

Cabinet – 20 April 2022

Walsall Council Strategic Asset Plan 2022-27

Portfolio: Councillor Andrew – Deputy Leader and Regeneration

Related portfolios: N/A

Service: Corporate Landlord

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

The Strategic Asset Plan is the key document which sets out the Council's vision and approach for the management of its property portfolio under the new Corporate Landlord model.

2. Summary

- 2.1 The Council's property function has undergone a transformation to create a comprehensive, joined up service operating under a Corporate Landlord Methodology
- 2.2 Coupled with the integration of the Corporate Landlord service is the preparation of a Strategic Asset Plan (SAP) which sets out the principles and objectives for the operational and strategic management of the Council's property assets.
- 2.3 At its meeting on 15th December 2021, Cabinet received a report seeking the approval of the SAP and the appendices that had been prepared at that time. Since December, the Corporate Landlord service has progressed with the preparation of the final two appendices to the SAP and has made a number of minor amendments to the suite of documents previously presented to Cabinet.
- 2.4 This report seeks Cabinet approval of the suite of finalised documents which make up the SAP, noting that the final version of the Accommodation Policy will be brought to a future Cabinet meeting with the recommendations from the work currently being undertaken by Faithful & Gould relating to the use of the Civic Centre.
- 2.5 The adoption of the Strategic Asset Plan is a key decision because it is significant in terms of its direct effects on communities in an area comprising two or more wards in the Borough.

3. Recommendations

- 3.1 That Cabinet approves the Strategic Asset Plan 2022-27 as attached in Appendix A including the governance arrangements, strategies and processes contained in the appendices to the Strategic Asset Plan as attached in Appendices A1, A3, A4, A5, A6, A7 and A8 but excluding Appendix A2 which will be brought to a future Cabinet meeting for approval.

4. Report detail - know

Context

- 4.1 Walsall Council has adopted a Corporate Landlord approach to the management of its land and property assets in order to support the Council's Corporate Plan Priorities.
- 4.2 At its meeting on 15th December 2021, Cabinet received a report seeking approval to the draft Strategic Asset Plan 2022-27 (SAP). At the time of the December 2022 report, two of the appendices to the SAP were in development, being the Accommodation Policy and the Major Projects Handbook.

Appendix 2 – Accommodation Policy

- 4.3 Work is ongoing with the preparation of the Accommodation Policy which is closely linked to the Ways of Working project that Corporate Landlord is undertaking with Faithful & Gould relating to the future occupation of the Civic Centre. It is proposed that the finalised Accommodation Policy will be presented to Cabinet meeting in June 2022 with the recommendations arising from the Faithful & Gould work.
- 4.4 The Accommodation Policy will set out the Council's policies relating to the occupation of property in accordance with the adopted principles of blended working. It also details requirements and expectations of service areas in terms of their occupation of buildings which, together with the Responsibilities Document, provides the framework for the "landlord" and "tenant" relationship between Corporate Landlord and Service Directorates. The document also provides guidance on the procedures to be followed by Service Directorates in cases when additional space is required for existing or new operational requirements. An outline of the draft policy is contained in Appendix A2 of this report.

Appendix 4 – Major Projects Handbook

- 4.5 The Major Projects Handbook sets out Corporate Landlord's process and governance for major capital projects to ensure that there is clarity and transparency in the management of such projects. In particular, the document details the process for the life of a project, to include the development of the client requirements, cost management, change management, quality control, management of the construction programme and obtaining planning permission, as necessary. The Major Projects Handbook is contained in Appendix A4 of this report.

- 4.6 In addition to the final two appendices, a number of amendments have been made to the suite of documents previously presented to Cabinet. These changes are detailed below.

Asset Management Action Plan (Appendix A)

- 4.7 The Asset Management Action Plan (AMAP) is the third part of the SAP which details the main work streams for Corporate Landlord. The AMAP sets out measurable milestones on a rolling three yearly cycle. The document has been updated to reflect appropriate activities and deadlines for the period 1 April 2022 to 31 March 2025. The AMAP will be further updated at the end of 2022/23 to include any new work streams identified and to include the 2025/26 year.

Responsibilities Document (Service Directorates) (Appendix A5)

- 4.8 Additional wording has been inserted to signpost to the process to be followed for acquiring additional space (contained within the Accommodation Policy) and to ensure that it is clear that operational service areas should not enter into agreements with third parties in relation to additional accommodation.

Responsibilities Document (Maintained Schools) (Appendix A6)

- 4.9 As with the Responsibilities Document (Service Directorates), additional wording has been inserted to signpost to identify the process to be followed for acquiring additional space and to ensure that it is clear that maintained schools areas should not enter into agreements with third parties in relation to additional accommodation.

Disposals, Acquisitions and Investment Policy (Appendix A7)

- 4.10 Additional wording has been inserted to provide further detail and clarity relating to the council's obligations under statute (s123 Local Government Act 1972) to achieve best consideration when disposing of land and the circumstances in which it may be appropriate to dispose of land at less than best consideration.
- 4.11 Further detail has been added to clarify the circumstances in which a sale to a named party can be considered and the potential risks to the council associated with such a transaction.

Disposal Strategy (Appendix A8)

- 4.12 The scoring matrix proposed for the prioritisation of the disposal programme has been updated to clarify how the various criteria identified within the strategy will be scored.
- 4.13 The preparation of the final appendices of the SAP and the amendments to the existing documentation set out above has involved consultation with service directorates and elected members. The consultation with service directorates has been undertaken through the Corporate Landlord Working Group.

- 4.14 Draft documentation has been shared with Asset Strategy Group to provide visibility of the further appendices and amendments to the Leadership of the Council.
- 4.15 The SAP, including all appendices with amendments has also been reviewed by the members of Strategic Investment Board.

Council Plan priorities

- 4.16 As set out in Our Council Plan 2022-2025, the Council's vision is to ensure that 'Inequalities are reduced and all potential is maximised. Together we are committed to developing a healthier, cleaner and safer Walsall and creating an environment that provides opportunities for all residents, communities and businesses to fulfil their potential and thrive.' This will be achieved by focusing on five key priorities. The implementation of the SAP will contribute towards the delivery of the following Council priorities and outcomes.
- Priority: Economic growth for all people, communities and businesses.
 - Outcome: Creating an environment where businesses invest and everyone who wants a job can access one.
 - Priority: Internal focus – All Council services are efficient and effective
 - Outcome: Services are efficient and deliver value for money.
 - Priority: Communities are prospering and resilient with all housing needs met in safe and healthy places that build a strong sense of belonging and cohesion
 - Outcome: People are proud of their vibrant town, districts and communities.

Risk management

- 4.17 The SAP sets out the scope and approach of the Corporate Landlord model for the management of the Council's property assets to establish clear responsibilities for actions relating to risks arising from property ownership and occupation.
- 4.18 The inclusive approach of the SAP which enables Directorates to interact with Corporate Landlord promotes strategic property thinking, and ownership of the SAP by Members and senior officers, provides valuable evidence of the efficient use of resources.
- 4.19 The clarified and revised governance arrangements established in the SAP will enable the Corporate Landlord, working with all occupiers of Council property, to minimise property related risks and to deliver a portfolio of safe and fit for purpose assets.
- 4.20 The approach of a 5 year strategic plan and the assessment of the requirements for planned maintenance and lifecycle replacement minimises the risks arising from property defects and disrepair. It also enables the regular inspection of the Council's property assets to ensure compliance with statutory requirements such as those under the Equality Act. Planned disposals of surplus property and improved strategic investment and management of assets will provide reliable financial information, enhancing short, medium and long term budget planning.

Financial implications

- 4.21 By developing a property strategy that reflects current and future patterns of service delivery, the Council is ensuring that scarce financial resources are targeted to maximum effect and for the maximum benefit of the residents of the borough. In this way, decisions to invest or disinvest in locations are directly linked to service models and it can be demonstrated that opportunities to share accommodation across services, or with other public and private partners, have been explored.

Legal implications

- 4.22 In developing the strategies outlined in the SAP, due regard has been taken to the Council's statutory obligations in terms of health and safety, employment, property law, planning law and equality to ensure that its portfolio is fit for purpose. The governance arrangements contained within the SAP operate within the existing scheme of delegations set out in the Council's constitution.
- 4.23 This report does not seek directly to acquire or dispose of land or property. Such acquisitions and disposals will continue to be carried out in accordance with the Council's constitution. The Council has an overriding statutory duty to ensure that all property assets are managed efficiently to secure best value in service delivery and that in disposals the Council achieves best consideration.

Procurement Implications/Social Value

- 4.24 There are no direct procurement or social value implications arising from this report. Corporate Landlord will manage the Council's property assets in accordance with the SAP. In doing so, there will be requirements to procure services and works from external providers which will be undertaken with the Council's Procurement team in accordance with the Contract Rules, national legislation including Social Value and the council's wider priorities.

Property implications

- 4.25 The SAP sets out the governance, procedures, policies and strategies required to deliver an efficient and fit for purpose property portfolio.

Health and wellbeing implications

- 4.26 The adoption of the SAP has no direct impact on health and wellbeing, however the corporate priorities reflect the key objectives of the Marmot review and the implementation of the Council's Health and Wellbeing Strategy can be supported by a co-ordinated and planned provision of property assets to enable the delivery of appropriate services in locations that meet identified needs.

Staffing implications

- 4.27 Responsibility for the delivery of the strategy sits with the Corporate Landlord service. Across the wider Council, senior officers in all services are called upon to support the process. This support takes the form of attendance at Directorate Capital and Asset Groups, Working / Project Groups and Strategic Investment

Board and assistance with general compliance with the policies and processes when considering property related matters. As assets are identified within the SAP programme as being surplus to requirements and/or for disposal, or as land and property is identified for acquisition, officers in Legal Services and possibly external providers will be involved, on a case by case basis.

Reducing Inequalities

- 4.28 The effect of the adoption of the SAP is to provide more focused management of the Council's existing assets and a strategic approach to disposals and acquisitions, making the most of opportunities as they arise. The operation of the SAP will potentially affect existing occupiers, employees and service users of Council assets. It may also affect how or where services are delivered. An initial EqIA has been carried out and is attached at Appendix B. Whilst this demonstrates that there is no adverse impact upon protected groups under the Equality Act by reason of the adoption of the Corporate Landlord model, it is envisaged that a series of projects and transactions will emanate from this strategy and, as those individual projects are developed and brought forward, a separate EqIA may need to be prepared for each.
- 4.29 The Council is committed to ensuring that equalities form an intrinsic part of its decision making. In respect of each project, detailed thought will be required about the needs of people with protected characteristics on a case by case basis and appropriate consultation will need to be carried out to ensure that protected groups, including employees, occupiers and service users, have opportunities to comment. Whilst the Council's services rightly focus on delivery rather than location, the SAP will enable the location of a service and its suitability for purpose to be assessed, to ensure that there are sufficient assets of the right type available to meet the services we deliver, so that assets are well used and cost effective.

Climate Change

- 4.30 The Council declared a climate emergency on 16th September 2019 and resolved to develop strategies to become carbon neutral by 2050 in line with national government targets. In 2020, a Climate Change Action Plan was presented to Cabinet, which set out meaningful and effective measures to enable the Council to deliver against its vision.
- 4.31 To meet the net zero carbon by 2050 target, and fully respond to the declaration of a Climate Emergency, the Council needs to ensure that reducing greenhouse gas emissions (mitigation) and increasing climate resilience of our operations and assets is central to the work of the organisation. Including climate change as a mandatory element of Cabinet reports shows that the Council is taking measures to embed climate change within operations and normalise it as a key consideration for all projects. It will support the Council in reducing its own carbon footprint and help drive us to be carbon net zero by 2050.
- 4.32 The SAP embraces the objectives of the Climate Change Action Plan and notes the impact of the Council's property portfolio on the organisation's carbon footprint. A key aspect of the Corporate Landlord model is the maintenance of its assets. This includes building and land maintenance, fire, facilities management, services (gas, electricity, water etc), asbestos, Japanese knotweed, ground contamination

etc. In addition, the maintenance element of the model enables consideration of energy resources, sustainability and carbon reduction methods, in line with the Council's Climate Change Action Plan.

Consultation

- 4.33 Consultation in respect of the preparation of the SAP has been undertaken with the Leader and Deputy Leader of the Council, Children's Services, Economy, Environment and Communities, Adult Social Care and Resources and Transformation.

5. Decide

- 5.1 The Approval of the final appendices of the Strategic Asset Plan and the updates to the Strategic Asset Plan will complete the strategic and operational framework required to enable the Corporate Landlord service to manage the Council's land and property assets effectively and in accordance with the Council's priorities.
- 5.2 The ability for the Corporate Landlord service to effectively and strategically manage the Council's land and property assets will be significantly reduced without an adopted Strategic Asset Plan.

6. Respond

- 6.1 Subject to Cabinet approval of the recommendations in this report, Corporate Landlord will enact the policies, procedures and strategies contained in the Strategic Asset Plan.

7. Review

- 7.1 Progress against the Asset Management Action Plan will be reported to Corporate Landlord Board and Strategic Investment Board.

Background papers

None

Appendices

Appendix A – Strategic Asset Plan
Appendix A1 – Corporate landlord Approach
Appendix A2 – Outline Accommodation Policy (not for approval)
Appendix A3 - Corporate Landlord Maintenance Policy and Strategy
Appendix A4 - Major Projects Handbook
Appendix A5 - Responsibilities documents (Service Directorates)
Appendix A6 - Responsibilities documents (Maintained Schools)
Appendix A7 - Disposal, Investment and Acquisition Policy
Appendix A8 - Disposal Strategy
Appendix B - EqIA

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Councillor Andrew
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