

APPENDIX 1 - OUR CORPORATE LANDLORD APPROACH

Our Corporate Landlord Approach

The way the council manages its land and property assets is important. The council needs to ensure that its land and buildings are managed as corporate resources, the right stakeholders are involved, and decisions are made in the context of the council's priorities and objectives. Walsall Council has adopted a Corporate Landlord approach to the management of its land and buildings portfolio.

The Corporate Landlord model approach takes a more strategic approach to property and asset management across the council, bringing together property, facilities management and commissioning responsibilities into a key Enabling Service under the council's new functional model. This will ultimately enable the development and implementation of an estate that supports Walsall Proud Programme and the wider corporate objectives of the council.

The Corporate Landlord model approach ensures that Property shall be centrally managed and maintained as a corporate resource by the Corporate Landlord, with service directorates and maintained schools occupying corporate assets as 'Tenants'. This provides the best mechanism for driving a more strategic approach.

Walsall Council has agreed the definition for the Corporate Landlord model within the council which provides the new ways of working across Corporate Landlord Services: *"A corporate and strategic approach to the management of the council's estate, involving closer integration of property asset management and facilities management resources, and closer working with service directorates and partners on estate planning – supported by effective governance and decision-making."*

A fundamental principle is that all property is treated as a corporate resource such that decisions on the management, maintenance and funding of property assets must be taken in the interests of the council as a whole to ensure best value for the taxpayers of Walsall.

The overall aim is to enable more efficient and effective management of property, whilst optimising the estate and aligning it to the future delivery of council services"

The key principles of the Corporate Landlord model include:

Customer offering

- The ownership of an asset and the responsibility for its management, maintenance and funding is transferred from service departments to the Corporate Landlord, which is a centralised corporate body, with associated transfer of budget control.
- Adopting a greater strategic focus and business partner approach to work closely with service directorates and partners to better understand their asset needs.
- Alignment of the council's assets to enable service transformation and new ways of working, to supporting the council's economic growth priorities and drives income generation through an enhanced investment portfolio.

Processes

- Aligns to the end-to-end asset lifecycle with clearly defined accountabilities with responsibilities
- Contains sufficient controls to ensure that the council provides an estate that is healthy and safe, in compliance with statutory obligations and responsibilities.

Technology

- Single point of accountability for asset data /systems
- An asset management system that provides a single version of the truth on the council's estate

Information

- Enable robust data management to support effective strategic decision making across the estate
- Drive improved customer satisfaction through the definition of standards of service with effective performance management against Service Level Agreements

Organisation

- Integration of asset management, capital project and facilities management responsibilities and resources into a single business unit
- Increased strategic and project capacity and capability
- Help Property/ FM functions to be scalable and resilient to change
- Drive value for money in terms of internal resource and third party spend, with improved visibility and control of costs

People

- Retain, upskill and/or recruit the right people with the right skills and capabilities
- Retain a sufficient level of in-house expertise for intelligent supplier and contract management
- Retain a sufficient level of in-house expertise for planning, budgeting and programme management

Governance

- Adoption of a Corporate Landlord approach whereby 'all property is treated as a corporate resource such that decisions on property assets must be taken in the interests of the council as a whole to ensure best value for the tax payers of Walsall'
- Corporate capital/asset governance that supports effective decision making on council assets
- Corporate Landlord operates as a cost centre on an efficient basis with any surplus used to drive improvement in service delivery

Clarity

- Clearly set out responsibilities and expectations for all occupiers of council owned properties

The Corporate Landlord Model is an *Intelligent Client* model across Asset Management, Capital Projects and Facilities Management with a best-in-class supply chain supporting each functional area.

The Corporate Landlord strategic approach provides:

- A consistent, corporate and strategic approach in the way that the estate is managed
- Consolidation and better planning of property resources
- Elimination of duplications of effort
- Improved efficiency and better management of risks
- Clear and consistent policies and end to end processes for property
- Assurance that the property portfolio is safe and fit for purpose
- Consistently procured property related services
- Comprehensive understanding of the performance of the portfolio and its use to inform the strategic decision making

The Corporate Landlord's responsibility extends further to the acquisition, development and disposal of land and buildings.

The Corporate Landlord is responsible for asset planning, review, feasibility and options appraisal accounting for the needs of all service areas, but most importantly, making decisions based on overall corporate priorities.

In Walsall the Corporate Landlord is responsible for the following activities:

- Design and Project Management
- Statutory Compliance of Buildings
- Delivery of capital projects
- Energy Management
- Carbon Reduction within the property portfolio
- Management and Commissioning of Repairs and Maintenance
- Facilities Management (in relation to cleaning, catering, security, caretaking and area facilities officers)
- Estates and Valuation Services
- Strategic Asset Management Planning
- Planning and maximising the safe mode of occupation of our buildings in line with the office Accommodation Policy
- Management of the council's Investment Property

Occupation of Property

In order to achieve the policy objectives of the Strategic Asset Plan – to manage and maintain property effectively; and to promote joint working where it will provide benefit for service delivery and in securing efficiencies, Corporate Landlord will ensure that occupiers of property have a clear understanding of the basis of their occupation and the respective responsibilities and obligations on Corporate Landlord as building owner and the occupier.

Where council owned properties are occupied by third parties, Corporate Landlord will ensure that there is appropriate occupational documentation in place between the council and the occupier, including leases, licences or tenancies at will. These documents will clearly set out the terms of occupation and obligations on both landlord and tenant. Such documents will be prepared by either the council's conveyancing department or, where appropriate, external legal advisors under the instructions of Corporate Landlord.

Where a corporate building is occupied by either a council service directorate or a maintained school, it is not appropriate to document the occupation with a lease, licence or tenancy at will. Nevertheless, it is important that there is a clear understanding of the responsibilities of both parties in property terms. Accordingly, Corporate Landlord has prepared Responsibilities Documents for use with service directorates and maintained schools. These documents set out the respective requirements of "landlord" and "tenant" and can be found in Appendices 5 and 6.

This principle equally applies where council services are delivered from third party buildings. Corporate landlord will ensure that all such arrangements are appropriately documented to ensure clarity of responsibilities and to ensure the safety and wellbeing of council staff.

Scope of Corporate Landlord Model

The full range of Corporate Landlord responsibilities set out above applies to the council's operational buildings (excluding maintained schools). Corporate Landlord has prepared a Responsibilities Document for Service Directorates which clearly sets out the respective responsibilities and obligations of the Corporate Landlord and the occupier service directorate. This document template can be found in Appendix 5.

Schools

Due to the nature of schools funding, budgets for maintenance and statutory compliance are devolved to schools. Accordingly, the responsibility for undertaking this work is also devolved to schools. The detailed implications of this departure from the core Corporate Landlord model is set out in the Responsibilities Document for Schools (Appendix 6).

Land and Buildings held for Regeneration

The council purchases and owns some land and property in order to support its strategic regeneration aims for the borough. In such cases, the Corporate Landlord does take responsibility for the management of the property asset and it works closely with the Regeneration team in a client – advisor role to support their strategic activities and the delivery of the strategic purpose of the asset.

Due to the nature of regeneration projects, it is common for the asset to be held in the medium term during the delivery of the project. As part of the acquisition of such assets, the business case and financial modelling should include allowances for revenue holding costs of the asset during the life of the project.

Open Space and Operational Land

The responsibility for the maintenance and management of open space and operational land (eg parks and cemeteries) is vested in the respective operational service directorates (eg Bereavement Services, Healthy Spaces etc). Corporate Landlord provides advice and support to the responsible service directorate relating to estate management matters, including land encroachments, leasing and other disposals.

Buildings located within open spaces and operational land are managed by Corporate landlord working closely with the service area to ensure the maximisation of the utilisation of the buildings.

Specialist Assets

Historically, the scope of maintenance responsibilities for operational buildings has been limited to the core building and its standard plant and machinery. Where specialist plant and machinery is required to deliver service needs, the maintenance of these items has remained with the service directorate (eg swimming pools, crematoria). The Corporate Landlord model brings the maintenance of this specialist plant and machinery into the scope of the Corporate landlord through the continued use of specialist contractors where required.

Public Art and Sculpture Installations

Across the borough, there is a wealth of public art and sculpture installations located on council owned land, including parks and the adopted highway. Corporate Landlord maintains a schedule of these installations and is responsible for their periodic inspection and maintenance.

Maintaining our Assets

Maintenance and statutory liabilities are a major financial cost to the council and it is vitally important that we look after our assets and ensure that they are fully compliant and safe to use. Our overall strategy is to ensure that our finite and reducing maintenance resources are prioritised to appropriate buildings, where the money is needed most.

We are identifying these priorities by conducting a rolling programme of condition surveys which aims to understand maintenance requirements over a period of 10 years, with aspirations to complete lifecycle condition surveys on selected assets to cover a period of 25 years. This will enable a better-informed decision-making approach and maximise efficiencies by planning over a longer time horizon, instead of reacting to emergencies as they happen. Furthermore, the use of a planned maintenance approach allows the life of building assets to be enhanced through the incremental repair and replacement of building components rather than building replacement.

Our four key aims for Building Maintenance are:

1. To ensure our Buildings are safe and secure for the people who use them
2. To allocate funding to projects that will achieve the maximum positive impact
3. To achieve an efficient balance between planned and reactive maintenance work

4. Achieving maximum efficiencies in the way we procure building maintenance work

The responsibilities of Corporate Landlord for property maintenance are set out at Appendix 3.

Delivering Capital projects

Corporate Landlord is responsible for the delivery of all property related capital projects through the Commissioning Team and retained external advisers.

Corporate Landlord's approach to capital delivery projects is set out in the Major Projects Manual at Appendix 4.