

ASSET MANAGEMENT STRATEGY 2017-2020



OUR PRIORITIES

THRIVING
& VIBRANT ECONOMY

OUR PRIORITIES

PEOPLE

ACHIEVING
THEIR POTENTIAL

OUR PRIORITIES

STRONG
& RESILIENT COMMUNITIES

ONE
COUNCIL

CLEAR VISION AND VALUES • CUSTOMER FOCUS • COMMERCIAL AND BUSINESS ACUMEN • EFFECTIVE DELIVERY OF PROJECTS AND PROGRAMMES • INNOVATIVE AND MANAGED RISK TAKING • LEARNING ORGANISATION • LEADERS AT EVERY LEVEL
• FLEXIBLE WORKFORCE • WORKING WITH OUR PARTNERS, COMMUNITIES AND RESIDENTS • ENABLING ORGANISATION

INTRODUCTION

It is clear that the Council is in a need of a fresh approach to the management of our assets for a number of reasons,

1. The significant financial challenges faced by the Council over the next phase of our journey to 2020 and our Corporate Plan 2017-2020.
2. The significant demand for school places and affordable housing.
3. The opportunity to deliver much needed growth and regeneration across the borough.

The Council's asset portfolio is a major resource that is integral to the delivery of many of the services. Currently the Council spends around £56m per annum (including PFI payments) on its assets and it is vital careful consideration and review is needed to ensure these assets are contributing to the Council's priority outcomes and the ongoing economic and social development of the borough.



The Council's property portfolio is made up of a range of non-domestic property assets that support the Council's objectives. The property portfolio can be broadly broken down into the following categories:

- Operational – held to support service delivery
- Investment – held for financial return
- Community – support residents or provide recreation
- Education – schools and other learning facilities
- Cultural – arts and heritage assets
- Surplus – awaiting disposal, re-development or alternative use

The Council's property portfolio has a book value of around £431m (excluding HRA property) and generates around £2.7m income from letting to third parties per annum. The rental income derived from the estate has slowly declined as surplus assets have been disposed.

Going forward the Asset Strategy sets out how the Council intends to manage and augment its property estate over the next three years. The strategy sets out the vision, objectives and priorities and how the Council's estate will be reviewed to ensure it is fit for purpose and supports the Council's key outcomes:

- Growing the economy – Jobs, housing and regeneration
- Improving people's potential and achievement – Sufficient school places and ensure they have excellent learning environments
- Changing the relationship between the Council and the Community – Asset Based Community Development to enable communities to develop assets and create local economic opportunity
- One Council – Reducing costs/increasing income and integrating digital/smart infrastructure to improve services and make them more accessible

There is a real opportunity to get added value from our assets to support all these themes and at the same time there is a real danger if this is not prioritised in this way that our assets remain a liability and mean front line services need to be cut to maintain them. The Asset Strategy sets the vision and plan for future property requirements and will build on the work already undertaken in reducing overall accommodation costs and the number of buildings the Council's uses. The Strategy is shaped by the need to further reduce overall expenditure, increase income and provide digital tools and approaches to improve services and overcome the challenges facing the borough. At the present time the Council holds an unsustainable number of buildings with a growing maintenance requirement. The current backlog maintenance is estimated to be £30m and over the next three years this figure will grow and the Council does not have the financial resources to meet these requirements.

This strategy has been developed to ensure we manage our assets efficiently, effectively and they support the achievement of our priorities and plans and to meet our customers' needs and expectations. It builds on the progress already made as a result of our previous Asset Management Plans and has been developed in consultation with our Business Units and partner organisations.

The Asset Strategy is one of a number of other strategies that are in place to continue to drive our journey of improvement through to 2020.

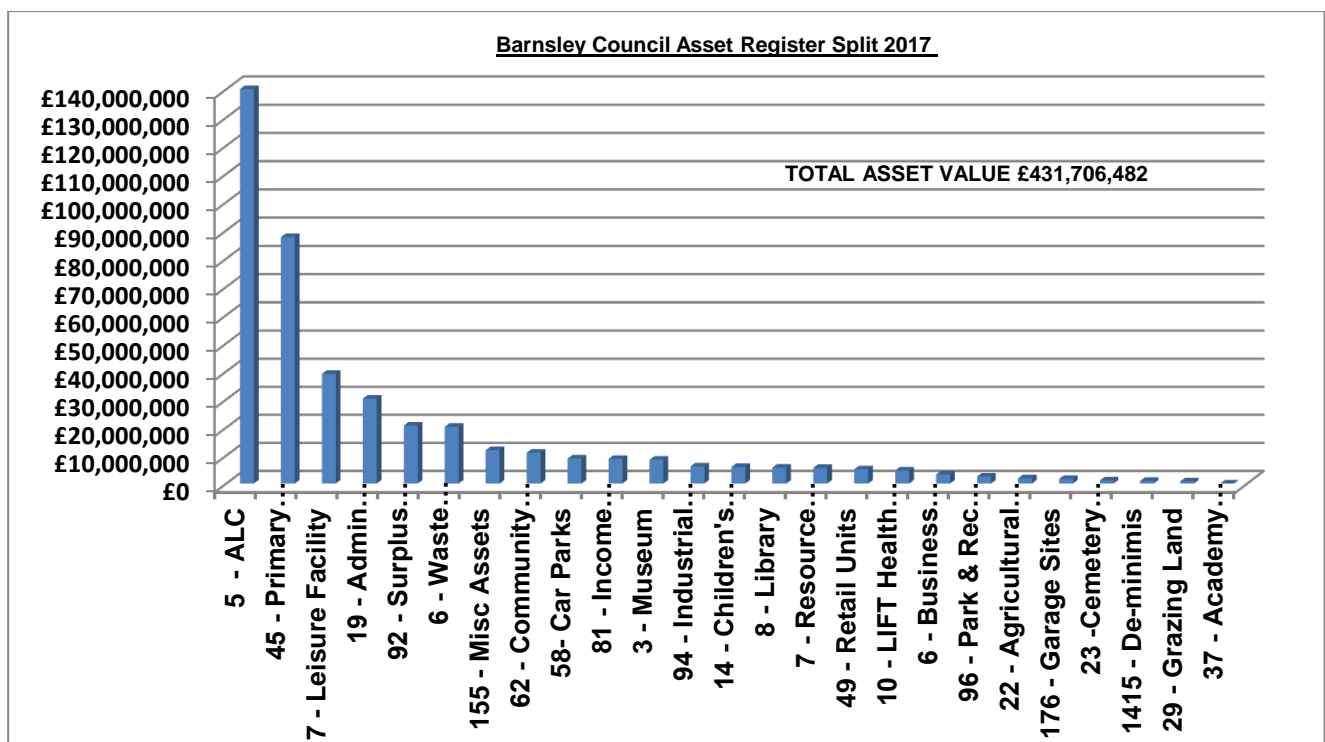
Our Current Property Asset Portfolio

The size of our Asset Portfolio is:

- 2,519 land and property assets
- Net book value of £431 million
- Annual running costs £56 million

The asset base has reduced significantly in previous years based on the need to rationalise and dispose of assets to generate gap funding for key projects, such as Building Schools for the Future and the Housing Investment Plan and the academisation of schools.

Schools remain the largest group of assets in asset value; however this will continue to reduce as academy transfers continue. The chart below sets out the breakdown of our assets by value:



Our surplus assets have a capital accounting value of just over £20 million representing 5% of the portfolio. Surplus assets are assets which are no longer being used to deliver services, but they may not necessarily be suitable for disposal. The assets are mapped and have been assessed to determine whether they have any development potential. Those assets which are suitable for disposal will be either included in our Asset Disposal Programme or where appropriate will be held to support our regeneration or other council strategic priorities.

OUR JOURNEY SO FAR

Our Asset Management Plans set out what we wanted to do and achieve in order to bring about the fundamental transformation needed to enable us to rationalise the estate and use surplus assets to gap fund key corporate projects such as Building Schools for the Future and the Housing Investment Plan.

Our key achievements during the period covered by the last Asset Management Plan up to 2017 are shown below:

Capital receipts for 2016/17 financial year are £4.21m with another £4.67m agreed, subject to conveyance or planning approvals	Established the LandSolve framework to assist the public and charitable sectors to maximise the value from their surplus assets	Renewable Heat Incentive claims worth £356k pa were successfully established in 2016/17	Open plan offices, hot-desking & flexible working arrangements are now the default Workstyle of the Council
Our programme management approach has delivered two Better Barnsley tasks – Phase 1 Demolitions & Market Gate car park on time and to budget	Reviewed BSF schools agreements and by rationalisation and renegotiation achieved efficiency savings	Achieved the Carbon Trust Standard for the fourth time with a 74% carbon management score	Salix funding & Energise Barnsley community energy schemes generated 7,000t of CO ₂ savings
Community Asset Transfer of a number of assets including Woodlands at Silkstone / Thurnscoe Youth Centre and Barnsley North Learning Unit for a Community Shop	Shortlisted for Most Innovative Retrofit Scheme in the Housing Innovation Awards 2016	Developed the Better Barnsley shop as an information centre for town centre regeneration	Creation of management arrangements with Yorkshire Wildlife Trust to manage and maintain council assets
An independent benchmarking study for SCR showed the performance of our asset service to be above average in all criteria	Supported the successful delivery of the Property Investment Framework	First successful regional bid for Phase 4 of the One Public Estate funding (Keresforth site)	Completed 3 phases of BSF to provide a wholly new secondary school estate

WHAT'S NEXT FOR US?

The Strategy will set out the key priorities and projects that will be delivered over the next three years in order to meet the Council's objectives. The Strategy sets the high-level strategic framework for managing our property portfolio effectively over the next 3 years and builds on growth and regeneration initiatives.

It builds on the progress that Barnsley has made over a number of years towards achieving the long-term goal for the borough as “a successful, uniquely distinctive town that offers prosperity and a high quality of life for all.”

It will guide our future strategic property decisions to ensure we manage our property portfolio sustainably and efficiently so that it can adapt to remain fit for the future and support frontline delivery.

Our property assets are an important part of supporting and enabling us to transform the way we deliver services with our partners and other public bodies and it is therefore essential that we have an innovative and forward thinking strategy in place.

Increasingly, in the delivery of both frontline and support services vital economies can be achieved by working with partners from the public, private and voluntary sector. We have already embarked on a programme of partnership initiatives that will deliver improved value for money. We are members of SCR One Public Estate and chair the SCR Heads of Property Group.

Our Asset Management team will, through the Asset Strategy continue to lead the process of transformation producing the most efficient, effective and sustainable outcomes for both residents of Barnsley and service users.

The Asset Strategy sets out our key ambitions for the borough, taking into consideration six main themes:

- Opportunity Gap – What is our asset base? What do we need?
- Acceleration of development opportunities and maximise growth
- Building strong and resilient communities
- One Public Estate
- Office accommodation and Workstyle
- Energy management

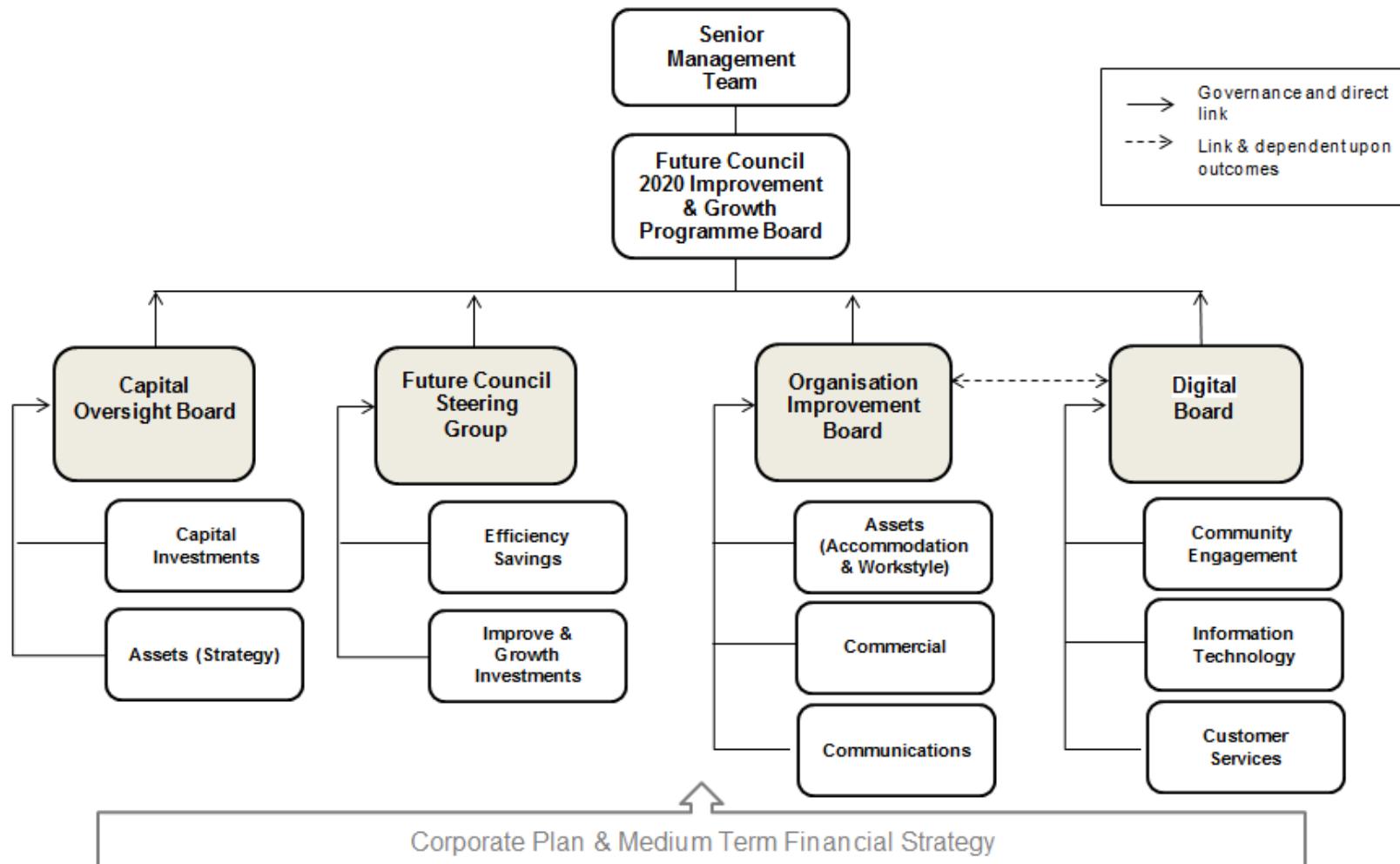
ASSET STRATEGY THEMES



MAKING IT HAPPEN AND MONITORING PROGRESS

The delivery plan clearly sets out the actions we will take against each of the themes in order to bring about the required improvements and efficiencies to our organisation and how we operate. Progress against the delivery plan will continue to be reported to and monitored by the Future Council Improvement and Growth Board and within the One Council – Governance Arrangements. The Asset Strategy will become part of the work of the Capital Oversight Board with the accommodation and workstyle elements of the strategy having a reporting line to the Organisation Improvement Board

ONE COUNCIL GOVERNANCE ARRANGEMENTS



ASSET STRATEGY 2017-2020 DELIVERY PLAN

Key Theme 1: Opportunity Gap – What is our asset base? What do we need?		Identifying and addressing the barriers / challenges to eliminate the opportunity gap and release the full potential in our assets? Develop clear pathways to supporting the goals of other corporate plans & strategies		
We will	Delivered through	Priority H, M, L	Future Council Focus Area	Key outcomes and success criteria
Review the current asset base and align future asset planning to deliver the outcomes of the Corporate Plan, Local Plan, Strategies and Business Plans	Capital Oversight Board Organisation Improvement Strategy	H	Commercial and business acumen Efficient delivery of projects and programmes	Vision and values recognised and understood by employees Membership of project boards and meeting of key performance indicators will demonstrate positive direction of travel
Undertake a high level strategic fit and gap analysis to identify: a. those assets where detailed option appraisals, including either viability or feasibility studies, are required b. the high priority areas where the council does not have assets and detailed option appraisals for acquisition	Capital Oversight Board Strategic Housing Board Jobs & Growth Board	H	Commercial and business acumen Working with our partners, communities and residents	This work involves exploring specific rationalisation proposals, sometimes including other public and third sector assets, to inform our decisions on preferred courses of action. Planning and highway advice will be obtained, and specialist advice such as acoustics, ground conditions and ecology can be sought as necessary. Valuation estimates and life cycle costs will be provided where surplus assets are to be sold and retained assets improved.
Delivering positive outcomes and early intervention for early years	All Age Early Help Strategy Children & Young People Plan	M	Efficient delivery of projects and programmes Enabling	The Council uses a number of early years facilities and will support this further through improvements to colocation and refurbishment at our assets

			organisation	
We will	Delivered through	Priority H, M, L	Future Council Focus Area	Key outcomes and success criteria
Ensure there are sufficient school places in the right locations at the right time	Capital Oversight Board Children & Young People Plan	H	Customer focus Efficient delivery of projects and programmes Enabling organisation	Basic need demand met for school places across the borough New schools and build extensions to meet the need for sufficient school places School premises are in good condition and there are no urgent condition defects to reduce the risk of school closure
Rationalise assets to reduce premises costs, generate capital receipts for reinvestment, and facilitate the delivery of customer-focused services. Identify and improve key buildings for the future and fund works from the release of surplus assets.	Capital Oversight Board	M	Commercial and business acumen Innovative and managed risk taking	Commercial Strategy in place Values and behaviours are modelled throughout the organisation
Introduce digital and agile asset management migration	Capital Oversight Board IT Strategy	H	Enabling organisation Customer focus Learning Organisation	Asset types Metadata (& fields) Asset usage records Total size and number of assets Asset control lists (ACL) / Security / Risks Digital Rights Management (DRM)

Key Theme 2: Acceleration of development opportunities and maximise growth		Support regeneration and growth strategies to accelerate development opportunities Build strong and lasting relationships with developers		
We will	Delivered through	Priority H, M, L	Future Council Focus Area	Key outcomes and success criteria
Make strategic asset acquisitions on a business case approach to provide employment and housing growth sites	Job and Growth Board Capital Oversight Board Strategic Housing Board	H	Commercial and business acumen Innovative and managed risk taking	Achieve corporate new jobs and business growth targets for life of Asset Strategy Achieve corporate new homes targets for life of Asset Strategy
Support the delivery of new business growth clusters along the M1 corridor	Business Parks Project Board Job and Growth Board	H	Commercial and business acumen Innovative and managed risk taking	Achieve corporate new jobs and business growth targets for life of Asset Strategy Achieve corporate new homes targets for life of Asset Strategy
Support the delivery of Property Investment Fund (Phase 2)	PIF Project Board Job and Growth Board	H	Commercial and business acumen Innovation and managed risk taking	Achieve corporate new job and business growth targets for life of Asset Strategy Build strong and lasting relationships with developers
Support the delivery of Residential Investment Fund	Strategic Housing Board Capital Oversight Board	H	Commercial and business acumen Innovative and managed risk taking	Achieve corporate new homes targets for life of Assets Strategy Build strong and lasting relationships with developers and review opportunities for joint working and joint ventures

Free up more land for housing development	Strategic Housing Board Capital Oversight Board Joint Assets Board	H	Commercial and business acumen Innovative and managed risk taking	Increase the supply and choice of housing sites Build strong and lasting relationships with developers and review opportunities for joint working and joint ventures
De-risk large housing development sites by developing masterplans for sites and fully serviced plots	Strategic Housing Board Capital Oversight Board	H	Commercial and business acumen Innovative and managed risk taking	Increase the supply of ready to develop housing sites throughout the life of the Local Plan
Support the development of mixed use/ residential town centre sites owned by council (Courthouse Southern Gateway & Berneslai Close)	Town Centre Board Capital Oversight Board	H	Commercial and business acumen Innovative and managed risk taking	Achieve corporate new jobs and business growth targets for life of Asset Strategy Achieve corporate new homes targets for life of Asset Strategy
Support the Principal Town Centre proposals	Town Centre Board Capital Oversight Board Joint Assets Board	H	Commercial and business acumen Innovative and managed risk taking	Achieve corporate new jobs and business growth targets for life of Asset Strategy

Key Theme 3: Communities		Build strong and inclusive communities using Asset-Based Community Development. Galvanise the strengths that already lie within communities to bring people together.		
We will	Delivered through	Priority H, M, L	Future Council Focus Area	Key outcomes and success criteria
Facilitate community use and ownership of assets	Capital Oversight Board Voluntary & Community Sector Strategy	H	Working with our partners, communities and residents Customer focus Innovative and managed risk taking	Community empowerment A sustainable third sector Social enterprise and economic development Assets of Community Value Transfer of Community Assets Development of Trusts / Delivery vehicles
Support the implementation of the future libraries strategy	Capital Oversight Board Future Libraries Strategy	H	Efficient delivery of projects and programmes Commercial and business acumen Innovative and managed risk taking	Minimise the operating costs of libraries Other opportunities with buildings and co-location Asset transfer to support community use Library premises are in good condition and there are no urgent condition defects
Support the delivery of community hubs and the Barnsley Deal	Community Engagement Strategy	H	Working with our partners, communities and residents Customer focus	Community empowerment A sustainable third sector Social enterprise and economic development Assets of Community Value

ABCD	Health & Wellbeing Board	H		
Community Safety	Community Safety Partnership	H	Working with our partners, communities and residents Customer focus	Safer Neighbourhood Services Town Centre Security Community Cohesion
Develop Better Barnsley Bond and new community benefits initiatives between the council and its communities, and the community benefit society	Capital Oversight Board Voluntary & Community Sector Strategy	H	Working with our partners, communities and residents Customer focus Innovative and managed risk taking	Create community cash funding to be spent on local projects Community empowerment A sustainable third sector Social enterprise and economic development
Cultural assets	Capital Oversight Board	H	Working with our partners, communities and residents Customer focus	Development of Trusts / Delivery vehicles
<u>Health & Wellbeing</u> All Age Early Help Strategy Extra Care Review Supported Housing Changes	Health & Wellbeing Board	M	Working with our partners, communities and residents Customer focus Innovative and managed risk taking	The Council has always recognised that it needs to engage with partners and has had a good relationship with the Police and Fire Services for a number of years in relation to the management of both its own and their assets. Over recent years, the relationship with health and care organisations has realised more opportunities. This has led to a number of joint initiatives and programmes such as LIFT, and new feasibility work being undertaken into joint public service provision from shared assets.

Key Theme 4: One Public Estate		<i>Support joint working across the public sector organisations to release land and property and boost economic growth, regeneration and integrated public services</i>		
We will	Delivered through	Priority H, M, L	Future Council Focus Area	Key outcomes and success criteria
Continue to support Sheffield City Region initiatives and chairing of the SCR Heads of Property Group	SCR Joint Assets Board Heads of Property	H	Commercial and business acumen Innovative and managed risk taking	Engagement with and building relationships with blue light services (Police / Fire / Ambulance) Engagement with and building relationships with the health sector partners (CCG / CHP / LIFT / SWYFT)
Masterplan the One Public Estate site which is in multiple public ownerships – will deliver new public facilities, a new fire station and new housing of mixed tenure	SCR Joint Assets Board Heads of Property	H	Commercial and business acumen Innovative and managed risk taking	Achieve corporate new jobs and business growth targets for life of Asset Strategy Achieve corporate new homes targets for life of Asset Strategy
Review of town centre accommodation will allow for wider opportunities to work with the clinical commissioning group, health trusts and public sector bodies to share buildings and reduce revenue costs	SCR Joint Assets Board Heads of Property Town Centre Board	H	Commercial and business acumen Innovative and managed risk taking	This work involves exploring rationalisation proposals, which will include other public and third sector assets to see whether colocation can achieve synergies of service provision and save revenue costs. Could also involve the release of buildings for re use / redevelopment Achieve corporate new jobs and business growth targets for life of Asset Strategy
Work with local health trusts to review their asset bases, which will allow for sites / properties to be released.	SCR Joint Assets Board Heads of Property	M	Commercial and business acumen Innovative and managed risk taking	Development of an exit strategy from these sites which will allow the relocation of staff / services. This will allow for surplus assets to be sold and investment where required in modern fit for purpose accommodation.

Delivery of a masterplan / vision for the Barnsley & Dearne Valley Smart Growth programme. The Sheffield – Barnsley – Wakefield-Leeds rail corridor is included as a national city regional priority for enhanced rail, road and active travel infrastructure investment.	SCR Joint Assets Board Heads of Property Local Plan	M	Commercial and business acumen Innovative and managed risk taking	Achieve corporate new jobs and business growth targets for life of Asset Strategy Achieve corporate new homes targets for life of Asset Strategy Improved sustainable transport and improved connectivity
Support the delivery and master planning of sites which are not attracting interest from the market. Consideration will be given to working with other public sector bodies to develop community led schemes	SCR Joint Assets Board Heads of Property Local Plan	M	Commercial and business acumen Innovative and managed risk taking	Mixed use development opportunities that could include specialist / non-market housing solutions / medical facilities or day care centres. One Public Estate monies will allow for these types of schemes to reviewed and assessed
Agree a strategy to accelerate and promote digital & agile working across Health & Wellbeing Board members organisations	SCR Joint Assets Board Heads of Property IT Strategy Customer Service Strategy	M	Commercial and business acumen Innovative and managed risk taking	Implementation of Govroam to allow flexible working across part Digital by Default customer contact through CSI Programme and delivery of IT Strategy Transparency Agenda All assets mapped on SHAPE / ePIMS

Key Theme 5: Office Accommodation & Workstyle		<i>Ensure that our accommodation supports flexible/ agile working</i> <i>Provide reliable and efficient technology to mobilise employees and enable better more efficient ways of working</i>		
We will	Delivered through	Priority H, M, L	Future Council Focus Area	Key outcomes and success criteria
Work with business units to envisage and further develop Workstyle profiles and new standards overlaid with future opportunities	Organisation Improvement Strategy	H	Commercial and business acumen Flexible workforce	Increased occupation levels Agile workers
Reduce the need for office based working	Organisation Improvement Strategy	H	Commercial and business acumen Flexible workforce	Agile workers
Optimise the use of office accommodation (As we fit more employees into less space, we have to ask how we can deliver a comfortable environment – densification impacts HVAC and electrical capacity in office buildings and local parking ratios)	IT Strategy Organisation Improvement Strategy	H	Commercial and business acumen Flexible workforce	Increased occupation levels Hand back of third party leased accommodation Increase home working though more reliable technology and improved communication tools Comfortable working conditions
Support the development of a community hub approach to area based accommodation	Organisation Improvement Strategy	M	Commercial and business acumen Flexible workforce	Increased occupation levels Agile workers
Agree a plan to accelerate and promote digital & agile working across the council	Organisation Improvement Strategy	H	Flexible workforce Learning	Operational excellence, cost-savings and Return On Investment (ROI) Continued development of employee self-service tools

	IT Strategy		Organisation	available through any device Improved remote access for employees to encourage remote working.
Review staff car parking provision	Organisation Improvement Strategy	M	Commercial and business acumen Flexible workforce	Agile workers Comfortable working conditions
Provide appropriate flexible ICT hardware that will allow our workforce to access systems and information when required	Organisation Improvement Strategy IT Strategy	M	Commercial and business acumen Flexible workforce	Agile workers Increase home working Delivery of the IT End User Device Programme and Unified Communications project
Introduction of new asset management system	Capital Oversight Board IT Strategy	H	Efficient delivery of projects and programmes	Planning and implementing digital asset migration
Ensure we comply with legislation and respond to risk	Capital Oversight Board Organisation Improvement Strategy	H	Efficient delivery of projects and programmes Innovative and managed risk taking	Fire safety Asbestos policy and management plan Water hygiene plan Equality Act 2010 access to buildings and services Energy Performance Certificates (EPC) Staff safety Heat Network (Metering & Billing) Regulations 2014 Management of third party assets

Key Theme 6: Energy Management		<i>Minimise our energy consumption</i> <i>Promote energy efficient design in new and refurbished buildings</i> <i>Promote renewable energy and low carbon technologies</i>		
We will	Delivered through	Priority H, M, L	Future Council Focus Area	Key outcomes and success criteria
Implement an energy policy for our assets to optimise energy performance and reduce usage and carbon emissions	Energy Strategy Carbon Management Group	H	Commercial and business acumen Learning organisation	Reduce CO ₂ emissions from our operations by 30% (from 2013 baseline) by 2020/21
Maintain an accurate energy, cost and CO ₂ reporting system linked to EDI data to access actions and progress towards energy efficiency targets	Asset Strategy Carbon Management Group	H	Commercial and business acumen Learning organisation	Minimise our carbon footprint by reducing energy use in building by 2% per annum (<i>greenhouse gas report</i>)
Maximise efficiency of operational buildings, plant & equipment and encourage resource efficiency behaviour from staff whilst at work	Capital Oversight Board Asset Strategy	H	Commercial and business acumen Learning organisation	Display Energy Certificates (DEC) benchmarks for building energy performance Avoid price increases for contracted electricity costs Raised awareness of energy efficiency amongst staff at all levels
Replace older types of lighting in our accommodation with efficient LED lighting on a rolling programme	Capital Oversight Board Salix Programme	M	Commercial and business acumen	Internal rate of Return (less than 5 years) Energy efficiency (-55% energy usage)
Explore opportunities to expand the use of renewable technologies	Capital Oversight Board Energy Strategy	M	Commercial and business acumen	Generate 20% of the energy used in our operations from on-site renewable resources by 2020/21

	Carbon Management Group		Learning organisation	
Implement initiatives that will help families experiencing fuel poverty	Energise Barnsley	H	Commercial and business acumen	Improved energy performance in the Council housing stock
Cost effective procurement of Energy	Asset Strategy Energy Strategy	H	Commercial and business acumen	Operational excellence, cost-savings and Return On Investment (ROI)
Ensure compliance with Minimum Energy Efficiency Standards from April 2018 for all our Estate	Capital Oversight Board Asset Strategy	H	Commercial and business acumen	Energy Performance Certificates (EPC) benchmarks for building energy performance Raised awareness of energy efficiency amongst staff at all levels