is important. We need to ensure that our land and buildings are managed as corporate resources, the right stakeholders are involved, and decisions are made in the context of the council's priorities and objectives.

The concept of a Corporate Landlord Approach is that the ownership of an asset and the responsibility for its management and maintenance is transferred from service areas into the corporate centre. The service area then becomes a corporate tenant and their priority is to plan and deliver their service to the best of their ability. The Corporate Landlord's function is to ensure all services are adequately accommodated and to maintain and manage the associated land and property assets.

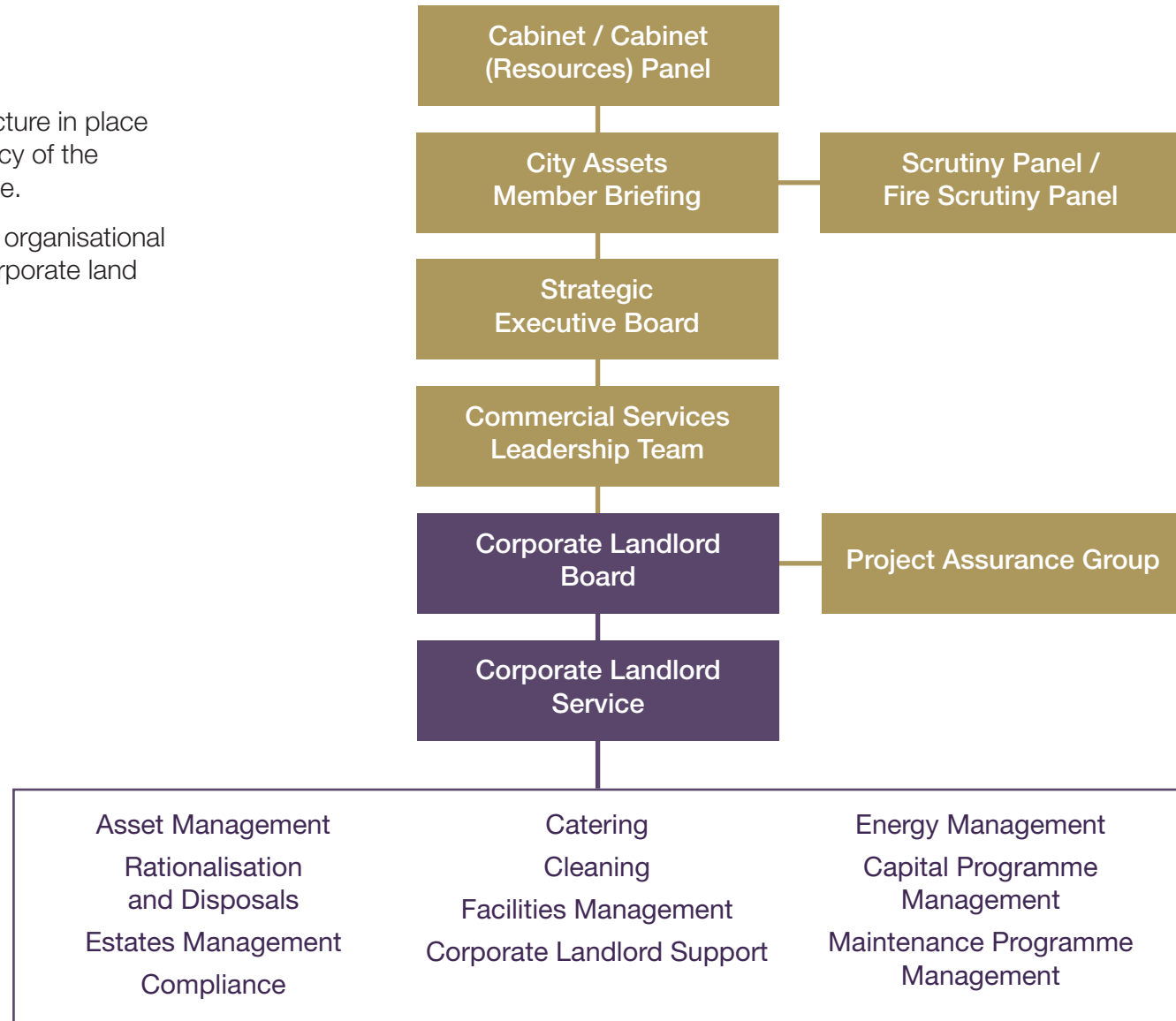
The Corporate Landlord's responsibility extends further to the acquisition, development and disposal of land and buildings. The Corporate Landlord is responsible for asset planning, review, feasibility and options appraisal accounting for the needs of all service areas, but most importantly, making decisions based on overall corporate priorities.

In Wolverhampton, the Corporate Landlord is responsible for the following activities:

- Design and Project Management
- Statutory Compliance of Buildings
- Energy Management
- Management and Commissioning of Repairs and Maintenance
- Facilities Management (in relation to cleaning, catering, security, caretaking and area facilities officers)
- Estates and Valuation Services
- Strategic Asset Management Planning
- Management of the Council's Investment Property

There is a robust governance structure in place providing direction and transparency of the management of the council's estate.

The diagram opposite outlines the organisational structure for the governance of corporate land and building assets.





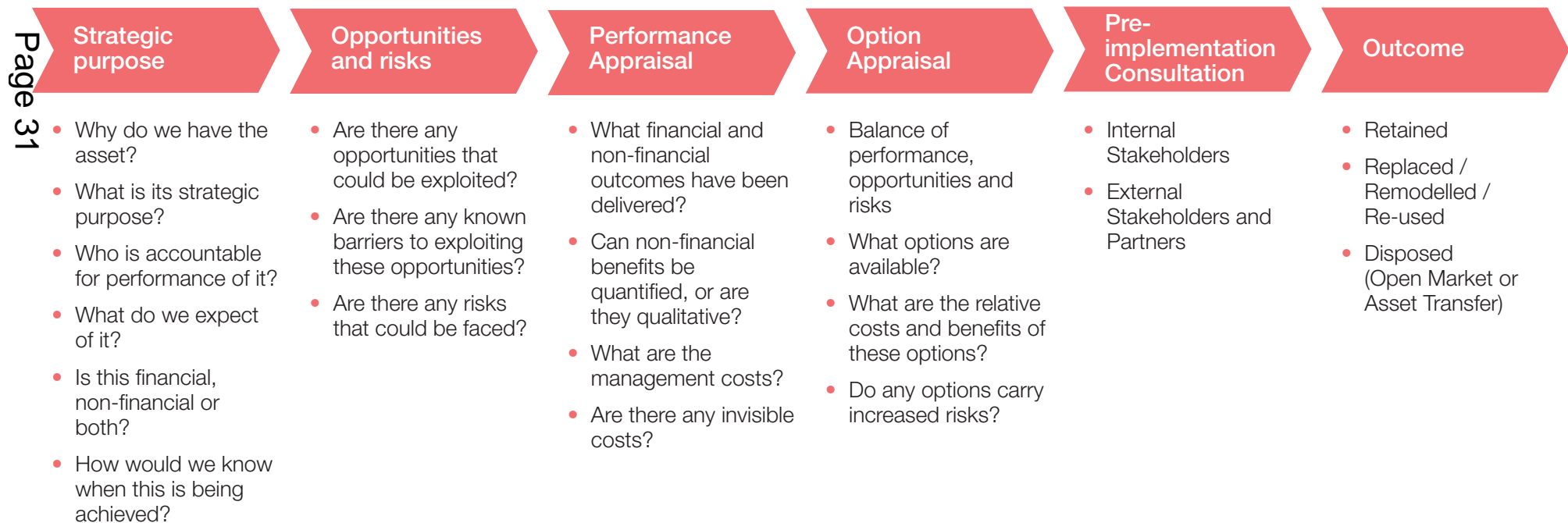
Measuring our Performance

To manage our assets effectively and efficiently we need to know how they are performing. To do this we use a selection of Performance Dashboards, covering performance in utilisation, cost and income. These Performance Dashboards are to be a standing item on the Corporate Landlord Board's agenda and feed into the Asset Challenge process.

Challenging our Assets

Asset Challenge is an embedded process, which means that we will be reviewing all of our asset portfolio on a continuous rolling programme. This ensures that only those assets that are needed are retained. The ultimate aims of Asset Challenge are to reduce costs, identify assets that should be retained for use and/or invested in, identify those that are surplus to requirements and therefore can be disposed of.

To do this, each asset is assessed using a step-by-step challenge process, ensuring that every asset has been fundamentally tested against a common set of criteria. Our outline challenge process is set out below:



Our Assets

Our Assets is our forward-looking programme, forming part of the overarching Confident Capable Council (C3) transformational programme structure, building on the work of the Future Space programme that it supercedes.

The key drivers for the programme are set out here:



Page 32

Closing the buildings that we don't need – operating efficiently within the office buildings that we need and disposing of the buildings we don't.

Addressing the essential maintenance needs of our remaining buildings – repairing the Civic Centre mechanical and electrical (M&E) systems and prolonging their operational lifespan; addressing critical structural issues.

Complying with statutory regulations – ensuring that actions are taken to ensure that buildings are compliant with statutory obligations in respect of Fire, Legionella and Asbestos.

Optimising income – protecting existing income streams from assets (such as the Civic Centre Car Park) and investing in buildings where additional income can be generated.

Using less energy – improving energy efficiency in our offices and other buildings and reducing running costs.

Enabling more efficient team-working – working more flexibly within our buildings, through promotion of agile working, and providing modern fit-for-purpose workplaces.

One Public Estate – city based asset management to enable Public Sector providers to collaborate on strategic planning and management of their land and buildings as a collective resource.

Serving our customers more efficiently – focusing on what our customers want and need, using better accessible and inclusive facilities to serve them.

Maintaining our Assets

Maintenance and statutory liabilities are currently estimated at an ever-increasing £65 million, with an annual spend of around £8 million against this, and it is vitally important that we look after our assets. Our overall strategy is to ensure that our finite and reducing maintenance resources are prioritised to appropriate buildings, where the money is needed most. We identify these priorities by conducting a rolling programme of condition surveys which aims to understand maintenance requirements over a period of 10 years, with aspirations to complete lifecycle condition surveys on selected assets to cover a period of 25 years. This will enable a better-informed decision-making approach and maximise efficiencies by planning over a longer time horizon, instead of reacting to emergencies as they happen.

Our four key aims for Building Maintenance are:

1. To ensure our Buildings are safe and secure for the people who use them
2. To allocate funding to projects that will achieve the maximum positive impact
3. To achieve an efficient balance between planned and reactive maintenance work
4. Achieving maximum efficiencies in the way we procure building maintenance work

Working with Partners

We are active members of the One Public Estate programme, working closely with other Public Sector organisations across the city to explore opportunities to reduce premises costs and make assets work better for our communities and customers.

This includes developing a Health and Social Care Hub solution and a Public Sector Hub for the residents of Wolverhampton. The lead partners are Community Health Partnership, Clinical Commissioning Group, Royal Wolverhampton NHS Trust, Black Country Partnership Foundation Trust and University of Wolverhampton.

We are also working with the West Midland Combined Authority, exploring opportunities for shared services and how our assets may be able to support this.



There are many more opportunities across the city to explore ‘campus’ type arrangements, shared buildings and community/public service points – taking a whole-city public sector planning approach and encompassing the needs of our communities.

The strategic objectives of the One Public Estate programme are to:

Provide improved joined-up and customer-focussed services -

enabling greater collaborative working across public service providers in the city to support individuals, families and communities.

Provide improved access to public services in the city - reducing demand and avoidable customer contacts.

Deliver public service efficiency savings - through greater service integration and new delivery models, supporting service demand-management approaches.

Deliver greater savings in running and maintenance costs - through sharing public service buildings.

Work closely with community organisations - optimising the use of assets where most benefit can be realised.

Contribute to wider economic, social and environmental outcomes for the city -

for example, creating new jobs in the city by attracting Government department relocation from London, cutting carbon emissions in the city’.

Create standard practices for performance measurement - reviewing the metrics for building occupancy and space utilisation, void properties and rent levels across the city.

A newly-formed Public Sector Asset Management Board, with representatives from all Public Sector Partners, is soon to be implemented. This Board will have its own Terms of Reference and governance to establish how partners will jointly rationalise and dispose of assets, through identification of gaps in services within the city.

Finally, we are engaging with our Health Colleagues through a Local Estates Forum across the city area. This is a strategic forum with executive representation from all organisations across Health and Social Care in Wolverhampton.



Engaging with our Communities

We lease more than 20 properties to voluntary and community organisations, often at reduced or minimal rents, or preferential terms. We have also transferred buildings to local organisations who run them successfully for the benefit of their local communities. These arrangements range from short-term licences to long leases, and this process is known as ‘Community Asset Transfer’ (CAT).

Local people are often best placed to manage community facilities in their area. They already make extensive use of these assets and their local knowledge and hands-on management often results in lower overheads and better value-for-money. Community organisations also use volunteers and take great pride in their local area.

Managing these facilities can help to empower local communities and can bring opportunities for greater independence and financial sustainability. When done well, CAT can create lasting change in local neighbourhoods.

We are fully committed to using our assets to form long-term partnerships with suitable community organisations, to create stronger, more cohesive and more sustainable communities.

Supporting our Service Areas

In support of service areas across the council and external partners, the strategy will enable and facilitate service transformation by maximising the use of assets across the Public Sector. Examples of these include:

Health and Social Care: The linking of Health and Social Care has resulted in the council and Public Sector partners examining how these services are accessed and delivered, alongside the effectiveness of different facilities. Moving forward, we are looking at a more modern approach, providing us with opportunities to re-assess the use and occupation of associated property in alignment to asset rationalisation.

Youth Offending Team and Looked After Children Service: Relocation of the services from their existing premises into appropriate locations to release valuable assets for disposal.

Community Associations – engagement: Engagement with Community Associations to support them in maintaining provision of activities at council-owned Community Centres. Dialogue has been maintained with Community Associations and moving forward, we are looking at providing more flexible lease arrangements, certainty of occupation and restructuring council charges to Community Associations to address some of the issues raised.

New investment property (Invest Wolverhampton): We have an ambitious vision for Wolverhampton for the next decade, seeing the city become a key office location for the region, with a leisure and retail offer underpinning significant residential expansion. We are ready to support development through use of our access to funding alongside our significant landholdings across Wolverhampton.

WV Living: We fully support WV Living by considering its requirements for well-positioned development sites for the building of affordable and desirable homes across the city, when council sites are identified for disposal.

Wolverhampton Homes: Working in partnership with Wolverhampton Homes in relocating into purpose-built headquarters accommodation. Identifying options for relocation from our property portfolio and exploring disposal opportunities for vacated properties. The vacation of the existing headquarters building will contribute to the Waste and Recycling Programme.

Our Forward Plan

This document outlines the key strategic objectives for the city's land and buildings over the next three years. Our Asset Management Action Plan further describes the specific activities to achieve these objectives, categorised under three key thematic headings of Strategic, Operational and Service Improvement actions. The Asset Management Strategy will be reviewed annually, whilst the Asset Management Action Plan will be managed, monitored and updated continuously to report on progress and achievements. This means that the document will be continually changing to reflect achievement of actions and capturing new priorities and initiatives as they are identified.



Asset Management Action Plan



Asset Management Action Plan

A. Action Plan Monitor | Strategic

Action Reference Number	Action Description	Key Asset Management Strategy Objective	SMART Objective	Key Milestones			Accountability	Resource Implications
				2018/19	2019/20	2020/21		
A1	Review of Investment Strategy - including Acquisitions, Investments and Disinvestments	To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities	By 31 March 2019 have in place an Investment Strategy to identify commercial opportunities and prioritisation of resources	Engage with Investment specialists to develop Investment Strategy for the future management of assets			Corporate Landlord Board	Internal and External Resource
A2	Asset Challenge - Rationalisation of the Council's Asset Portfolio - identification of sites for housing, co-location and disposal	To provide the right property, fit for purpose, in the right place, to meet current service needs and plans for the future	By 31 March 2020 support the Council's Medium Term Financial Strategy Disposal programme through asset challenge and rationalisation of the asset portfolio	Complete Phase 1 of the Land and Buildings Asset Challenge - categorising assets into Dispose, Retain, Replace/Remodel/Reuse	Initiate implementation phase of outcomes of the Land and Buildings Asset Challenge		Corporate Landlord Board	Internal Resource
A3	Disposals Strategy and Programme management	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By 31 March 2019 implement and embed a strategy to provide a consistent approach to disposal of assets	Develop a fit-for-purpose Disposals Strategy, implementing the performance and programme management arrangements to support it			Corporate Landlord Board	Internal Resource
A4	Delivery of Our Assets Programme, enabling public service reform	To promote joint working where it will provide benefit for service delivery and in securing efficiencies	By March 2021 optimise utilisation of the collective Public Sector assets within the City, to improve the effectiveness and efficiency of services through the co-location	Post-Civic Centre refurbishment, increase occupancy and maximise utilisation to release surplus Council assets Explore the feasibility of co-location opportunities with other Public Sector organisations in support of the One Public Estate (OPE) initiative	Plan for the delivery of co-location opportunities, in line with OPE feasibility outcomes	Deliver OPE co-location solutions with other Public Sector organisations	Corporate Landlord Board Local Estates Forum (LEF)	Internal and External Resource
A5	Review and improve Community Asset Transfer Strategy (CAT)	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By 31 March 2019 modernise the current CAT strategy	Review the existing CAT strategy (in consultation with community organisations) to streamline and improve the process			Corporate Landlord Board	Internal Resource
A6	Review of Energy Strategy (including Carbon Reduction Commitment)	To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities	By 31 March 2019 update and refine the Energy Strategy, to minimise energy demand, supply remaining requirements efficiently and reduce carbon emissions	Produce an updated Energy Strategy Explore renewable energy opportunities (including with partners)			Corporate Landlord Board	Internal and External Resource

Asset Management Action Plan

A. Action Plan Monitor | Strategic

Action Reference Number	Action Description	Key Asset Management Strategy Objective	SMART Objective	Key Milestones			Accountability	Resource Implications
				2018/19	2019/20	2020/21		
A7	Review of performance regime managed through Corporate Landlord Board	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By 31 March 2019 agree a suite of asset performance metrics for presentation to Corporate Landlord Board	Develop asset performance dashboards to meet requirements of Corporate Landlord Board and Leadership Teams			Corporate Landlord Board	Internal Resource
A8	One Public Estate - Health and Social Care Hub solution, Public Sector Hub	To promote joint working where it will provide benefit for service delivery and in securing efficiencies	By 31 March 2021 confirm financial viability of options and progress to delivery of approved schemes	Confirm financial viability of each scheme with key stakeholders	Secure funding packages to deliver approved schemes	Commence delivery of approved schemes	Corporate Landlord Board Local Estates Forum (LEF)	Internal and External Resource
A9	Review contribution of assets to the Regeneration Agenda	To use land and buildings to stimulate development and growth, together with supporting local business needs and encouraging new business to the area	By 31 March 2019 formalise engagement with Regeneration Service in identifying how assets can influence and be a catalyst for change	Formulate a route for dialogue and collaboration with Regeneration Service			Corporate Landlord Board Regeneration Service	Internal Resource
A10	Fixed Assets Valuation Programme	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By 30 January 2019 determine asset valuations programme, procure a valuation provider and complete valuations	Set the Fixed Assets Valuation Programme Procure a Fixed Assets Valuation provider Complete Fixed Assets Valuation Programme			Corporate Landlord Service Corporate Finance	Internal and External Resource

Asset Management Action Plan
B. Action Plan Monitor | Operational

Action Reference Number	Action Description	Key Asset Management Strategy Objective	SMART Objective	Key Milestones			Accountability	Resource Implications
				2018/19	2019/20	2020/21		
B1	Assets Data and Information systems integration	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By 31 March 2019 Business Intelligence System (FOCAL365) will be fully operational, enabling access to live asset performance data	Complete the data cleanse and validation of SAM assets data Enhance the usage of SAM to allow live assets data to be concentrated in one system Embed FOCAL365 as the assets management reporting and analysis tool	Review the benefits of the continued use of FOCAL365 and explore potential alternative opportunities arising from the Digital Transformation Programme		Corporate Landlord Service	Internal and External Resource
B2	Corporate Asset Management Fund (CAMF)	To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities	By 31 March 2021 identify schemes, commission works and manage delivery of prioritised statutory and maintenance requirements for Corporate Buildings	Manage and report on 2018/19 CAMF	Manage and report on 2019/20 CAMF	Prepare capital funding requests for the next 3-5 years within the Medium Term Financial Strategy (MTFS)	Corporate Landlord Service Corporate Finance	Internal Resource
B3	Schools Capital Programme	To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities	By 31 March 2019 identify schemes, commission works and manage delivery of prioritised statutory and maintenance requirements for Schools	Manage and report on 2018/19 Schools Capital Programme Prepare capital funding requests for 2019/20 programme	Manage and report on 2019/20 Schools Capital Programme Prepare capital funding requests for 2020/21 programme	Manage and report on 2020/21 Schools Capital Programme Prepare capital funding requests for 2021/22 programme (subject to academisation)	Corporate Landlord Service Finance	Internal Resource
B4	Statutory Compliance function (Fire, Asbestos, Legionella, Contract Management)	To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities	By 31 March 2019 assure CWC compliance with all building related statutory regulations	Present Business Case for recruitment of a dedicated Fire Safety Officer in the Assets Service structure Enhance systems to incorporate all asset compliance data into a single source			Corporate Landlord Service	Internal and External Resource

B5	Commercial Management of i9, i10, i11	To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities	By 31 March 2021 maximise occupancy and income through engagement with external marketing specialists and working with existing tenants	Market vacant retail units within i10 to achieve 100% occupancy Work with the existing i10 tenants to make best use of available space to meet their requirements Market and secure a new tenant for imminently vacant office accommodation within i11 building	Work with the developer and external marketing specialists to secure tenancy of the new-build i9 building	Work with the developer and external marketing specialists to secure tenancy of the new-build i9 building	Corporate Landlord Service City Development	Internal and External Resource
B6	Commercial Estate Management	To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities	By 31 March 2021 maximise occupancy and income through timely lease renewals, rent reviews, Service Charges and management of debt, alongside a review of assets leased-in to CWC	Review leases (including service charges) and rent reviews due in 2018/19 Work with tenants and Debt Management to reduce debt levels Commence quarterly performance reporting of the Commercial Portfolio	Review leases (including service charges) and rent reviews due in 2019/20 Identify investment and disinvestment requirements to maximise income and reduce net cost	Review leases (including service charges) and rent reviews due in 2020/21	Corporate Landlord Service	Internal and External Resource
B7	Asset Lifecycle Condition	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By 31 March 2021 complete Asset Lifecycle Condition Surveys for the retained corporate asset portfolio to enable targeted investment	Identify the priority buildings that would benefit from Asset Lifecycle Condition Survey Ascertain costs and identify existing funding for delivery of these	To continue further prioritisation of lifecycle condition surveys	To continue further prioritisation of lifecycle condition surveys	Corporate Landlord Service	Internal and External Resource
B8	Review of Land and Property Enquiries process	To manage and maintain property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities	By 31 March 2019 review the Land and Property Enquiries process to ensure consistent and fit for purpose handling of enquiries	Review existing Land and Property Enquiries process, with consideration to realistic fee charges			Corporate Landlord Service	Internal Resource
B9	Service Leadership Teams engagement	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By 31 March 2019 Corporate Landlord to collaboratively engage with service leadership teams on the future use of the respective asset portfolio	Programme Corporate Landlord attendance at quarterly leadership team meetings to review service occupancy of assets and feedback outcomes to the Asset Challenge programme			Corporate Landlord Service	Internal Resource
B10	Tactical Loss of Facilities Plan (Civic Centre)	To provide the right property, fit for purpose, in the right place, to meet current service needs and plans for the future	By 31 May 2018 implement the Tactical Loss of Facilities Plan	Maintain Tactical Loss of Facilities Plan (Appendix A - 'Available premises for relocation of critical functions')			Corporate Landlord Service	Internal Resource

Asset Management Action Plan





C. Action Plan Monitor | Service Improvement

Action Reference Number	Action Description	Key Asset Management Strategy Objective	SMART Objective	Key Milestones			Accountability	Resource Implications
				2018/19	2019/20	2020/21		
C1	Support rationalisation of Wolverhampton Homes portfolio - including development of HQ building	To provide the right property, fit for purpose, in the right place, to meet current service needs and plans for the future	By March 2020 relocate Wolverhampton Homes HQ from it's current location to approved new location	Develop business case for relocation of Wolverhampton Homes HQ Agree and seek approval for new location for Wolverhampton Homes HQ Commission designers for fit-out/new-build of new location	Commence physical works and relocate to new location		Corporate Landlord Service Wolverhampton Homes	Internal and External Resource
C2	Relocation of Youth Offending Team and Looked After Children services	To provide the right property, fit for purpose, in the right place, to meet current service needs and plans for the future	By March 2019 relocate both services to either a shared site or individual sites	Identify new location(s) and seek approval to proceed Undertake required physical adaptations and relocate services	Progress the disposal of Beldray and Beckminster to support the Council's disposal programme		Corporate Landlord Service Childrens Services	Internal Resource
C3	Review of Community Facilities - including Community Centres, Community Hubs, Bilston Town Hall, etc	To provide the right property, fit for purpose, in the right place, to meet current service needs and plans for the future	By March 2019 review services delivered from community buildings, to understand net cost and enhance the offering to communities	Completion of net cost analysis Review of occupation and associated service level agreements with community organisations			Corporate Landlord Service	Internal and External Resource
C4	Future use of former Dudley Road School	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By March 2019 finalise proposals for the future of former Dudley Road School	Feasibility study of available options for the future use of Dudley Road School Continue working with existing occupiers, in support of their development proposals Seek approval for option for future use of Dudley Road School			Corporate Landlord Service	Internal and External Resource

C5	Future use of former Parkfields School	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By March 2019 finalise proposals for the future of former Parkfields School	<p>Develop business case and seek approval to redevelop the vacant part of former Parkfields School site for housing development</p> <p>Seek external grant funding for ground remediation and demolitions</p> <p>Identify relocation option for the Education Library Service</p> <p>Support Pupil Referral Unit service in maximising their utilisation of the retained part of the former Parkfields School site</p>			Corporate Landlord Service	Internal Resource
C6	Support relocation of Meals Service and Central Youth Theatre from former Stowheath Day Training Centre	To plan and manage property as a corporate resource for the benefit of the people of the City of Wolverhampton	By June 2019 identify relocation options and relocate services to release the current location for disposal	<p>Identify relocation options</p> <p>Seek approval for agreed relocation option(s) for each service</p>	Relocate services to new location(s)		Corporate Landlord Service	Internal Resource

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