



Northumberland

County Council

CABINET

DATE: 11TH JULY 2023

Asset Management Framework

Report of Councillor Richard Wearmouth, Deputy Leader and Portfolio Holder for Corporate Services

Lead Officer: Simon Neilson, Executive Director of Place and Regeneration

1. Purpose of report

- 1.1 To provide Cabinet with information relating to the new Asset Management Framework for 2023-2026 that has been developed to guide decision making and clearly outline the strategic plans for the estate to 2026.

2. Recommendations

- 2.1 That Cabinet note the purpose and content of the Asset Management Framework for 2023-2026.
- 2.2 That Cabinet agree to:
- The new Asset Management Framework; as attached at Appendix 1 - and
 - Receive further updates on the delivery of the Asset Management Framework on a quarterly basis.

3. Link to Corporate Plan

- 3.1 The Asset Management Framework is aligned to the three priorities set out in the Corporate Plan 2023-2026: Achieving Value for Money, Tackling Inequalities and Driving Economic Growth.

4. Key issues

- 4.1 The Asset Management Framework aims to clearly set out how the Council will make best use of its land and buildings to achieve an estate that is:
- Well-maintained and safe for our residents, service users and staff;
 - Smaller, more sustainable, effectively managed, efficiently run and used creatively to maximise its impact;
 - Fit for purpose to deliver inclusive quality services, achieve council priorities and improve outcomes for residents
- 4.2 The Asset Management Framework will be overseen by the new Strategic Property Asset Management Group to ensure objectives are achieved, with regular quarterly updates on progress to Cabinet.
- 4.3 The Asset Management Framework includes:

- The Asset Management Policy ('the Policy')– this describes the principles and aims that will guide corporate decision making. This element of the Asset Management Framework is constant.
- The Asset Management Strategy ('the Strategy')– this describes the strategic plans we have for our estate over the next three years. This element of the Asset Management Framework will be reviewed and updated in line with the Corporate Plan.

5. Background to developing a new Framework

5.1 In 2022 a review of Property and Estates functions across the Council was completed to identify opportunities to strengthen our property arrangements. The review considered:

- the strategic delivery of estate assets;
- the operational efficiency and effectiveness of Property Services and related functions; and
- the enabling conditions for successful delivery of the NCC Estates strategy such as governance, operational prioritisation, structure and ways of working.

5.2 As a result of the review a number of improvements were identified including:

- The establishment of a pan-organisation officer group to have oversight of corporate property decision making; and
- The development of an asset management framework to clearly set out the strategic direction of the Council's use of its property assets.

5.3 In November 2022 the new Strategic Property Asset Management Group, chaired by Executive Director for Transformation and Resources, was established with officers from across the organisation. Work also commenced on the Asset Management Framework based on public sector best practice.

5.4 A copy of the Asset Management Framework, recommended by the Strategic Property Asset Management Group, is included in Appendix 1, but the key elements of the Asset Management Framework are described in sections 6 to 7 of this report.

6. The Policy

6.1 The Policy describes the principles and aims that will guide corporate decision making in relation to its own property estate. It is to be used by members and officers when decisions about how we use or operate our property are to be made to ensure we make the best decisions for our residents and the Council.

6.2 The principles within the Policy reflect our corporate priorities, values and service aims and our commitment to making the best use of our assets. Our eight principles are:

- *Best Value* -Manage our property efficiently, effectively and economically ensuring financial sustainability, social value and value for money.
- *Fit for Purpose* – Property meets current service needs and enables plans for the future

- *Growth* – Use our property to stimulate growth and regeneration to strengthen our communities, increase opportunities for our residents and tackle inequalities
- *A Corporate Resource* – Manage our property in partnership with services as a corporate resource that enable the delivery of the Council’s priorities, services and objectives.
- *Communities First* – Our land and buildings are for our residents and support stronger communities. We will enable local decision making to promote community cohesion and tackle inequalities.
- *Collaboration* – Work collaboratively and in partnership with our communities, across services, and with our statutory and voluntary sector partners to make decisions.
- *Balanced Decisions* – make evidence-based decisions balancing costs, needs and outcomes to achieve the greatest impact
- *Sustainability* – Use our land and buildings sustainably to reduce our impact on the environment and support climate change action.

7. The Strategy

- 7.1 The Strategy describes the actions we will take in line with the principles of the Policy, to make best use of our land and buildings to achieve an estate that is:
- Well-maintained and safe for our residents, service users and staff;
 - Smaller, more sustainable, effectively managed, efficiently run and used creatively to maximise its impact;
 - Fit for purpose to deliver inclusive quality services, achieve council priorities and improve outcomes for residents.
- 7.2 To provide context to our strategic objectives the Strategy provides a summary of the ‘state of our estate’. This includes an overview of our current estate, our financial resources, our property arrangements and processes and current challenges.
- 7.3 Three strategic objectives are described for 2023- 2026. These are aligned to our Corporate Plan, reflect our complex service responsibilities and duties, and seek to address the challenges we face with the estate.
- 7.4 Within each strategic objectives key pieces of work are described that will be completed to achieve the objective. All of the work described both impacts our estate or the running of our estate in some way and enables the delivery of the strategic objective.
- 7.5 Our BEST work guides us in everything we do to provide the BEST services to residents and be the BEST we can be for Northumberland. The Strategy therefore includes a range of work which is being delivered through the BEST Use of Assets Workstream. This ensures there is a clear link between the developing BEST work and the operational estate.
- 7.6 The three strategic objectives are:

a) Achieving Value for Money

- Providing a fit for purpose estate by continuing to maximise the use of our buildings and reducing our office footprint.
- Completing a review of our operational property to optimise our use of the estate whilst continuing to deliver the best service to our residents and customers.
- Strengthening the Corporate Landlord Model to achieve greater efficiencies in how we manage and run our estate.
- Improving our use of data and performance information to improve decision, making.
- Continuing to collaborate with communities and partners
- Enabling sustainability in the way we use our estate.

b) Tackling Inequalities

- Supporting work to
 - Care for our children and young people – building new children’s homes
 - Deliver the Extra Care and Supported Housing Strategy – identifying potential sites for development
 - Deliver the Schools Strategy
 - Deliver the Affordable Housing Strategy
 - Develop Northumberland Communities Together
 - Implement and embed the Family Hubs
 - Continue to deliver sustainable and flexible libraries
 - Encourage fit, active communities through our leisure centres

c) Driving Economic Growth

- Supporting work to:
 - Ensure visitors have the best experience in the county including country park improvements and maintaining good quality accessible facilities
 - Develop and regenerate our towns and centres
 - Improve transport and infrastructure connectivity

8 Oversight and Reporting of the Framework

8.1 The Strategic Property Asset Management Group is responsible for the Framework and will have oversight of the delivery of the strategy. Quarterly updates on the delivery of the Strategy will be provided to the Executive Management Team and Cabinet.

9 Implications

Policy	The Asset Management Framework sets out the principles that will inform property decisions.
Finance and value for money	There are no direct financial implications associated with this report. However Best Value is a key principle of the Policy, and within the Strategy a range of work is described to enable us to achieve value for money in how our estate is run.
Legal	<p>The Local Government Act 1999 imposes a duty for Local Authorities to make arrangements for the achievement of best value in the performance of their functions. Best value for these purposes is described as securing continuous improvement in the exercise of all functions undertaken by the authority, whether statutory or not, having regard to a combination of economy, efficiency, and effectiveness.</p> <p>No other specific legal implications. Whilst the Asset Management Framework guides decision making all appropriate and necessary legislation and legal procedures will be followed in relation to property transactions.</p> <p>The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are not functions reserved to Full Council.</p>
Procurement	The Strategy describes work to strengthen our model of Corporate Landlord and procurement decisions. Any procurement processes completed as a result of this Strategy will be completed in accordance with all procurement regulations.
Human Resources	The Strategy describes work to review how we use our buildings. Any changes to how staff use our buildings will be managed in line with corporate values, approaches and principles, and if any HR/OD requirements or constraints are identified, specialist advice will be taken.
Property	The Asset Management Framework provides a clear approach and strategic direction for the use of our property assets. The Strategy describes key work that will be undertaken to review our property needs and maximise opportunities to reduce our property footprint. Any changes to our property will be implemented in line with the appropriate approval processes.
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	N/A

Risk Assessment	Without the Asset Management Framework there is a risk of inconsistent decision making around property matters. The Asset Management Framework enables the best decisions to be made to meet corporate priorities and best value for residents.
Crime & Disorder	N/A
Customer Consideration	Achieving best value for residents has driven the development of the Framework and is reflected within the principles of the Policy. The strategic property plans outlined in the Strategy are focused on improving outcomes for our residents centred around our three corporate priorities.
Carbon reduction	The Asset Management Framework supports the Council's carbon reduction objectives. Within our Achieving Value for Money objective within the Strategy there is a focus on enabling sustainability and this sets out a number of areas of work that will support the delivery of the Council's climate action plan.
Health and Wellbeing	A key strategic objective of the Strategy is Tackling Inequalities and key areas of work include supporting our communities to become stronger and more cohesive and to be fit and active.
Wards	The Asset Management Framework applies to all decisions made by the Council in relation to its own property. Therefore, all wards will benefit from the new approach.

Appendices

Appendix 1 – Asset Management Framework 2023 - 2026

Background papers:

N/A

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

	Full Name of Officer
Interim Director of Law and Governance and Monitoring Officer	Stephen Gerrard
Executive Director of Resources and Transformation (S151 Officer)	Jan Willis
Executive Director	Simon Neilson
Portfolio Holder(s)	Cllr Richard Wearmouth

Author and Contact Details

Simon Neilson, Executive Director of Place and Regeneration
Simon.neilson@northumberland.gov.uk

Sophie Stallworthy, Acting Head of Service Improvement and Best Value
Sophie.stallworthy@northumberland.gov.uk