

Strategic Asset Management Plan 2017-2022





Foreword

I have pleasure in introducing this Strategic Asset Management Plan for Oxfordshire County Council.

This Plan will address the ambition and key initiatives the Council will adopt for the use and management of property and the role that it can play in delivering a Thriving Oxfordshire. This is a refresh of the Council's rolling 5 year Plan which will be in effect from 2017 to 2022.

The Plan looks forward to 2022 by which time there will undoubtedly be a different operating environment for the Council. The Plan will be reviewed annually, but will be sufficiently flexible in its approach to cater for the transformation work being currently undertaken by the Council. The Council sees property as a key enabler in the drive for change and forward direction of public services.

The Council will continue to realise our vision for a Thriving Oxfordshire where all of us have the right to live in safe and successful communities. This means providing the basis for all to prosper while we support the most vulnerable, feel the benefit of our continued economic growth and enable people to live independent lives and access our services within the community.

Assets must work hard for Oxfordshire, whether they are used in the delivery of day to day services, to facilitate how the Council works, held for investment or future development, or as contributors of value to the provision of public services in a climate where central government financial support is diminishing and the Council is on the road to financial self-sustainability.

We aim to take a long term view and a strategic approach to working with partners and assets to deliver innovative solutions. Working with all sectors, whether public, private, academic, national, international or community based we will continue to deliver quality services to communities using property in the right way and at the appropriate time to benefit local people.

Signed by:

Cllr Lorraine Lindsay Gale
Cabinet Member for Property, Cultural and Community Services

A Picture of our assets

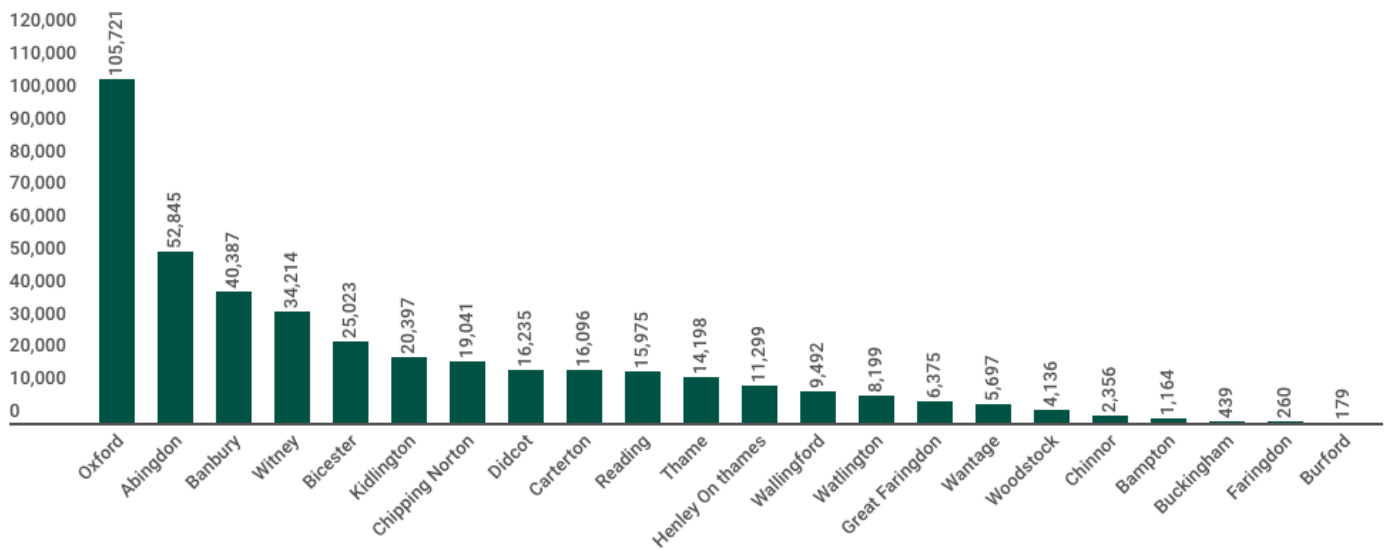
Primary allocation of our assets



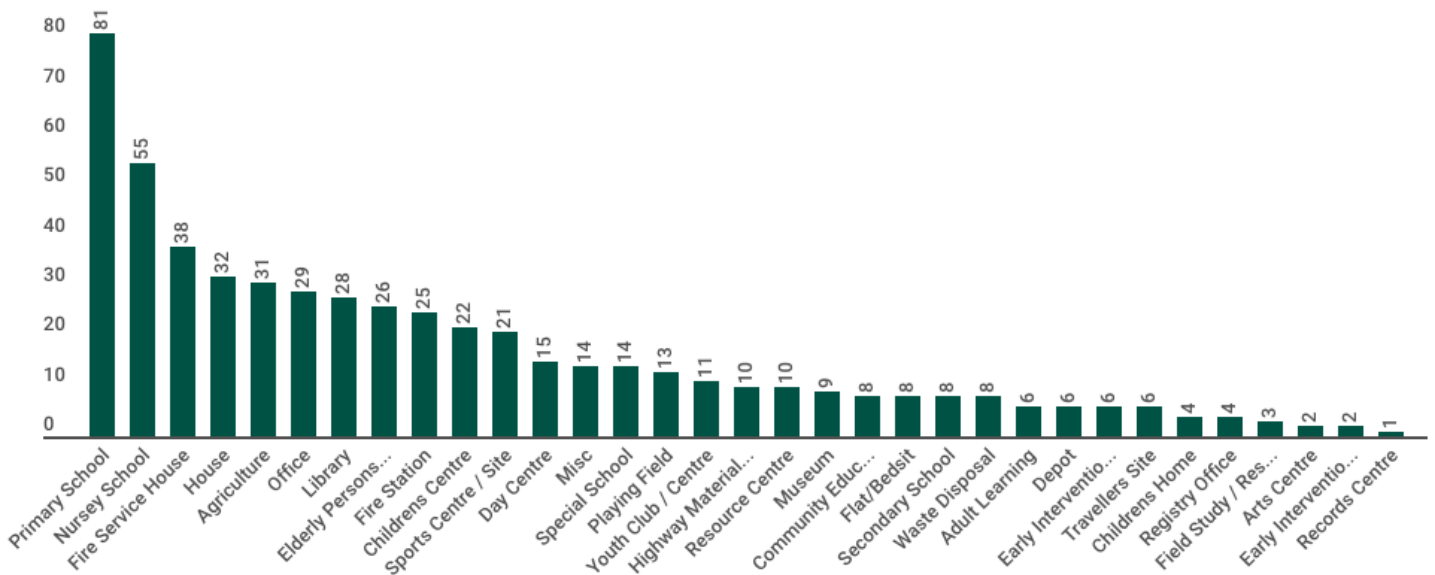
Replacement value of our assets



Where we are - our footprint by town and size



What we use our assets for



Shaping Communities

Oxfordshire County Council's property assets play a pivotal role in shaping the communities we live and work in. Our Corporate Plan seeks to realise a vision where local residents and businesses can flourish in a Thriving Oxfordshire where all have the ability to live and work in safe and successful communities.

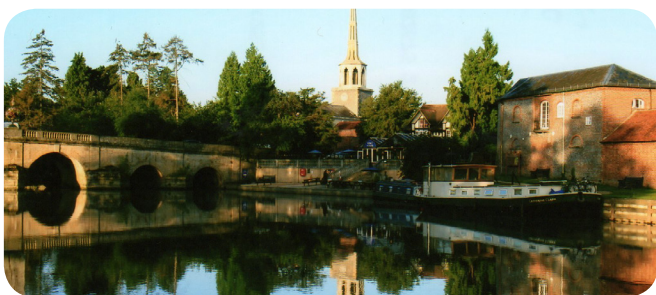
This ambition is set in a context of rising demand for public services and reduced public spending, emphasising the importance of optimising the use of our property assets to meet the needs of Oxfordshire people.

Our asset strategy will act as an enabler in achieving this vision allowing existing and future communities to prosper while we support the most vulnerable and ensure that the benefits of growth are shared.

Oxfordshire has a population of around **668,000** residents which is estimated to rise to **754,000** by **2026**. This increase will undoubtedly impact upon our services and our use of all resources, property included. While most of the future growth will occur in our urban areas, the county is the least densely populated county in the South East of England and will retain a substantially rural aspect.

The county has great strengths, including:

- A highly qualified workforce;
- A very attractive place to live and work with a high quality environment;
- Internationally significant cultural and heritage assets;
- Global leading research with firms working at the leading edge of technology;
- A large student population, providing recruitment opportunities for local firms;
- A buoyant labour market with the lowest Job Seeker Allowance rate nationally.



Oxfordshire communities however, face a number of significant challenges:

- Housing in Oxfordshire is amongst the least affordable in the country;
- New housing delivery is running behind the objectively assessed need, creating insufficient impact on availability and affordability;
- A rapidly aging population with a declining working age labour force;
- Pockets of social and economic exclusion, and deprivation especially in Oxford itself;
- A very tight labour market making it difficult for employers to recruit;
- Planned growth in the county will put increasing pressure on already strained infrastructure.

Our property portfolio has a significant role to play in enabling change in response to these challenges, whether building capacity for growth within our communities or in helping us as an organisation be as efficient as possible and deliver services the best that we can.

The Corporate Plan

Property is integral to all of our corporate objectives and this Strategy will work across the Council Corporate Plan objectives as follows:

Corporate Plan Objective	Property Strategy Will
Thriving Economy	<ul style="list-style-type: none"> • Optimise our property footprint • Unlock investment which enables and takes advantage of growth for wider public benefit • Use our assets to shape and make better places
Protecting Vulnerable People	<ul style="list-style-type: none"> • Develop facilities which provide an Oxfordshire solution to help vulnerable people • Share buildings with other organisations and partners delivering public services
Efficiency	<ul style="list-style-type: none"> • Work more flexibly • Dispose of properties that are not needed • Embrace digital solutions

Asset Management Plan & Property Strategy

To deliver the ambition set out in our Corporate Plan, property assets will be key to new approaches in delivering services to residents. Partly in response to the diminishing level of central Government funding the Council is on a path towards financial self-sustainability. This ambition also reflects that the Council feels it can drive out efficiencies and better public services through transforming the way it works and the way in which we better use public assets.

Our strategy includes:

1. Plans to optimise the property footprint we use for Council services based on a whole Council approach treating property as a valuable corporate resource. Our office and facilities strategy will closely align with our emerging workforce strategy to ensure our business estate matches the shape and needs of our organisation. Staff will work more flexibly, so requiring less office space and where possible share buildings with other organisations;

2. Unlocking investment and development opportunities from our existing estate. We will seek to engage in wider opportunities through which the Council recognises investment in property assets can play a significant role in shaping places, delivering services more effectively and realising financial returns which we can reinvest in communities and the services we provide;

3. Disposing of properties that are a liability, not needed, or will not generate an income.

Some of our assets are not required for public use and their disposal can release funds to support other service objectives;

4. Utilising public assets to develop an effective network of community hubs. We wish to develop a network of 'front doors' for the public to access our services. The Council is a substantial organisation, providing a range of services used by all residents, including some of the most vulnerable people in our society, and delivering approximately 80 per cent of Local Government services within the County.

Government plans to change the way Councils are funded provides an opportunity to reshape the nature of local government and its relationship with local communities. Our unitary ambition includes much closer working with local communities and this Strategic Asset Management Plan (SAMP) can play a major role in facilitating and sustaining this new relationship.

Transformation

The Council's Transformation programme will change the way it delivers services and recognises the need to achieve greater efficiency gained through corporate-wide innovation of services. This transformation will build on what is already working well. These will be delivered to the targets and dates as set out and managed through the Transformation Programme Board.

Our Property Strategy will implement several strands of the Transformation Programme as follows:

Transformation Workstream	Property Response
<p>Digital First</p> <p>A more efficient On-line service allowing customers access on a new digital platform.</p>	<p>A more efficient footprint, altering the way that a property is used and managed as well as the size and shape of the estate with a positive impact upon budgets and support to the community.</p> <p>Specific Outcome: We will explore the use of our existing properties which may be developed into key community hub facilities.</p>
<p>Business Efficiency</p> <p>A lean management initiative that streamlines processes, reduces duplication through new structures and improving decision making.</p>	<p>Leaning management and decision making ensures informed and evidenced based decision making is more relevant and timelier to the benefit of improved pace of change.</p> <p>Specific Outcome: We will review the governance associated with investment decisions and seek efficiencies in our working relationship with Carillion.</p>
<p>Workforce Strategy</p> <p>Ensuring a flexible, agile and motivated workforce with high calibre people reflective of our communities.</p>	<p>To ensure a secure, safe and healthy environment in our facilities and hubs where staff feel valued and motivated.</p> <p>Improving the balance of the housing market to encourage the opportunity for our staff to live, work and contribute to Oxfordshire communities.</p> <p>Specific Outcome: We will review the Council's Office Strategy in 2017/18 to reflect the changes being promoted through the emerging Workforce Strategy.</p>
<p>Customer Journey – Front door</p> <p>Developing the Council's customer service and focus providing greater engagement at the front door as well as empowering staff.</p>	<p>An alteration in the demands on space reflecting both altered layout and facilities management. A beneficial impact on the profile of property as the 'Front door' in providing a sense of 'the place to go'.</p> <p>A consequential improvement in the purpose of property in the community, estate location, footprint, and management arrangements with more shared-with-others occupation.</p> <p>Specific Outcome: Office Strategy complete in 2017/18.</p>
<p>Place reviews and Strategies</p> <p>Improving community performance through promoting cross agency service delivery.</p>	<p>Bring the skill sets of good practice from elsewhere, and ability to challenge and reduce the costs in use of the whole service delivery public estate as part of shaping our communities.</p> <p>Specific Outcome: We will undertake a minimum 10 place reviews in 2017/18.</p>

Key Initiatives

The key initiatives to support the strategy are:

Optimising our footprint

The Council will continue the work to optimise the occupational footprint taken up by our operations. Where appropriate we will use property to foster the growth of local and voluntary organisations in service delivery and recognise community 'Right to Bid' for the provision of services.

Engagement with the Transformation

Whilst seeking to optimise the estate, we will work to implement various aspects of Transformation. The programme will support this through better digital platforms to allow customers to access services. The same optimising impact is derived through the promotion of agile working for all our staff.

Asset development

For many years the Council has encouraged private sector development of assets that became surplus to requirements by preparing them for early sale in the market.

This has enabled OCC to realise some £62m of capital value over the last 10 years from the disposal of around 100 properties.

By adopting a more rigorous protocol the Council will strengthen its hierarchy of options appraisal before disposal of an asset.

The Council will now seek greater certainty and pace over ensuing development activity by engaging more actively in place-making initiatives in order to more closely align asset realisation with local and strategic needs, such as the supply of housing (market, key worker, extra care) in Oxfordshire.

The Council will ensure that by improving its asset development programme it improves its own financial position and brings forward supply more quickly.

Investment

The Council has not historically had a policy of direct investment in income producing assets.

It therefore, has a low level of third party income, and will now develop a programme of investment to secure revenue in a way that will enhance the resilience and independence of the Council.

We will develop a diverse portfolio of assets that can generate income to support wider Council objectives, including financial stability. Whilst the focus will be on acquiring and developing assets here in Oxfordshire, the geography of our asset attainment will not necessarily be confined to the county.

Place Strategies

The Council will develop an inclusive set of Place Strategies. Our focus will be on major urban centres where there is the most scope for positive change and the number of these completed and implemented will be directly related to our available resource. We anticipate having 10 place strategies completed for implementation in 2017, but within this programme there will be priorities agreed and developed based on opportunity, available finance and local support as these strategies will be developed with local members directly involved.

This approach to viewing community performance will promote cross-agency service delivery work to reshape the estate at lower operating cost. This will release resource into public service delivery and support initiatives to improve the self-sufficiency of communities.

Housing

As a strategic authority, the Council recognises pressures in the housing market and has for many years encouraged the bringing forward of surplus assets for housing. With appreciation of the current pressures shaping the market and with the extent of population growth envisaged over the next few years the Council will play a more assertive role bringing forward schemes, managing participation in the development process and securing a balance of 'end occupancy' for our communities.

The Council has a development pipeline derived from its strategic land holdings and through work to optimise its operational footprint. It is actively promoting this and exploring bespoke delivery mechanisms to acknowledge the risk/reward balance for each. In the first instance this will bring forward more housing to address the structural housing deficit in Oxfordshire, as well as acute needs in specific places.

This will contribute to capacity building for our communities, reducing pressure in the housing market. A more affordable housing market will support the delivery of better public services.

Health and Social Care

Significant change is in train for service delivery in both health and social care sectors.

The pace of change for both sectors is expected to rise over the period of this plan. At a time of revenue and capital pressure the Council will play its part in the integration and realignment of this important sector.

From a property perspective the Council and its partner Carillion will act as a facilitator and provider of change capacity in both Local Government and the Health Sector as Sustainability Transformation Plans and provision plans develop. The aim of our effort will be to bring about investment in more suitable facilities at reduced cost.

One Public Estate

One Public Estate is a cross agency programme of change promoted by central Government. All Councils and local government bodies in the county support the principle.

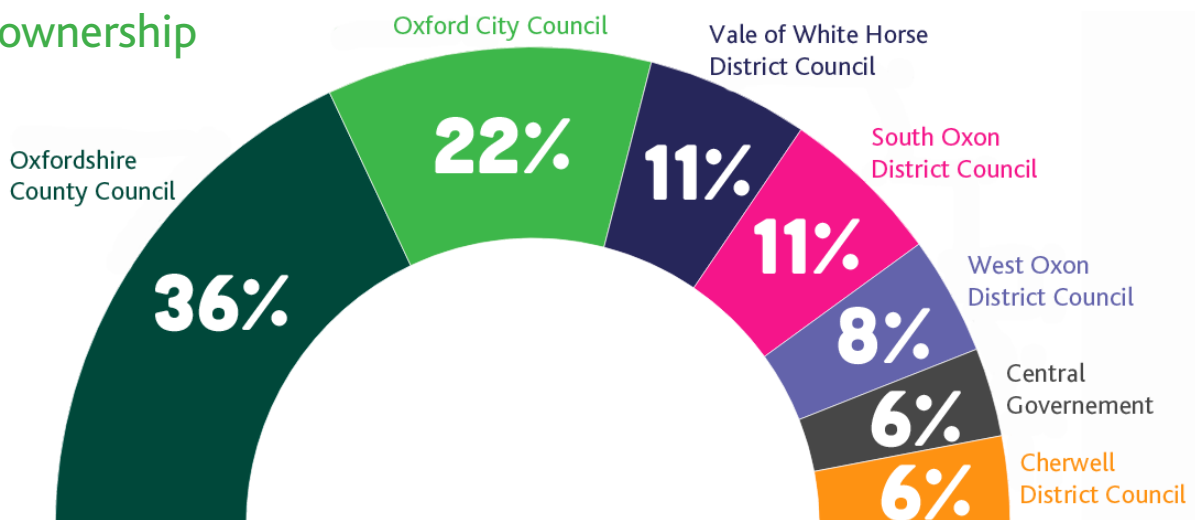
Progress will be more readily made on this initiative as the changes of the shape of Local Government for Oxfordshire becomes clearer.

The 'Unitary' debate focussing on the better shape of service management, service delivery and democratic engagement in the county will continue through the period of this plan.

In the meantime 'Blue Light' service alliances are formed and the county holds an electronic database of all Local and some Central Government assets in the county.

This database is a key enabler to informed and evidenced based decision making and the Council is in a position to apply both this data and supporting resource to this initiative. This will be done in the short to medium term as part of our place-based reviews and strategies.

Public ownership



Asset Management

In common with most County Councils, the management of our estate covers both corporate and schools assets.

Currently, the corporate estate is used to support service delivery through either direct or indirect occupation and to a small extent held for strategic land, cultural and heritage purposes.

Indirect occupation embraces the use of shared space with partners.

The Schools Estate directly supports the operation of schools and where a former Council owned and operated school has converted to an Academy the underlying land remains with the Council.

Both corporate and schools estates will change over the period of this plan with a far more dynamic change in respect of the corporate estate as we realise the potential to use property to drive change through the organisation and our service delivery.

The Corporate Estate absorbs around 5% per annum of our Corporate Budget and with the Council establishing a path towards financial self-sustainability, this presents an important opportunity for property, as a resource, to make a positive contribution to the resilience and robustness of the Council.

The Council has a Schools Estate that supports a vital purpose for our communities in education delivery, and the promotion of a skilled workforce.

The property and facilities management operations for the schools estate differ from school to school according to the type of school, for example whether an Academy or Diocesan School.

The Council is also custodian to many of the County's cultural and heritage sites that make up Oxfordshire's rich history including the Castle Complex and Mound, Cogges Manor Farm, The Mill, Banbury and a host of listed schools.



The Oxfordshire County Museum supports over 40 independent museums and hosts some of the country's most important historical artefacts and archaeological remains.



The County's network of 43 libraries serves both our largest conurbations and many of our most picturesque villages.

By maintaining and managing these assets we preserve the county's rich heritage so our residents can develop a sense of identity and pride of place and our visitors enjoy their international significance.

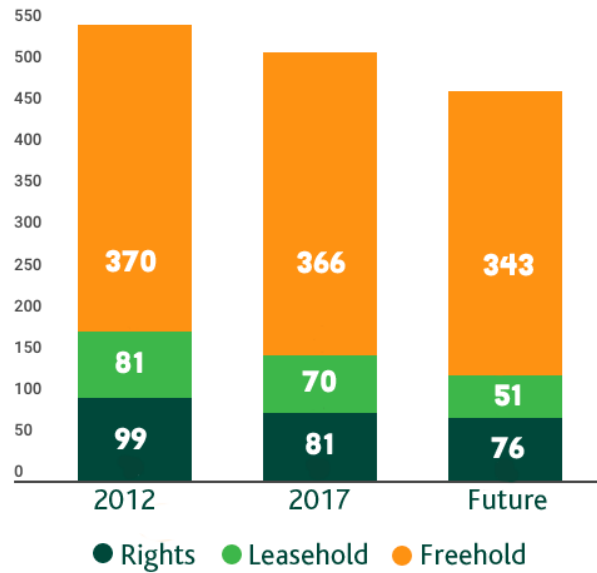
The Corporate Estate

The present Corporate Estate has been reducing and operationally is expected to reduce further.

Over the last 10 years the Council has realised disposal of over 100 assets. The current estate now comprises 334 freehold assets, and 73 leasehold assets with a number of additional rights, such as licences, wayleaves, access and overage, as well as easements.

For management purposes the property assets held in the Corporate Estate portfolio are distinguished between those held for operational purposes, i.e. used directly by a service for the delivery of a service and others held for long term strategic reasons, such as to support others in the provision of a community service or to facilitate wider strategic aim.

Our estate management will change as our operational estate reduces and our investment and development emphasis increases.



The Schools Estate

The Council's Schools Estate is managed in response to the changing service needs, including the role of the Council in delivering the strategic need to have sufficient school place provision throughout the County. There are many examples of the need to change the estate in response to changing demographics and population, as well as the academies programme.

As the population rises, school place provision increases. There is a responsive programme of capital investment in the Council's existing schools. However, national policy favours Academy and Free School initiatives.

Where a School 'converts' to an Academy the buildings and operations transfer away from the Council to the Academy, but the land is retained by the Council. Thus, the overall number of assets within the Schools Estate remains, but the balance shifts.

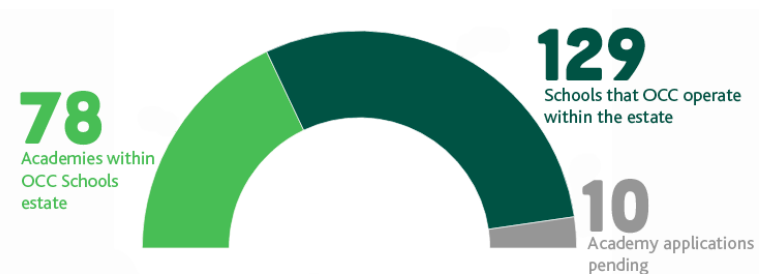
The Council's Schools Estate will become more intensively used to support additional school spaces but the number of Council-owned and operated schools is likely to fall.

There is a real challenge to manage, along with schools, the historic and emerging maintenance requirements for an ageing estate. We will be reviewing our approach to maintenance in 2017.

The expansion of schools is an expense met by Central Government under a devolved funding arrangement or paid for through developer funding of S106 agreements and management costs aside should therefore be neutral to Council budgets.

The currently envisaged future pattern is shown in the chart below:

Future schools estate



How the property service is managed

A key part of our strategy is how we manage our property.

Our Strategic Asset Management Plan supports the Corporate Plan and runs alongside other key strategic documents, such as the Medium Term Financial Plan. It is also complimentary to the business plans of each service.

The Strategic Asset Management Plan addresses the principles and key initiatives the Council will adopt for the use and management of its property to ensure:

- Property is joined up with others in trying to achieve the same things
- Property thinking adopts a localities approach to early intervention in service design and delivery to help our most vulnerable residents communities improve
- We are clear, commercial and caring in our approach to users, staff and suppliers
- Decisions are made upon the best available evidence and in a timely and efficient manner
- Active engagement across the Council and its partners so as to provide the best possible chance to add value

The very nature of property provides an ambition to lead change in the cross cutting nature of service delivery and the contribution property can make to a Thriving Oxfordshire.

“Working together will have an organisational impact upon managing the performance of the Council”

How we will work

The County Council currently has in place a range of governance measures which ensures decision making on property is carried out in an appropriate and auditable manner and in line with the Council's constitution.

However going forward it is proposed to amend these arrangements to reflect the way the Council wishes to manage its property in the future to have greater focus on property matters and improve its ability to make timely and effective decisions whilst still complying with Council financial regulations.

These changes which may include the establishment of a property board will be vital to allow a more commercial approach to be taken by the Council in the way it develops and manages its assets. New Governance proposals will be developed as part of the Council's strategy on investment and development and will be taken to Cabinet for approval in due course.



Corporate Landlord

The council adopts a central Corporate Landlord model to ensure a central point of property policy and performance and a corporate wide view is taken.

The Corporate Landlord is custodian of the property budget and all aspects of our partnerships and working relations with those outside of the council as well as those inside, staff, employees or those to whom we owe a duty of care.

The council's strategic partnership with Carillion was entered into in 2012 and emanates from an appraisal to implement a fundamental change in the council's role and how services should be delivered

during a period of unprecedented change within the public sector, including reduced funding.

Based upon the principles of collaborative working, the contract covers a wide range of services including Capital Construction, Strategic Asset Management, Transactional Estates, Energy, Facilities Management, including Cleaning and Catering, Repairs and Maintenance of all buildings and Health and Safety in relation to staff and buildings.

Property is well positioned to complement the work of services and to support and encourage change through engagement.

Measuring Performance

With continued pressure on our finances, the public sector needs to work and operate differently. Over the years we have found better solutions to support our communities and part of this is making sure that our assets enable the delivery of services in the right place, at the right time, to the right people and to the right quality. With continued pressure on our finances, the public sector needs to work and operate differently. Over the years we have found better solutions to support our communities and part of this is making sure that our assets enable the delivery of services in the right place, at the right time, to the right people and to the right quality.

Our property strategy has four complementary objectives:

- Optimise our footprint
- Unlock investment and development value both within our estate and invest more widely to support place making, service and the financial position of the council
- Dispose of assets that are a liability or will not generate income and
- Utilising Public Sector Assets to develop an effective network of community hubs

The Council recognises the importance of performance measures and also the embedded nature of property and contribution it makes corporate wide. Our high level performance indicators are:

Our Objective	Our high level indicator
Optimise our footprint	Size and cost of occupation Efficiency of service utilisation
Unlock investment and development value	Income and capital creation Contribution to place making
Dispose where liability	Reduction in liabilities
Effective Network of community hubs in Public Sector Assets	Effectiveness of community hubs Public Sector Estate (shared use) view

We will articulate our property performance measures to support the strategic objectives and transformation programme wide and project by project to ensure alignment of our energy.

Performance on a range of property matters will be reported including progress on establishing an investment and development account, how our strategic partner Carillion is performing, health and safety and statutory compliance of buildings as well as how the Council is rationalising its estate. Performance will be reported to a number of different forums including Performance Scrutiny.

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