

Strategy & Partnerships Scrutiny Committee – 31 May 2012

Asset Led Locality Reviews

Purpose

1. In 2011 five asset led locality reviews were commissioned as a pilot programme by the County Council's property service. The purpose of this report is to understand where we are with the pilots and to be aware of the lessons learnt from them. It also provides an opportunity to explore issues that this Committee might wish to be taken into account as the work on asset led locality reviews is taken forwards.

The Activity

2. The pilot programme comprised five reviews - Berinsfield, Oxford (Blackbird Leys), Banbury (Neithrop), Bicester and Didcot.
3. In each instance the review begins by establishing the geographic area and what public sector assets exist. Then 'straw men' concepts of potential opportunities such as co-location, redevelopment, disposals and the like for challenge are drawn up.
4. A review meeting is then held with the local members to share the information and using their local knowledge seek their views on:
 - Whether known public assets had been omitted;
 - Whether some of the assets were poorly used;
 - Potential opportunities arising from the rationalisation of the asset portfolio
5. Using the outcome of that discussion further 'straw men' concepts are developed and reviewed to establish
 - Deliverability
 - Payback period
 - Delivery timescales
 - Benefits
6. In this way concepts are identified that warrant further investigation. Engagement with partners, service teams and other enables their views to shape the way forward.
7. Once the participation exercise is completed conceptual solutions are produced which form the basis of an Initial Business Case which is taken to the Capital and Asset Programme Board for approval. The project is then integrated into the Asset Rationalisation Programme for delivery.

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8. Feasibility studies are then commissioned to enable an Outline Business Case for a solution to be prepared. This enables potential savings to be identified, the level of capital investment required and means by which the work will be funded (possibly through direct funding, release of capital receipts and/or partner contributions).
9. If approved design development takes place to enable tenders to be gained and final costs are presented as a Final Business Case which enables a contract to be let to implement the work. Once the project is complete any consequent disposal of surplus assets can take place.

Progress to Date

Berinsfield

10. A design is being developed for co-location of the library and an information centre within the space previously used by the Youth Service (which is still used occasionally by the new early intervention service) which could then be integrated within the District Councils Leisure Centre to mutual benefit.
11. Opportunities to utilise space vacated by the library for other public services which enable other existing premises to be released is being reviewed

Blackbird Leys

12. We are working with the City Council to develop a programme of regeneration projects which account for County Council ownership and co-location opportunities together with Oxford and Cherwell Valley College. The project has now become part of the wider partnership working encompassed by the Oxford Regeneration Programme Partnership. A desk top study has been briefed to review the potential of co-location of services within the Leisure centre

Banbury

13. The review focussed upon opportunities arising from joint District and County Council assets in the Wood Green/Neithrop area particularly around the Wood Green leisure centre. The conclusion was that opportunities existed for co-location of services as part of a wider redevelopment of the immediate area. Master planning and conceptual work is being jointly commissioned by the County and District Councils.

Bicester

14. The Bicester review demonstrated that a number of opportunities for co-location of services had already been identified – such as the potential to co-locate the library with the new civic centre. Discussions are on-going with the District Council project managers in this regard.

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15. The potential of a row of public sector assets including the fire station, county offices, redundant ambulance station, Magistrates court (being used as offices) and a police station has been integrated within the wider master planning work for Bicester.
16. The Police and Fire service have recognised that there may be benefits of co-location. This will be reviewed as planned growth of the town develops.
17. The future of the Garth (a historic building located in a park, owned by the Town Council and used as offices and meeting spaces) will need to form part of any future consideration. The building houses a County Council day centre and the register office.

Didcot

18. Work is on-going with the District Council to explore the potential to co-locate the library within the next phase of the town centre redevelopment.
19. Work is also on-going to bring forward options for asset rationalisation arising out of the review work. A capital receipt of £200k has been generated following disposal of a property to the Homes and Communities Agency. In addition a further two properties could be released.

Lessons Learnt to Date

20. Typical delivery timescales for property related projects tend to range from 3-6 months for opportunities which do not rely upon capital investment (e.g. office moves) to 2-3 years where design, planning consents, procurement and construction are involved.
21. The timescales to reach the delivery phase can vary considerably depending upon a number of factors including the complexity of the project, the number of partners and services involved, and the relationship with other proposals.
22. The experience of the pilot programme suggests that the level of resource required for an asset led locality review was higher than originally anticipated.
23. Pressures elsewhere in the property service – principally associated with the procurement of the new Property and Facilities contract and the delivery of Basic Needs programme – have meant that progress with the reviews has been slower than originally anticipated. For example, the Berinsfield review took place in August 2011. It is likely that the opportunities identified may not be fully realised until April 2014 at the earliest.
24. The number of assets held by the public sector in Oxfordshire is significant such that reviewing opportunities in a manageable way

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makes good sense. Engaging with members and partners in a structured way also brings added value compared to doing so in isolation.

25. The ideas which have come forward to date do bring real benefits and often bring opportunity to enhance the service as well as bring savings. However, the opportunities for 'quick wins' are perhaps more limited than might originally have been envisaged.
26. The reviews though have helped inform longer term thinking and supported the work of local partners. They have brought forward opportunities to support the asset rationalisation programme which in turn is helping to deliver the identified savings in the Medium Term Financial Plan.

Issues to Explore

27. Whilst the pilot programme of asset led locality reviews has yet to be completed the experience to date enables a number of issues to be identified which this Committee may wish to consider:
 - a) What is the best way of engaging with local members and other partners in undertaking an asset led locality review? Specifically:
 - The pilot programme has emphasised the critical importance of capitalising on the knowledge and experience of local members and yet there is a need to manage expectations in terms of what is deliverable within the available resources and timescales;
 - The greater the number of partners involved any project the more complex it becomes with consequential implications for delivery timescales.
 - b) If services are being co-located what is the potential to review the space requirements associated with service delivery? This issue could manifest itself in one of two ways
 - Co-locating of services enables new ways of working to be implemented which improve the customer experience but reduces the amount of space required;
 - Co-locating complementary services enables greater use to be made of shared space, however individual services may not have an identifiable 'home' as they may have at present.
 - c) How might the programme of asset-led locality reviews be refined to reflect the requirements arising from the Localism Act? Specifically, the Localism Act requires the district/city council to maintain a list of assets nominated by the community as of 'community value' which then would have specific requirements attached if they come up for sale. How might this impact on the council's property portfolio?

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- d) How might the asset-led locality reviews be used to identify opportunities to use the County Council's property asset portfolio to realise broader regeneration objectives?
- e) What priority should be given to completing the programme of asset-led locality reviews given that the resource implications are higher than originally anticipated? Should priority be given to undertaking reviews in the key strategic locations at the expense of 'tactical' opportunities that arise in the natural course of events?

Next Steps

- 28. A key requirement of the current Medium Term Financial Plan is to reduce the cost of operating the property asset portfolio. The appointment of Carillion as the new service provider for Property and Facilities will give access to commercial experience and knowledge to the benefit of the County Council.
- 29. As part of the new contract Carillion are required to commit resources that:
 - Bring forward business cases for asset rationalisation
 - Support the County Council's client function in undertaking locality reviews
 - Manage all property asset related data.
- 30. In this context it is timely to reflect on the outcome of the pilot programme of reviews to date with a view to refining our approach as part of the input into preparing the Directorate Business Strategy for 2013/14.

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