Property and Assets Strategy

OXFORDSHIRE COUNTY COUNCIL

1 Foreword

Oxfordshire County Council holds a broad range of properties and assets, which play a key role in the delivery of our services. From libraries to schools, office accommodation to fire stations, our buildings provide a network of access to essential public services for residents across the county.

The management of our estate is important in terms of service delivery, but it comes with a number of challenges. Many of our buildings require significant investment to bring them up to modern environmental standards – essential if we are to meet our net zero carbon commitments. Some of our buildings are not in the most convenient locations nor provide access to a wide range of our services, while some of our assets are under-utilised and are no longer required for their original purpose.

The investment required to meet these challenges is significant. To help us address this, we want to work with our partners to explore opportunities for co-location so that we can reduce our running costs, provide better access for our residents, and offer modern and inviting workplaces.

In addition to our service delivery sites, we hold community and investment assets, provide a maintenance service for our current schools estate, and build new educational facilities. These assets are essential – they provide valued local community spaces and quality schools for young people. In some cases, they also provide income or potential capital receipts that can be re-invested in service delivery and development.

Our reach is wide and we know the right investment in our buildings can enhance communities. It can also reduce our running costs, provide income and support our financial sustainability.

To deliver these benefits this strategy sets out an ambitious ten-year vision and a series of priorities for our various property portfolios and our service development. Putting service users and our workforce at the heart of our approach, we will seek to create and maintain an estate that meets our environmental and social objectives while creating welcoming and inspirational spaces for our residents and staff. We will invest in properties that support our long-term priorities, for example creating more placements for looked-after children to ensure local provision.

We intend to review this strategy periodically and produce a suite of key performance indicators to demonstrate progress. We will also work to improve the data we publish with regards to our property register and the performance of our buildings.

Councillor Calum Miller
Cabinet Member for
Finance and Property

Oxfordshire County Council's property and assets portfolio is a key enabler in achieving the council's long-term strategic priorities as well as supporting communities and the education sector through the provision of property services. Providing inspirational and diverse spaces helps us connect, collaborate and interact with customers and colleagues, and enables us to reach into communities to deliver services where they are most needed.

The purpose of this strategy is to set out a clear long-term vision for the council's estate and assets and a set of strategic priorities by which to shape and develop property, assets and operational activity. The strategy will be underpinned by a framework of key documents, plans and policies through which the vision and priorities will be delivered. The strategy sets out a direction of travel from which to further develop implementation plans and business cases and by which to base future investment and development decisions.

A long-term vision and strategy enables the county council to create transparency and consistency with regards to the decisions made, sets a clear framework for our wider place shaping and community leadership role and enables prioritisation of resources.

The delivery of the council's long-term strategic priorities sits alongside the requirements of the service to modernise and upgrade the existing estate and contribute to wider policy objectives, such as our climate action and accessibility commitments. Our property and asset portfolios must also change to reflect socio-economic and demographic change and emerging trends that shape the way in which council services are designed, commissioned and delivered. These changes drive new requirements in terms of both the technology we use and the places and spaces in which our services and activities are delivered.

This property and assets strategy is designed to deliver an efficient, innovative and accessible property estate for our workforce and partners into the future. The strategy directly supports our climate action objectives and aims to generate both social and economic value, through the provision of facilities that are valued by our partners and the use or disposal of assets to support the long-term financial sustainability of the council.

We have developed an agile service delivery model that supports our workforce to operate effectively. Our property strategy supports this new delivery model. Alongside services that are available remotely and digitally, accommodation will be provided in local spaces and community venues so that we can work with partners to deliver face-to-face services where they are most needed. And we will create flexible, collaborative and inspirational spaces for our staff and partners to work together to deliver better outcomes for residents.

3 Long-term vision

This strategy sets out the council's ten-year ambition for its property portfolios, driven by the need to repurpose the estate to enable new ways of delivering services, agile working and the decarbonisation of buildings. The strategy will support the delivery of council priorities as set out in the corporate strategy, council services and financial sustainability. Where possible property and assets will be used to add social and economic value to Oxfordshire.

The county council's long-term vision for its estate is:

To create an efficient, innovative and accessible property estate, which delivers our climate action objectives and generates social value for our residents, workforce and customers of the property service. Wherever possible we will use our estate to support regeneration and the long term financial sustainability of the council.

4 Summary of current assets and estates

Oxfordshire County Council owns around 900,000 m² of property assets across 909 sites across the county.

A significant part of this is controlled by third parties under long-term leasing arrangements, and therefore, whilst not within the direct control of the council, these assets produce around £2.9m per annum of income through 536 lease arrangements.

Oxfordshire County Council assets are divided between three portfolios: operational, community and investment assets. These must be managed and maintained with plans for each portfolio. Across all three portfolios many of our assets require sizeable investment to meet modern office, service delivery and accessibility standards as well as our environmental obligations and ambitions.
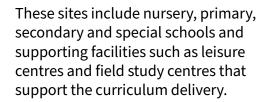
The operational portfolio

Corporate and office-based assets

These include buildings that provide our support service and office-based facilities.

13 sites

11,000 m² of buildings

Educational assets

These sites include nursery, primary, secondary and special schools and supporting facilities such as leisure centres and field study centres that support the curriculum delivery.

418 sites

607,000m² of buildings

Non-educational assets

These include buildings necessary to deliver services to the communities of Oxfordshire, such as libraries, fire stations, children and family centres and household waste recycling centres.

156 sites

69,000m² of buildings

The community portfolio

Community assets include buildings and land, most of which are leased out for community purposes, such as playgroups, recreation land, community-run youth facilities, community-led children's support services, scouts, voluntary community sector groups and other similar community-run facilities.

A community asset transfer policy provides the opportunity for transfer of these assets to the community where they are no longer required for operational purposes.

141 sites

23,000 m² of buildings

In addition to community assets the council also holds residential and care assets. These include buildings that provide accommodation for the elderly and have been leased out through agreements that enable the rent received to be used to deliver care provisions, provide housing for fire service personnel or provide land and facilities for the traveller community.

74 sites

53,000m² of building

The investment portfolio

The county's investment portfolio includes land and buildings, some of which bring opportunity for financial benefit as they are surplus to operational requirements.

These retained sites have been and continue to be promoted within local plans and form a large part of the disposals programme. Capital receipts are used to support the broader capital programme.

107 sites

5,700m² of buildings

Drivers of change

The nature of managing a complex and large property and assets portfolio is such that 'doing nothing' cannot be an option. The costs of backlog and managed decline in terms of the impact on service delivery and environmental performance alone require a planned response encompassing maintenance, investment in new facilities, disposal and modernisation.

More fundamentally management of the Oxfordshire County Council estate must also respond to wider drivers of change that encompass factors such as social and technological change as well as a clear focus on environment and financial sustainability.

Oxfordshire as a diverse county combines city and rural localities, with small market towns and areas of economic activity. In addition, there are areas of deprivation with regeneration and service delivery needs. Where services are delivered in person or face to face, the location of these services should be considered alongside size and requirements of local communities.

As a countywide organisation, the property portfolio should contribute to ensuring that residents feel able to access quality local services and accessible representation. As such the democratic seat of the county should be accessible to the public both in terms of place, quality of the building and technology.

Finally, where county council assets are used by voluntary and community sector organisations for wider community benefit or service delivery a community asset transfer policy should provide mechanisms for the transfer of these assets where certain conditions are met.

Drivers of change

Political and democratic factors

- Accessible and public seat of democratic decision making is required.

- Fairness in terms of community access (e.g. balancing rural and urban needs).

- Regeneration opportunities through investment and modernisation of assets.

Environmental factors

- A property estate that encourages active and public transport options and distribution of service delivery that minimises journey time, distance and frequency.

- The Climate Action for a Thriving Oxfordshire plan sets out the council's commitment to be a zero-carbon organisation by 2030. This will require the decarbonisation of the estate through a programme of rationalisation, release of buildings, improvements and cultural change requiring significant capital investment to deliver on the ambition to be a carbon neutral authority.

Social factors and service delivery

- Some assets are old, inaccessible and unsuitable for service delivery or operational use, either in their current configuration or due to their inherent design.

- Opportunities for co-location with partners that could further contribute to rationalisation.

- Investment required in facilities that provide better services for local people: children's homes, special schools, educational assets, adults' provision etc. Investment can contribute to more affordable local capacity and therefore reduce costs and demand (e.g., local placements for children).

- The requirements of a modern workforce result in an underutilisation of office space, as flexible and agile working combined with changing models of service delivery have reduced requirements.

Technological factors

- Using technology to track and manage the performance of buildings (SMART buildings).

- Paper lite and wireless technology requirements.

- Virtual and hybrid working.

- Asset tracking and management applications.

Legal factors

- Requirements to statutory services such as schools, waste and recycling centres.

- Requirements to dispose of assets in line with relevant legislation.

Economic and financial factors

- A dilapidated estate - Investment in many of the council's buildings has not kept pace with maintenance requirements resulting in a large backlog, with some mechanical and electrical systems now also nearing end of life and due for replacement.

- Lease expiry dates are approaching over the next 2-3 years requiring a decision on whether to renew the lease and providing an opportunity to reduce the office footprint and make savings on rent and other running costs.

Strategic objectives

The long-term vision for Oxfordshire County Council's property and estates assets is underpinned by six strategic objectives.

1

Facilitating service delivery

- Maintaining fit for purpose operational accommodation in suitable locations and creating places and spaces that support the effective delivery of public services.

- Investing in solutions to support outcomes for Oxfordshire residents using our adults and children's services and ensuring our operational estate is welcoming and accessible for service users.

2

Supporting Oxfordshire communities

- Working closely with our community and voluntary sector stakeholders to maintain facilities in key locations closer to our residents.

- Focussing on social impact and leveraging the role of our assets and activities in supporting community resilience.

3

Decarbonising our corporate buildings

- Developing and implementing a comprehensive approach to reducing the environmental impact of our estate, in line with our corporate climate commitments.

4

Enabling agile working and rationalisation of the estate

- Working to improve our existing operational portfolio by creating modern, flexible and functional workplaces.

- We will identify and rationalise underutilised workspaces and seek co-location opportunities with partners wherever possible.

5

Maximising our potential investments

- Undertaking asset performance review and investing in (or disposing of)assets to support the council's financial sustainability.

- Working to address legacy backlog maintenance and refurbishment to maintain the quality and value of the estate and where appropriate to generate income.

6

Investing in our schools

- Working to meet the increasing demand for pupil places through delivering new schools and improving existing assets.

Priorities: Operational portfolio

When considering future requirements for operational and service delivery properties the council favours a 'community hub model'. This essentially sets out the requirement for a 'core central office' and democratic facilities with community hubs and local access points that bring together children, families and adults services on single sites, moving away from existing underutilised and leased corporate offices and disparate front-line sites in the main towns.

This approach recognises the different geographies of the county, and the aim is always ensuring services are delivered effectively to the populations that need them, balancing office locations, community hubs and a spread of access points or community plus locations.

The approach reflects some national policy initiatives, for example the Department for Education funded hubs programme

Implementation of this approach will require long-term investment and an understanding of population patterns, travel distance and other factors such as repurposing existing assets will be considered as business cases are developed.

Democratic centre 'HQ / Corporate Services'

- Oxford's central location, historical significance, strong public transport links, access to a larger workforce and a range of facilities in the city mean it will continue to be the prime location for the council's main corporate office provision. A single corporate office is considered appropriate assuming the right location and size can be achieved.

- Agile ways of working and fewer days in the office per week on average mean commuting into Oxford is likely to become more viable for more people. Use of public transport to access the city will support the net zero agenda.

- The nature of the office workplace will need to change to support more collaborative, face to face working in line with the workplace design principles.

- There will continue to be a need for the democratic centre of the council to be in a central location and co-located with or close to the main corporate office HQ.

- Our democratic facilities could become a multi-purpose space for council and committee meetings with wider opportunities for events such as citizenship ceremonies.

Community hubs

- A move away from traditional offices towards community hubs in the main population centres would bring together children and families, adult and potentially other services in easy to access single locations in the main towns potentially aligned to key areas of deprivation.

- Community hubs could replace existing offices in the main towns, with a streamlined office provision alongside front-line services.

- As well as improving service access these community hubs could help to reduce travel, support regeneration and provide opportunities to co-locate services with partners.

Access locations – community plus

- Smaller customer access points – for example in the smaller towns. There is potential to repurpose existing libraries to provide additional local services.

- Additional mobile and digital services could support rural / emerging communities.

To deliver the long-term ambition for the community hubs model a business case for the current operational estate will be prepared. The objectives set out below will be used to inform the development of future options for the council's corporate and operational estate.

- Enable and support the council's **agile ways of working** across the county

- **Deliver workplaces that are a real destination for our customers and people**, supporting greater collaboration and staff well-being, in line with the workplace vision

- **Enhance physical customer access** to our buildings to drive improved customer experience

- **Maximise opportunities to co-locate our services and with our partners** where there are service synergies and revenue efficiencies

- Ensure our **building systems and standards are applied consistently** across our workplaces

- **Optimise the use of existing assets** where they meet or can be made to meet future requirements before considering any new provision

- **Reduce the council's exposure to leasehold accommodation** by consolidating within freehold sites where possible

- **Self-fund new investment** in the estate through sale proceeds and income generation as far as possible, whilst reducing overall premises costs

- **Significantly contribute to the council's carbon reduction targets** by minimising travel to work distances and investing in and modernising our buildings

- Where the market supports it, **release surplus space for income generation purposes** and to support the local economy

Educational assets

These sites include nursery, primary, secondary and special schools and supporting facilities such as leisure centres and field study centres that support the curriculum delivery. Investment and development will be prioritised through the Pupil Place Plan, the Special Educational Needs and Disability Sufficiency of Places Strategy and the conditions survey. These assets sit outside the community hubs approach.

Priorities: Community portfolio

Community assets are those used for non-operational purposes. They include buildings and land, most of which are leased out for community purposes, such as playgroups, recreation land, community-run youth facilities, community-led children's support services, youth and voluntary community sector groups.

The priorities within the management of this portfolio are to support policy objectives such as community use and social value whilst generating the best possible returns. A community asset transfer policy provides the opportunity for transfer of these assets to the community where they are no longer required for operational purposes.

Where opportunities are identified to generate income or enable re-investment in assets without the demand for the use of corporate capital funding the council may consider early termination of agreements where options to break exist.

With regards to residential and care assets, including buildings that provide accommodation for the elderly, provide housing for fire service personnel or provide land and facilities for the traveller community.

Priorities are:

1. To enable care facilities to be made fit for purpose through third-party funding.

2. To work with service commissioners to understand the timescales for the property being released by a provider and ensure strategies are in place to generate income or capital.

3. To consider the release of travellers' sites to third-party organisations should opportunities arise, particularly to district councils as part of their affordable housing mandate.

4. To enable the transfer of assets to support communities through the use of a community asset transfer policy.

5. To provide options for affordable community rents where appropriate.

Priorities: Investment portfolio

The county's investment portfolio includes land and buildings which are retained for investment and growth purposes (e.g. farms, land for development). These assets are managed to protect the long-term interests of Oxfordshire and maximise value while some bring opportunity for economic or social gain as they are surplus to operational requirements.

The priorities within the management of this portfolio are, wherever possible, practical and viable to:

1. Seek change of use through planning permission to enhance property or land value to maximise income generation opportunities.

2. Develop and invest in assets to maximise ongoing income generation, for example through leasing out.

3. Dispose of assets where development and subsequent lease isn't supported or commercially viable or where the capital receipt enables an alternative priority or opportunity.

4. Take a proactive approach to empty properties and underused assets to secure social or economic value through disposal, investment or transfer.

Investment activities may also be undertaken to support regeneration, town centre development or activities for social value such as keyworker or affordable housing. All projects to develop, acquire or dispose of investment assets are subject to the council's usual business case and capital governance arrangements.

8 Service delivery priorities

Delivery of the priorities and objectives across the estate requires an effective and customer focussed property and facilities management service. Service development priorities are:

Working with stakeholders to seek 'one public estate' including opportunities for co-location with partners.

Investment in technology.

Development and consolidation of the corporate landlord function.

Focus on customer service with an improved service desk function.

Investment in our property and facilities management workforce including 'growing our own' staff and the utilisation of apprenticeships.

Working with human resources to embed agile working principles in the development of our estate.

9 Implementation priorities

Implementation priorities for the next 12 months are:

1 Agree a road map for Oxford city centre accommodation and the rationalisation of office and operational accommodation across the county.

2 Develop costed business case to implement the agreed road map.

3 Plan to give up leased properties realising savings through rationalisation.

4 Plan to reutilise or dispose of key empty or underused properties across all the asset portfolios.

5 Develop options and feasibility for implementation of community hubs.

6 Ongoing delivery of decarbonisation programme.

Further action plans will be developed to reflect priorities across all portfolios set out in this strategy.

10 Monitoring, review and engagement

This strategy sets out a ten-year vision and is thereby aligned to the council's capital planning process. But it should be recognised that as markets, trends and demographics change the requirements of the various portfolios will also be subject to change, review and development. Likewise, opportunities for investment, disposal or co-location may arise that do not form part of the short-term plan and as such a pragmatic approach will be taken to ensuring that opportunities are not missed.

Monitoring

An annual report setting out progress and delivery will be produced, and the service will set key performance indicators to track performance. The county council's relevant overview and scrutiny committee will also be invited to monitor and review performance, relevant internal audit will be undertaken as part of the council's annual audit plan and the outcomes will be reported to the Audit Committee.

Strategic review

The strategy will be refreshed periodically (not less than once every two years) and stakeholder engagement will be undertaken as part of this review. The service will prepare annual plans to deliver the strategy and work within the council capital governance arrangements to ensure an effective capital programme is established.

In relation to the operational assets portfolio, it is expected that key internal customers or users of the service will set out their long-term requirements; this relates to assets used or required to deliver frontline services, for example the Pupil Place Plan or the Special Educational Needs Sufficiency of Places Strategy. These plans will be subject to their own development timeframes and the results will directly feed into the property strategy and its action plans.

Arrangements for ongoing engagement

The strategy has been developed through a review of the current portfolios, social, economic, demographic and workforce change and stakeholder engagement. However, it is recognised that long-term strategies are by their nature high level and that individual projects will also require specific consultation as they are developed. This may include various stakeholders such as elected members, service users, commercial partners, public or voluntary sector partners and on occasion may require formal consultation with the workforce and trade unions.

Consultation and stakeholder engagement will therefore be assessed and undertaken on a project-by-project basis as well as in terms of the wider strategy, considering the specific nature of each project and its location.

Each of the portfolios (operational, community and investment) will also have specific engagement requirements, for example community groups or schools, and these key stakeholders will be identified and engaged as appropriate.