

Property strategy

Balancing the achievement of savings within the accommodation needs of Council Services, working closely with public sector partners.

What is it?

Managing the property that we own in the best interests of the people of Cornwall and the Council's services.

Context



The percentage of Cornwall which Cornwall Council owns (approx. 10,000 hectares)

Including...



and the...
**Tamar
Bridge**

What are the priorities?

Providing good accommodation for staff and services

Delivering the best financial returns for Cornwall

Making the best use of the public estate across Cornwall



Property Strategy 2016

*Supporting service delivery in Cornwall
by providing efficient and effective
accommodation and delivering best
value to the people of Cornwall*

*Part of Cornwall Council's Organisational
Development Framework*

Approved by Full Council –
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Foreword - Peter Marsh, Head of Commissioning and Asset Management, and Nigel Blackler, Head of Strategy, Economy, Enterprise and Environment

Property assets make big difference to communities. They shape the character of local areas, influence the quality of life and contribute to economic, social and environmental wellbeing.

Cornwall Council's property portfolio provides enormous opportunities, both commercially and for service delivery.

We can use our property assets in many different ways, some of which may conflict with each other. We need to balance pressures to:

- Provide buildings for frontline service delivery
- Generate an income from our commercial estate
- Generate capital receipts for re-investment
- Protect the environment and landscape
- Devolve property so partners can deliver local services
- Drive regeneration and economic growth
- Provide sites for affordable housing

This strategy sets out our overall principles in managing the property entrusted to the Council. Our aim is to ensure the best value for the people of Cornwall and the right accommodation for our staff, services and partners.

This strategy also sets the context for our Property Delivery Plan, which proposes specific actions for individual sites and is expected to be adopted in spring 2016.

Links with other strategies and initiatives

The Property Strategy supports delivery of the Council Strategy 2015-19 and the Business Plan. It also complements key strategies in the Council's Organisational Development Framework, including the:

- **IT Strategy** – IT plays a key role in making our buildings as flexible and adaptable as possible.
- **Finance Strategy** – Decisions about our property estate have a direct impact on the Council's financial health. Our estate produces significant revenue as well as costs and is and a major source of capital receipts.
- **Localism Strategy** – Many of our property transfers are part of the programme of devolving assets to local councils and organisations.
- **Customer Access Strategy** – We need to provide the right buildings and facilities in the right places. As more customers switch to using our online services, our property requirements will also change.

Cornwall Council's Organisational Development Framework

The Property Strategy is one of ten strategies which sit beneath Cornwall Council's Organisational Development (OD) Strategic Framework.

Each strategy focusses on a different aspect of the organisation and will contribute to the overall ambition of the OD Strategic Framework:

Cornwall Council; fit for purpose and prepared for the future

The Property Strategy will also contribute to the achievement of the four strategic aims of the OD framework:



The actions identified in the ten strategies will be incorporated into the Council's annual business and service plans for delivery. These are subject to the Council's standard risk and performance management processes.

The Organisational Development Steering Group will monitor delivery of the overall framework and progress towards the four strategic aims.

Context

The Cornwall Deal potentially marks a huge change in how the Council does business. As it brings us closer together with our partners, it will fundamentally change how we use our property. We need to create a flexible, viable estate that can respond to these changes now and in the future.

Cornwall Council is one of the largest land owners in the county, owning around 10,000 hectares (24,710 acres) or 3% of Cornwall.

Our public properties and open spaces receive more than two million visits a year. Our estate includes but is not limited to:

- 10,500 council houses
- 60 offices housing 5,500 staff (reduced from 180 in 2009)
- 29 libraries
- 30 highways and waste management depots
- 10 ports and harbours
- 100 tenanted farms
- 310 industrial units
- Three country parks
- A range of children's centres
- Leisure centres and related facilities
- Children's respite centres
- Youth centres (generally managed and run by local groups)
- Learning disability day centres
- Around 300 schools (including those academies where we still own the freehold)
- 31 fire stations
- Cornwall Airport Newquay
- Car parks
- Adult education centres
- Open spaces, amenity spaces and play areas

Some of our properties have statutory constraints or particular governance requirements. These include Cornwall Housing, County Farms, some of the ports and harbours, and schools.

Highway assets are in a distinct category of their own and are managed using a separate set of statutory provisions and regulations.

We also own many buildings used or run by town and parish councils, community groups, trusts and others, including assets such as the Hall for Cornwall and youth centres. As the devolution programme progresses, libraries and other services could be delivered in the same way.

We spend about £25m per year in managing and running our properties. Much of the estate is tied in to particular long term uses such as schools and other assets like bridges, road verges, retaining walls and coastal defences or beaches as well as service delivery.

Our properties use a significant amount of energy a year. We have a solar farm and 76 buildings with solar panels that generate 6.8MW of renewable energy a year. We also have a wind turbine and the potential to develop solar schemes on closed landfill sites, which could generate another 6MW of renewable energy annually.

We work with local public sector partners in the Public Sector Group to share buildings and administrative functions and facilities where possible.

Our ongoing property related programmes include:

- **Office Rationalisation** – We have made significant investments in our offices to improve the environment for staff. By 2016 we will have reduced the number of offices from 180 to around 60 while maintaining a geographical spread. The programme has also embedded modern working practices and nearly 3,500 of our 5,500 staff will be working in new or refurbished offices by summer 2016.
- **Devolution** – The Council’s vision is to enable and empower local people, town and parish councils and the voluntary and community sector to play an active role in making decisions that affect them and in delivering what their community needs. Property is often a critical part of this decision making process. Each devolution package has different objectives and priorities that must be balanced.
- **Carbon Reduction** – We can produce 1.8MW of energy using the solar panels on our buildings and a further 5MW from solar farm at Newquay Airport. Having fewer offices and less space occupied per member of staff is also helping to reduce our carbon emissions.
- **One Public Estate** – We are working with partners, including Town Councils, and the Cabinet Office to rationalise our properties and improve service delivery across Cornish towns. This includes co-locating emergency services and shared premises in towns for front facing services such as Job Centre Plus, town councils, libraries, adult education and registrars where appropriate.

Our Property Strategy

Our strategic aim is to:

Supporting service delivery in Cornwall by providing efficient and effective accommodation and delivering best value to the people of Cornwall.

Our strategic objectives are to:

- Provide buildings where Council services are delivered for the benefit of the community.
- Provide space for partner organisations where appropriate.
- Undertake strategic acquisitions for the long term.
- Generate income to support the Council's work.
- Secure and manage key infrastructure, such as the Tamar Bridge, Newquay Airport and flood defences.
- Provide or maintain public access to environment and countryside assets.
- Ensure the best return for Cornwall when property is sold or leased.
- Preserve investment in the Council's estate.

Our properties are in three broad categories:

- **Operational** – These are used for service delivery. Our principle for managing operational properties is to support service delivery cost effectively and safely.
- **Non-operational** – These properties are used for non-statutory services. Our principle for managing these is to generate the best returns for Cornwall.
- **Strategic assets** – Our principle for managing strategic assets is to protect the long term interests of Cornwall.

Our governance

Our property assets are overseen by the Localism Portfolio Holder and the Localism Portfolio Advisory Committee. This reflects the importance that property has to our communities.

Specific groups of properties are also overseen in other portfolios, such as the Environment and Planning Portfolio for farms and environment assets, the Resources Portfolio for leisure properties, and the Housing Portfolio for housing assets.

The Health and Wellbeing Board also takes an active interest in how property is used. We are starting to share buildings with health partners as our services become more closely integrated.

The Council is also one of the lead members in the Cornwall Strategic Property Board. The board provides overall strategic direction for its member organisations and sponsors key co-location projects. This is supported by the Cornwall Property Leads Forum, which maintains dialogue between partners and informs the Strategic Property Board.

At a project level, our Property team works in an integrated way with the Strategic and Capital Project teams.

How will we deliver the Property Strategy?

The strategy will be delivered by a mix of direct team delivery, along with other Council teams which together cover:

- Strategic property management
- Project management
- Estate management Localism

It will be supported by a multi-disciplinary team from the Cabinet Office, including Local Government Association representatives and the Valuation Office.

We will engage with stakeholders, and we will monitor and respond to key performance indicators and industry benchmarks.

Delivery will include:

- Specific major capital schemes
- Targeted investment and a rolling programme of property exits
- Investment in key properties to reduce risk and backlog maintenance

Identifying and exiting from poorly performing properties.

How will we measure our success?

The implementation of the Property Strategy will be measured through the successful delivery of the projects of work identified within our four strategic themes. We will also be monitoring a number of key Performance Indicators detailed in the Corporate Business Plan. We will utilise the annual staff survey to ensure that we are providing efficient and effective office accommodation for our people. We will be able to demonstrate savings and income generation through better use of our property assets.

Our Property Strategy is made up of four strategic aims:



Over the next few pages, each of these will be presented as follows:

- The **strategic aim** describes what we are going to do to support the overall Council Strategy.
- The **rationale** explains why this is important and describes the current context.
- The activities explain **what we will need to do** or put in place to achieve our strategic aims.
- The measures describe **how we will evaluate our success**.

Strategic aim:

Providing good accommodation for staff

The rationale...

Staff are one of the Council's main assets. They are our biggest cost too. If they are not happy in their workplace, there can be a significant impact on their productivity and welfare.

We will achieve our aim by...

- Providing the right office spaces across Cornwall.
- Continually reviewing our buildings to ensure they meet business needs and respond to staff feedback.
- Providing eight major offices in Penzance (St John's Hall), Camborne (Dolcoath), Truro (New County Hall and Pydar), St Austell (Penwinnick), Bodmin (Chy Trevail), Wadebridge, and Liskeard (Luxstowe).
- Providing circa 20 smaller offices across Cornwall offering flexibility, resilience and space for specialist services. These could potentially be combined with community fire stations and libraries if appropriate.
- Where possible, ensuring our offices use space efficiently and effectively in line with the modern working toolkit.
- Sharing offices with other public services where possible.

How will we know we've been successful...

- We will have reduced our offices to 30 properties by 2018 (down from 180 in 2009 and 80 in 2015).
- We will have cut our maintenance backlog and overall spend and be able to use some of the savings to fund planned maintenance.
- The staff survey will show that staff are satisfied with their office accommodation.

Strategic aim:

Providing the right accommodation for services

The rationale...

The Council is responsible for a wide range of services. Many of our staff deliver services from offices, but we also have important specialist or front facing services that require specific accommodation. We need to provide accommodation for all our staff and services.

We will achieve our aim by...

- Developing a Property Delivery Plan based on service requirements and business need.
- Ensuring the Property Delivery Plan changes to meet changing needs while taking account of the Council's priority services and the facilities they need.

How will we know we've been successful...

- Services will have the right accommodation, in the right place, at the right time.
- Services' accommodation will be affordable and make good use of existing property or, with the right business case, new investment.
- We will be able to demonstrate a link between the Property Delivery Plan and service strategies.

Strategic aim:

Supporting partners and devolution

The rationale...

The Council is committed to devolving powers from London to Cornwall and services and assets from Cornwall Council to local councils and groups.

This double devolution will have an impact on how we achieve our savings and improve service delivery.

We will achieve our aim by...

- Working with the community link officers and Estate Management team to deliver the Strategic Devolution Group's priorities.
- Using standard principles to value and transfer all properties to be devolved.
- Working with partners and local communities to bring services together in shared buildings to cut costs and improve service delivery, customer access and sustainability.
- Devolving properties to local communities where appropriate.
- Releasing property to allow funds to be used elsewhere.
- Releasing sites for inward investment and development, contributing to Cornwall's growth in partnership with the Local Enterprise Partnership.

How will we know we've been successful...

- We will deliver the agreed devolution programme and the library and leisure programmes without unexpected impacts on the Council's other objectives.
- Services that would have ceased will continue and will be run by local councils and communities.
- Local councils and communities will successfully manage buildings that are devolved to them.

Strategic aim:

Delivering best value for Cornwall

The rationale...

We need to ensure the Council's property assets deliver the best returns for the people of Cornwall. Money from rents, leases and property sales can be re-invested in Cornwall. Surplus property sold at market value is more likely to be purchased by viable businesses that can provide the best employment opportunities and growth and add the most value to our economy.

Achieving the best returns may also mean transferring property to local councils, community groups or our partners. In some cases they can get more value from a property than we can or they can use it to benefit the community. Examples include Falmouth and St Ives Town Halls.

We will achieve this aim by...

- Actively seeking the best uses for our surplus sites.
- Actively managing our commercial properties and seeking businesses that generate the greatest return for Cornwall.
- Pro-actively buying sites with long term growth potential.
- Using Council property cost effectively to reduce money spent by us and our partners on private sector rents.
- Releasing properties for sale in a timely way and in coordination with public sector partners.
- Using the One Public Estate programme or local devolution to transfer property to others who can get more value from it or use it more efficiently.
- Selling surplus property at market value, unless it is better suited to ongoing public use or other use in the public interest.

How will we know we've been successful...

- Our planned capital receipts will be £5m a year or more.
- The Devolution Board will oversee transferring assets for ongoing public uses.

Summary...

- Our property estate supports a range of activities across the Council that have competing aims. This strategy provides a framework to balance those aims.
- For property used for service delivery, that means supporting service delivery cost effectively and safely.
- For property used for non-statutory services, that means generating the best returns for Cornwall.
- For strategic assets, that means protecting the long term interests of Cornwall.

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