

Committee Name: Cabinet

Committee Date: 09/03/2022

Report Title: Strategic Asset Management Framework

Portfolio:	Councilor Kendrick, Cabinet member for resources
Report from:	Executive director of development and city services
Wards:	All Wards
Open Public Item	

Purpose

To consider the Strategic Asset Management Framework appended to this report.

Recommendation:

To approve the adoption of the Strategic Asset Management Framework.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets all three priorities. The Strategic Asset Management Framework seeks to ensure that our assets are aligned to the above to ensure we are clear how assets, individual and cumulatively, contribute to our strategic outcomes. The Framework also seeks to align with the Covid-19 Recovery Plan.

Report Details

1. Property is a vital resource for the Council. We use it to deliver income to support front line services, promote economic growth and regeneration, deliver homes for those in need as well as providing vital infrastructure that allows communities to thrive. Our property also plays a key role in what makes Norwich a great place, particularly through our heritage and cultural assets as well as our high-quality parks and open spaces.
2. The council owns over 900 general fund assets and over 18,000 Housing Revenue Account (HRA) assets with a combined value in excess of £1bn. However, the council's does not have an up-to-date asset management strategy for general fund assets and work has been underway over the past 12 months to produce a replacement framework.
3. The Strategic Asset Management Framework (SAMF) has been compiled based on an extensive review of industry literature and guidance, in particular CIPFA and RICS guidance, a peer review to understand best practice from across the country, a review of challenges and opportunities within the external environment as well as internal strengths and weaknesses. The framework has also been informed and shaped by a series of 12 workshops with staff from across the council and at all levels of the organisation. Ensuring that the policy and strategy can meet the needs of service users and in turn our customers.
4. The framework is made up of three distinct elements:
 - a. Asset Management Policy
 - b. Asset Management Strategy
 - c. Asset Management Action Plan
5. The asset management policy sets the vision for our assets as well as our aims and objectives for property assets which are arranged around 6 key themes:
 - a. Supporting service delivery – ensuring our operational assets support an agile, collaborative, learning organisation and community assets maximise social value.
 - b. Improving environmental performance of property assets – to support the objectives of the environmental strategy and lead on mitigating against the impact of climate change.
 - c. Safeguarding heritage and culture, working with partners and the private sector to secure investment in the cities heritage assets.
 - d. Enabling economic growth – utilising property in selected schemes to address market failure and promote economic growth but recognising that the commercial portfolio must be operated on commercial terms to drive revenue income and support services.
 - e. Facilitating housing provision to meet needs – undertaking a review of property assets to deliver a pipeline of sites for new homes and adopting a sister document to sit alongside this framework to set out the strategy and action plan for existing housing stock.
 - f. Compliant and financially resilient management of assets – a golden thread in everything we do must be to manage assets to ensure they are compliant and financially sustainable into the future.

6. The asset management strategy sets the direction for change, providing a framework to challenge our assets by establishing the reasons for holding assets, the asset objectives, actions and performance. Assets are segmented into categories which represent the reasons why we hold assets. Objectives actions and performance criteria are outlined for each. This provides the basis for challenging assets, their performance and for making invest/divest decisions.
7. Finally, the asset management action plan details the key actions needed over the next 18 months to implement the strategy. These actions are arranged around a number of themes:
 - a. Improving the quality of data;
 - b. Ensuring compliance of assets;
 - c. Improving operations and procedures and setting out the short and medium-term financial strategy;
 - d. Establishing performance criteria and reviewing the strategic asset management framework; and
 - e. Developing secondary strategies such as the heritage investment strategy and property investment strategy.
8. Overall, the document aims to provide a clear direction of travel to inform and guide the future management of property assets and our change program.
9. The framework supports our wider Future Shape Norwich (FSN) change initiative and is a fundamental building block in the transformation of services and the management of assets.
10. The action plan will be a living document and will provide the basis for monitoring progress over the next 12-18 months. This progress will be monitored via the asset and investment board. Resources have been identified and secured as part of the budget planning process to ensure the implementation of the framework. The document will also be key to informing and guiding the objectives of property services staff when they join us in April 2022.

Consultation

11. Consultation has been undertaken to inform the framework including numerous workshops with internal service areas to consider key policy themes. The framework aims to ensure that property meets service area needs for operational and community assets and in turn the needs customers.

Implications

Financial and Resources

12. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan and Budget.

13. Initial resourcing requirements to implement the action plan have been secured as part of the budget setting process. These are outlined in the resources section of the action plan and include £31k to undertake Energy Performance Certificates (EPC), £400k for energy improvement works to meet minimum energy efficiency standards in 2023 and £430k to improve data on assets. This will principally be focused on condition survey information and valuation information to allow informed asset decisions. The action plan commits to setting up a prioritisation of assets for review. The expenditure of these funds will be on those high priority assets to improve data which will lead to a better understanding of asset liabilities and valuation information to allow good decisions on asset retention, investment and disposal.
14. The prioritisation of assets for review will also be influenced by recent revisions to the prudential code which requires authorities with commercial investment properties and which have a need to borrow, to review options for exiting financial investments in their annual treasury management and investment strategies. This will require an annual appraisal of investment properties to inform decisions around whether to dispose and use the proceeds to pay down debt/reduce future borrowing or where evidence supports the retention of assets. In the short term, therefore, this may lead to a need to prioritise investment properties over others for the expenditure of the above-mentioned funds to improve asset data.
15. The longer-term delivery of the framework will have funding implications which will relate to specific proposals. The gathering of data in the initial stages of the action plan will inform future capital programming in the short and medium term as is set out in the action plan. The capital requirement for investment will also inform invest/divest decisions in due course.
16. Specific proposal to dispose of assets to raise capital would be the subject of future cabinet reports and proposals. Investment will be based on a business case assessment, lifetime costings and detailed review of system and resource requirements.

Legal

17. There are no specific proposals in this report that have legal implications. However, the adoption of the framework will ensure that a strategy and action plan is in place to ensure we are meeting our legal obligations as a landowner.

Statutory Considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	Positive – proactive management will ensure buildings in a good condition to support key services and ensure buildings meeting access requirements and statutory obligations.

Consideration	Details of any implications and proposed measures to address:
Health, Social and Economic Impact	Positive – will ensure that property assets serve the needs of service areas and in turn service users particularly of community assets. The framework also sets a clear policy for supporting economic growth whilst ensuring we operate commercially to support front line services.
Crime and Disorder	Neutral impact
Children and Adults Safeguarding	Neutral impact
Environmental Impact	Positive – setting a framework to improve the environmental performance of assets and better use of assets to support habitat recovery.

Risk Management

Risk	Consequence	Controls Required
Insufficient resources to put action plan into place.	Failure to realise the improvements needed, possible legislative implications around compliance, financial implications in terms of reduced income/increased expenditure.	Resources have been scoped and are in place with budget secured. Human resource will be reviewed after the insourcing of property services as certain assumptions have been made at this stage and ahead of insourcing.
Failure to make progress implementing the action plan.	Failure to realise the improvements needed, possible legislative implications around compliance, financial implications in terms of reduced income/increased expenditure.	The action plan will be monitored on a regular basis via asset and investment board.

Other Options Considered

18. Do nothing, adopting a project based, reactionary approach to asset management. This has been ruled out as it will not provide assurance that the council is meeting its obligations and a joined up approach is needed to consider, in particular, capital planning.

Reasons for the decision/recommendation

19. Setting out a clear policy for assets, understanding why we own them and how they contribute to corporate objectives, having a framework for challenging assets and an action plan for service transformation is the best way of maximising the use of our property assets.

Background papers:

N/A

Appendices:

Appendix 1: Strategic Asset Management Framework

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Norwich City Council

Strategic Asset Management Framework

Adopted XXXXX 2022

Norwich City Council

Strategic Asset Management Framework 2022

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1. Foreword

The council holds an extensive portfolio of property assets which are diverse in nature. They range from properties which give Norwich its rich and diverse built heritage, operational assets, premises that provide solutions for new and emerging business sectors and a significant investment property portfolio in addition to the largest local authority housing stock of any district authority.

This Strategic Asset Management Framework (SAMF) demonstrates the link between the council's extensive property portfolio and the delivery of corporate objectives. It also establishes why we hold assets, how they align to the council's vision and objectives and what actions need to be taken to ensure our assets are performing effectively and efficiently.

A framework for managing our assets is of primary importance to ensure that we can utilise those properties to deliver the best outcomes for the city during a time of unprecedented uncertainty. This uncertainty stems in part from the country's exit from the European Union, but also from the coronavirus pandemic which has had a significant impact on local businesses and employment in the city. This combined with well over a decade of continuous cuts to local authority funding has only served to increase inequality and increase the need for affordable homes. There is also a need for our assets to be managed to ensure they can comply with a rapidly changing regulatory framework as well as a need to respond to the climate emergency.

Optimising the use of our property assets is key to our ability to respond to these challenges and our commitment to defend and rebuild local services during a time of funding cuts. Maximising the potential of our property assets is key to supporting the delivery of frontline services and therefore this document provides a framework to challenge all property assets to:

- ensure operational assets are fit for the future, enabling delivery of high-quality services to our customers,
- protect and realise investment in the city's most important heritage and cultural assets;
- address market failure to support economic and job growth;
- deliver a sustainable revenue source to support the delivery of front line services;
- maintain a pipeline of sites which can be utilised to build decent homes for all; and
- create places which enable communities to thrive.

The challenges facing local government are significant, however I believe that this framework and the decision to bring our property repair and maintenance services in house will set us on a course of continuous improvement and transformation of the council's property portfolio and will enable us to respond to many of these challenges to benefit Norwich and its residents.



Councillor Paul Kendrick
Cabinet member for resources

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2. Executive Summary

Property is a vital resource for the Council, we use it to deliver income to support front line services, promote economic growth and regeneration, deliver homes for those in need as well as providing vital infrastructure that allows communities to thrive. Our property also plays a key role in what makes Norwich a great place, particularly through our heritage and cultural assets as well as our high-quality parks and open spaces.

The council owns over 900 general fund assets and over 18,000 Housing Revenue Account (HRA) assets with a combined value in excess of £1bn. However, the ability to maintain our property portfolio is increasingly under threat and therefore we must challenge those assets which we hold. This involves not just considering if they are meeting corporate objectives but also if we are the best steward of some assets or if in working with partners, we can deliver better outcomes for the city.

This Strategic Asset Management Framework (SAMF) demonstrates the link between the council's extensive property portfolio and the delivery of corporate objectives. It also establishes why we hold assets, how they align to the council's vision and objectives and what actions need to be taken to ensure our assets are performing effectively and efficiently. The framework principally focuses on the non-residential portfolio. A sister document is to be adopted to set out the strategy and action plan for the council's significant housing portfolio.

The framework is made up of three distinct elements, asset management policy, strategy and action plan.

The asset management policy sets the vision for our assets as well as our aims and objectives for property assets which are arranged around 6 key themes as follows:

- Supporting service delivery – ensuring our operational assets support an agile, collaborative, learning organisation and community assets maximise social value.
- Improving environmental performance of property assets – to support the objectives of the environmental strategy and lead on mitigating against the impact of climate change.
- Safeguarding heritage and culture, working with partners and the private sector to secure investment in the cities heritage assets.
- Enabling economic growth – utilising property in selected schemes to address market failure and promote economic growth but recognising that the commercial portfolio must be operated on commercial terms to drive revenue income and support services.
- Facilitating housing provision to meet needs – undertaking a review of property assets to deliver a pipeline of sites for new homes and adopting a sister document to sit alongside this framework to set out the strategy and action plan for existing housing stock.
- Compliant and financially resilient management of assets – a golden thread in everything we do must be to manage assets to ensure they are compliant and financially sustainable into the future.

The asset management strategy sets the direction for change, providing a framework to challenge our assets by establishing the reasons for holding assets, the asset objectives, actions and performance. Assets are segmented into categories which represent the

reasons why we hold assets. Objectives actions and performance criteria are outlined for each. This provides the basis for challenging assets, their performance and for making invest/divest decisions.

Key to making informed decisions on assets and in managing their performance will be the availability of good quality data on our assets. This is vital to understanding our liabilities as landlords in terms of asset condition and energy performance. It will also be vital to inform a long-term action plan for our assets.

Currently there is a mixed picture in terms of the quality of data on our assets and for many assets good quality condition and energy performance information is lacking. As such the key focus over the next 12-18 months needs to be on improving the quality of that data. This will not only allow for informed asset reviews on individual assets but will also inform the medium to long term asset strategy going forward. Asset performance criteria for each segment of asset will be developed further once better-quality baseline data exists.

Finally, the asset management action plan details the key actions needed over the next 18 months to implement the strategy. These actions are arranged around a number of themes:

- Improving the quality of data;
- Ensuring compliance of assets;
- Improving operations and procedures and setting out the short and medium-term financial strategy;
- Establishing performance criteria and reviewing the strategic asset management framework; and
- Developing secondary strategies such as the heritage investment strategy and property investment strategy.

The action plan will be a living document and will provide the basis for monitoring progress over the next 12-18 months. It will be the basis for ensuring continuous improvement of property services to realise our vision to establish a sustainable property portfolio which is fit for the future and which:

- supports front line services;
- delivers financial resilience;
- enables economic growth and housing delivery;
- protects the city's heritage and cultural assets;
- drives forward environmental improvement of our assets; and
- creates places which enable communities to thrive ensuring Norwich is a fine city for all.

3. Background

3.1 Strategic Context

Norwich City Council's administrative area has a population of over 140,000¹ and is a major regional service centre with a catchment of over a million residents. Norwich is one of the fastest growing cities in the UK and is one of six fast growth cities². It is also in the top 10% of locations for overall competitiveness³. Norwich's success is in part due to its vibrant city centre with its unique heritage and cultural offer. However, the city also suffers from pockets of high deprivation with over 40% of its area being in the top 20% most deprived in the country⁴, the city is also in the lowest 10% in the UK for social mobility⁵. Therefore, the council increasingly works in partnership with numerous organisations to both ensure the continued economic prosperity of the city but also to help the most vulnerable. However, the external environment is increasingly challenging and the ability for the council to continue to offer valuable services to its residents is under threat. Cuts to local government financing, Brexit and covid have all put pressure on council resources. The council has responded proactively with an update of its Corporate Plan and in being one of the first councils to adopt a Covid-19 Recovery Plan.

The council has adopted a corporate plan which sets out a vision to make the city the best it can be. The corporate plan sets out five strategic aims which set out what we want to achieve for the city and our priority activities over the next four years. These five aims are:

- Aim 1 – People live independently and well in a diverse and safe city;
- Aim 2 – Norwich is a sustainable and healthy city;
- Aim 3 – Norwich has the infrastructure and housing it needs to be a successful city;
- Aim 4 – The city has an inclusive economy in which residents have equal opportunity to flourish
- Aim 5 – Norwich City Council is in good shape to serve the city.

Although this framework is cross-cutting and property assets have a role to play in achieving all the above aims, this framework is identified as a key activity to support delivery of aim 3 above.

The Corporate Plan sits alongside the Covid-19 Recovery Plan, which was published in June 2020. These two documents are the council's most important strategic documents; together they will guide our focus over the next few years.

The corporate plan was formed following the adoption of a vision for the city which sought to shape up an idea of what a future Norwich might look like. The city vision work involved significant resident and stakeholder engagement to identify consensus about what the strengths and challenges of Norwich were.

¹ Population estimates - Office for National Statistics (ons.gov.uk)

² Fast Growth Cities — 2021 and beyond | Centre for Cities

³ GVA Norwich Economic Analysis 2017

⁴ English IMD explorer (communities.gov.uk)

⁵ Social Mobility Index

This has led to a vision based around five themes which paint a picture for the future of Norwich, to be:

- **A Creative City** – combining the best of modern and historic as a leading creative destination. Maximising the use of our heritage assets and celebrating our diverse neighbourhoods and communities. A leading centre for innovation, culture, education and invention.
- **A Fair City** – promoting independence, diversity, individuality, and community physical and mental wellbeing. Ensuring access to services for all and ensuring young are ambitious and able to realise their full potential whilst supporting lifelong learning and training to develop resilient communities. Delivering housing which is fit for the future and meets the changing needs of residents.
- **A Connected City** – delivering spaces and opportunities for people to come together and exchange ideas and delivering a great place for walking and cycling. A city at the forefront of digital connectivity and a place where people can exchange ideas and help shape the city.
- **A Liveable City** – supporting and promoting sustainable living with a great local environment which residents value. Protecting and maintaining our green and open spaces to improve biodiversity and air quality. Using our local resources effectively, developing an alternative approach to energy.
- **A Dynamic City** – with inclusive economic growth, increasing the number of multi-national businesses to complement the independent sector. Thriving universities providing knowledge and skills for the jobs of the future.

Our property assets play a significant role in contributing to this vision of the future as well as the strategic aims in the Corporate Plan. This framework seeks to ensure that our assets are aligned to the above to ensure we are clear how assets, individual and cumulatively, contribute to our strategic outcomes.

The SAMF is also informed and influenced by numerous other policy and strategy documents which will in turn influence those strategies, some of which will be updated following adoption of the SAMF.



3.2 Property Context

The council owns over 900 general fund assets and over 18,000 Housing Revenue Account (HRA) assets with a combined value in excess of £1bn (June 2021). Cumulatively these cost the council approximately £23.5m per annum and bring in a yearly income of £71.3m exclusive of service management costs involved in holding and managing those assets.

These assets include the councils affordable housing stock, garages and parking land associated with housing areas, investment properties, surface and multi-storey car parks, a market, operational assets, community centres, parks and open spaces, leisure and conference facilities, heritage assets and cemeteries.

General Fund

For general fund assets the average capital expenditure is £1.8m per annum, although investment need is greater than this there being a maintenance backlog of approximately £21m compounded by an absence of up-to-date condition surveys on a large proportion of assets. There is insufficient capital receipt funding to pay for the backlog and borrowing to fund such capital expenditure is unlikely to be feasible due to the revenue impacts that would arise. As such the council will need to closely consider which assets it retains into the future with a view to disposing of assets in order to realise capital receipts which in turn can be used, at least in part, to ensure retained assets are financially sustainable and resilient.

In March 2020 the council updated its Commercial Property Investment Strategy. This set out the aims for commercial property investment and how this would meet corporate objectives, helping to drive sustainable income streams and build financial resilience. Changes to the public works loan board in Autumn 2020 have since prevented further investment in commercial property for yield. However, the council has a significant investment portfolio the bulk of which consists of properties held by the Council for a considerable period of time. Whilst the coronavirus pandemic has presented significant challenges this stock requires active management to ensure it is delivering income to help support front line services.

Housing Revenue Account

Assets within the council's HRA have been valued at £809m (03/19) against borrowing of £206m (25%). Pre-coronavirus the proposed 2.7% rent increase enabled repayment within 25 years. Income for 20/21 was budgeted at £68.1m against expenditure of £61.4m. In contrast to the general fund, there is a better understanding of future investment needs within the HRA stock.

However, as the Housing Strategy highlights, much of the existing housing stock is reaching the end of its build life and therefore maintenance costs are increasing. The Housing Strategy therefore commits to the commissioning of a study of existing stock condition type and projected housing need into the future to ensure we can meet the needs of residents. The strategy identifies scope for redevelopment of existing housing areas, particularly where they are not meeting needs, efficiency standards or where houses are beyond their life and cost of repair/maintenance is excessive.

A further key strand in the Housing Strategy is the need for a pipeline of sites to ensure the delivery at pace of new homes for those in need and this framework is key to facilitating that process of assessing existing assets and groups of assets to help identify such a pipeline into the future.

The Housing Strategy is currently being reviewed and it is proposed that we will develop a sister document to outline the future strategy and action plan for existing housing assets. This will sit alongside and complement this asset management framework.

3.3 Operational Context

Over the past ten years the management of our assets, their repair and maintenance as well as some environmental services have been outsourced as part of a joint venture arrangement. The council is in the process of bringing these services back in house in order to have greater flexibility and control over their delivery.

Norwich City Services Ltd is a new wholly owned company of Norwich City Council. In April 2021 environmental services such as street cleaning and management of parks & open spaces transferred to the new company and building services will be transferring in April 2022. The council's asset management functions will also be insourced direct to Norwich City Council as of April 2022 this will give the council greater control over the active management of assets to ensure they are meeting corporate objectives and citizen's needs.

3.4 Approach

The SAMF has been compiled based on an extensive review of industry literature and guidance, in particular CIPFA and RICS guidance, a peer review to understand best practice from across the country, a review of challenges and opportunities within the external environment as well as internal strengths and weaknesses. The framework has also been informed and shaped by a series of 12 workshops with staff from across the council and at all levels of the organisation along with member workshops. Ensuring that the policy and strategy can meet the needs of service users and in turn our customers.

The framework is made up of three distinct elements:

- Asset Management Policy – this sets the vision for our assets as well as our aims and objectives for property assets which are arranged around 6 key themes.
- Asset Management Strategy – this sets the direction for change, sets out the reasons for holding assets by segmenting the portfolio, performance objectives and the asset challenge process.
- Asset Management Action Plan – sets out the key actions which will enable that change to be delivered.

4.0 Property Asset Management Policy

Property is a vital resource for the Council, we use it to deliver income to support front line services, promote economic growth and regeneration, deliver homes for those in need as well as providing vital infrastructure that allows communities to thrive. Our property also plays a key role in what makes Norwich a great place, particularly through our heritage and cultural assets as well as our high-quality parks and open spaces.

The ability to maintain our property portfolio is increasingly under threat and therefore we must challenge those assets which we hold. This involves not just considering if they are meeting corporate objectives but also if we are the best steward of some assets or if in working with partners, we can deliver better outcomes for the city. Indeed, the council already has a record of achieving this by working with partners such as the Norwich Historic Churches Trust and the Norwich Preservation Society to secure the future of some of our most important heritage buildings.

Fundamental to this framework is the need to ensure that those assets which we retain are sustainable into the future. Given the backlog of maintenance on some assets this will not happen overnight and will need careful management to realise capital receipts whilst minimising revenue reduction and investing in those assets we wish to retain.

Our property vision

To establish a property portfolio which is fit for the future and which:

- supports front line services;
- delivers financial resilience;
- enables economic growth and housing delivery;
- protects the city's heritage and cultural assets;
- drives forward environmental improvement of our assets; and
- creates places which enable communities to thrive ensuring Norwich is a fine city for all.

Our mission

To excel in property management, proactively challenging our assets to deliver the best for the City and its people.

This vision is underpinned by six policy themes which guide our strategy and management of property assets. These themes are outlined below.

4.1 Supporting Service Delivery

It is essential that our property assets facilitate excellent service delivery which meets the needs of our customers. Our assets will achieve this in a number of ways:

- Ensuring our operational assets are fit for 21st Century local government service delivery. The council is moving to an agile, collaborative, learning organisation where employees feel empowered to succeed and take responsibility, where residents are at the heart of everything we do and where resources are aligned to deliver our corporate priorities. Our operational assets should facilitate this transition, stimulate innovation and engage employees to deliver high standards of customer satisfaction.
- Maximising social value. As part of our strategy we will develop ways to measure the social performance of our assets to ensure that they deliver value for money. We will also work with partners and enable communities where they are better placed to manage property and deliver services.
- Delivering a revenue stream from investment assets to support front line services.

4.2 Improving Environmental Performance

We will manage our assets to reduce their carbon footprint and support habitat recovery. This will involve:

- Supporting the environmental strategy target for our operations to be carbon net zero by 2030. This will involve the ongoing review of our operational assets and exploring viable options to reduce energy consumption and minimise their carbon footprint.
- Increasing the energy efficiency of all our housing stock, developing a retrofitting strategy to improve performance. Our Housing Strategy already commits to all our stock meeting a SAP rating of C by 2025 and we will explore the ability to move towards carbon zero.
- Support the improvement of our investment portfolio to achieve ambitious minimum energy efficiency standards requiring SAP ratings of C by 2027 and B by 2030. Much of our investment stock is aging and also includes numerous heritage assets whereby improving their efficiency is both practically and financially challenging. The costs of upgrade will have a significant impact on decisions to invest, redevelop or dispose of assets. In some cases, the private sector or partner organisations may be better placed to realise investment needed in such stock. However, where it is retained, we will develop a strategy to ensure that stock can meet these ambitious targets and explore funding opportunities to ensure our stock is fit for the future.
- We will explore the ability to utilise surplus land which has limited development potential as habitat banks to support habitat recovery. Given the constrained nature of many sites in the Norwich area, developers may struggle to meet the emerging requirements in the Environment Bill and planning policy for biodiversity net gains on site. Habitat banks offer the ability for off-site compensatory nature recovery funded by the developer and provide significant potential for enhancing small pockets of land in the council's ownership.
- To develop new homes for the city that meet the Norwich Standard and seek to maximise energy efficiency throughout their life at construction, operational and decommissioning stages where viable to do so.

4.3 Safeguarding Heritage and Culture

The council owns a diverse range of cultural and heritage assets which improve the quality of life of Norwich's citizens, promote business investment, boost tourism and contribute significantly to the city's vibrancy. We will seek to protect and be a good steward of the city's most important heritage and cultural assets ensuring they are in optimal viable use which maximises financial returns whilst conserving heritage significance.

Some heritage properties may drive a commercial return based on lifetime costing and therefore will be held as investment assets. Where a commercial return is not realised the property may be held as a stewardship property.

However, the council recognises that we will not always be the best steward of some assets and our partners may be better placed to manage them and access funds to ensure they are maintained and conserved for future generations.

Whilst some assets, such as the city wall, may well always require public sector stewardship, there is little reason to hold heritage assets which do not deliver wider benefits in meeting the council's corporate objectives or where such benefits would not still be delivered via private sector ownership.

Where heritage or cultural assets are being marketed for sale or long-lease, certain safeguards will be put in place in line with the Heritage Investment Strategy which will be updated following adoption of this framework.

4.4 Enabling Economic Growth

We will use our assets to help drive economic growth and address market failure. We will do this by utilising our assets in combination with external partners, inward investment and grant funding to support the delivery of selected schemes which help to deliver the council's corporate objectives.

Recent examples of this include a number of projects being taken forward as part of the Towns Deal including a new digital hub to act as a centre for innovation in digital industries and a catalyst for economic growth.

The council has a significant commercial portfolio and the objective of that portfolio is to be let on commercial terms and drive a sustainable revenue. The income from this portfolio supports front line services and therefore subsidised terms will typically not be considered other than in exceptional circumstances.

The council has a legislative duty to provide markets, and these may be subsidised when considered against lifetime costs, albeit the Council will look for ways of minimising such subsidy whilst ensuring ongoing viable provision.

It is essential that our communities thrive and have necessary facilities including neighbourhood shops. Local shopping parades play a significant role in the social and economic vitality of our neighbourhoods, they provide access to services for the most vulnerable, support the local economy and small businesses and are centres for activity and building community links. There is however a need to evaluate which shops or parades

best support local needs, the extent to which they are subsidised and how best to manage these facilities to reduce vacancy rates, minimise subsidy and ensure that the provision of such facilities is sustainable into the future.

4.5 Facilitating housing provision to meet needs

The council's housing strategy sets out the council's ambitions for the management of its housing stock, it also sets out the challenges of meeting future housing need. Alongside the housing strategy and following adoption of this framework we will develop a sister document to outline the future strategy and action plan for existing housing assets. As part of this document we will:

- review our housing assets to ensure we have a full understanding of stock condition and that it is meeting the high bar of the Norwich standard;
- plan a program of improvements to existing stock to ensure our homes meet the needs of residents;
- outline a retrofitting program to improve the environmental performance of our stock;
- establish new procedures to ensure compliance with the emerging building safety legislation and provide assurance around compliance monitoring;
- develop a strategy for wise investment in existing stock, which will also identify areas which may not meet needs or be sustainable for future generations in order to prioritise areas which require some level of rejuvenation or regeneration;
- develop an appraisal model which will inform decisions on the retention, disposal or redevelopment of existing homes and housing areas. This will consider the condition of existing stock, future costs of repair and maintenance, statutory compliance, life expectancy, environmental performance, redevelopment potential, costs of redevelopment such as decommissioning and buy-back as well as the social performance of existing stock taking account of residents feelings and ambitions in relation to our communities.

As part of our wider review of assets we will review our land and property holdings to ensure we have a pipeline of sites which can facilitate delivery of new housing provision to meet the needs of the City.

The council will also review the extent to which its land holdings are being put to optimum use. We will continue our ongoing program of identifying land such as underused garage sites which could be put to better use and deliver new homes. The council has had significant success in recent years working with partners to deliver over 260 homes on small, underutilised sites. This is in addition to the delivery of a number of larger sites such as our sterling prize winning Goldsmith Street development and the Rayne Park development in Bowthorpe developed by Norwich Regeneration Limited. There is however scope to extend this program and challenge the ability of general fund assets to deliver much needed homes. The review will also assist in identifying a pipeline of sites for the councils wholly owned housing company Norwich Regeneration Limited.

4.6 Compliant and financially resilient management of assets

Management of our assets to ensure they are compliant and financially sustainable into the future will be a golden thread running through everything we do. This is key to our ability to maximise the use of our property assets in achieving our corporate objectives. This means:

- having strong governance structures in place to co-ordinate decisions on our assets and assess their performance.
- making decisions based on whole life costs including acquisition, operation, maintenance and disposal. This will consider the opportunity costs of selling assets and consider the net present value of investments.
- balancing revenue income against future capital investment in assets to ensure that such revenue income is sustainable over the lifetime of the asset.
- making decisions informed by up-to-date accurate information.
- a rolling program of condition survey on our assets to inform asset review and the capital program.
- up-to-date environmental information on our assets to inform capital programming and ensure that plans are in place to improve performance and meet increasingly demanding energy performance standards.
- assets managed based on a focused and defined set of performance standards.
- having a full understanding of our responsibilities as a landlord, ensuring that our stock is compliant with the latest legislation.
- ensuring assurance reporting is in place to monitor statutory compliance of our assets.
- developing and implementing a corporate landlord model.

We will also work to ensure that our assets are financially resilient, this will mean:

- seeking to maximise income and minimising costs of assets whilst ensuring our corporate objectives are achieved;
- enhancing portfolio value;
- securing inward investment and grant funding which enables us to achieve more with our assets;
- work in productive partnerships with the community sector and other public bodies through One Public Estate to seek to drive efficiencies in the operation and management of our assets as well as those of our partners;
- hold sinking funds to ensure we have the necessary financial reserves to be resilient in the face of unforeseen circumstances;
- recycling a proportion of general fund capital receipts for re-investment into existing general fund property assets unless there are exceptional reasons not to do so. The proportion to be reviewed and considered once additional asset data has been obtained.

5.0 Asset Management Strategy

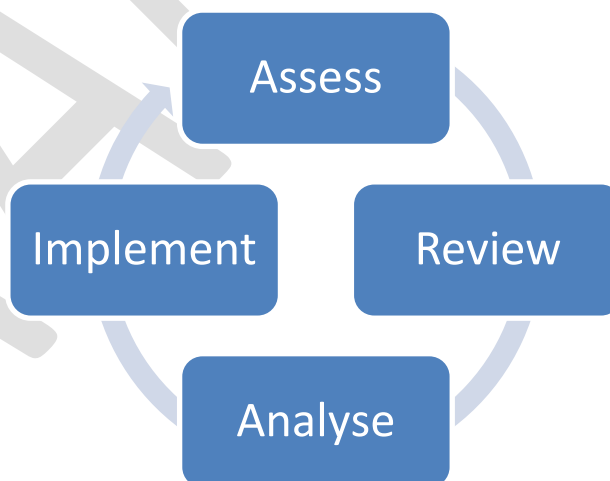
The strategy sets the direction for change, providing a framework to challenge our assets by establishing the reasons for holding assets, the asset objectives, actions and performance. This strategy focuses on the non-housing portfolio a sister document will be produced to manage the housing strategy and action plan.

5.1 Segmentation & Asset Challenge

Key to the strategy is an understanding of the reasons why we hold property assets. Segmentation of assets provides a response to this question, breaking down the asset base into the key reasons why we would want to hold assets based on delivery against our corporate objectives. For each segment we have defined criteria for segmentation, asset objectives and the actions we will take to ensure that the group of assets are delivering against those objectives. Performance objectives for each segment are also proposed. Each segment is illustrated on the following page. This identifies the key links between an asset segment and delivery of corporate priorities.

Segmentation provides a basis upon which to challenge an individual asset based on its performance and delivery against the objectives for that group. It provides the basis for the asset challenge process which will be a cyclical process of reviewing assets on a rolling program. This challenge process involves the following elements:

- Assess – why we hold the asset – alignment with corporate strategy and the SAMF
- Review – if the asset is performing ensuring we hold suitable data on that asset
- Analyse – options, opportunities and risks
- Implement – retain, invest, repurpose, re-gear, redevelop, dispose



Vision	Strategic Aims	Segmentation	Key Criteria for Segmentation	Asset Objectives
To make the city the best it can be	People live independently and well in a diverse and safe city	Community Assets which deliver direct services. Includes: Parks, Open Spaces, Cemeteries, Allotments, Community and Leisure Centres	<ul style="list-style-type: none"> Land or property providing direct services to the local community. 	Deliver community facilities to support healthy lives, a great local environment and thriving communities.
	Norwich is a sustainable and healthy city	Operational <i>Supports all objectives</i> Non community operational assets Includes: Offices, Maintenance Depots.	<ul style="list-style-type: none"> Offices or depots which are not community assets. 	Maintain efficient assets fit for the delivery of 21 st century local government services.
		Regeneration / Redevelopment Land and property with redevelopment potential	<ul style="list-style-type: none"> Land designated for redevelopment in the local plan. Land not falling under other categories but where there is a viable business case for regeneration in the next 10 years or forms part of a wider land holding which has strategic redevelopment potential. 	Regenerate and develop the city to deliver new housing, jobs and support thriving communities.
		HRA Neighbourhood Amenity Land Land providing essential facilities to residential communities	<ul style="list-style-type: none"> HRA land including open space, play areas, garages, stores, refuse storage, cycle storage, car parking areas, utilities infrastructure, other miscellaneous land. 	Provide safe, clean and well cared for neighbourhoods with community facilities which cater for the needs of the whole community.
	Norwich has the infrastructure and housing it needs to be a successful city	Stewardship Heritage properties which cannot drive commercial income and which are not operational.	<ul style="list-style-type: none"> Only listed buildings or scheduled ancient monuments in Norwich. Exclude properties where there is evidence of similar private properties being successfully managed unless of outstanding civic importance. Exclude properties which do not require subsidy using whole life cost. 	Maintain and enhance the heritage of our fine city to bolster tourism, inward investment, and the quality of life of residents.
	The city has an inclusive economy in which residents have equal opportunity to flourish	Economic Growth Income generating commercial property which is subsidised based on a whole life costing model.	<ul style="list-style-type: none"> Only a limited number of properties where there is an exceptional case demonstrating some form of market failure; The use of the building must clearly demonstrate it is delivering against corporate objectives, with delivery to be reviewed. 	Support the local economy, deliver inward investment and drive local economic and job growth.
		HRA Shops Neighbourhood shops or parades providing essential facilities to local neighbourhoods.	<ul style="list-style-type: none"> Commercial neighbourhood shops or parades. Providing essential services to a neighbourhood. Exclude properties which do not require subsidy using whole life cost. 	Provide essential community facilities to ensure thriving neighbourhoods.
		Legacy Investment Non-operational income generating commercial property which is not economic growth or investment. Includes industrial units, phone masts, car parks.	<ul style="list-style-type: none"> Legacy investment properties which are profitable based on whole life costing but do not meet the criteria for investment property May be awaiting capital expenditure where business plan exists to deliver income in short-medium term. 	Deliver income in the short-to-medium term for financial resilience in support of high-quality government services.
	Norwich City Council is in good shape to serve the city	Investment Recently acquired / upgraded investment property.	<ul style="list-style-type: none"> Only investment properties purchased under the commercial property investment strategy or legacy investment properties which would meet the requirements of that strategy/any replacement. 	Maximise income for financial resilience in support of high-quality government services whilst minimising investment risk.
		Disposal/ Surplus Property identified for disposal, artefacts/small strips of highway land.	<ul style="list-style-type: none"> Properties which fail to meet the criteria for the above categories and have been identified for disposal or surplus land which may be suitable for disposal or community asset transfer. 	Dispose to realise receipts to support the capital program, supporting the upkeep of retained assets.

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5.2 Asset Challenge

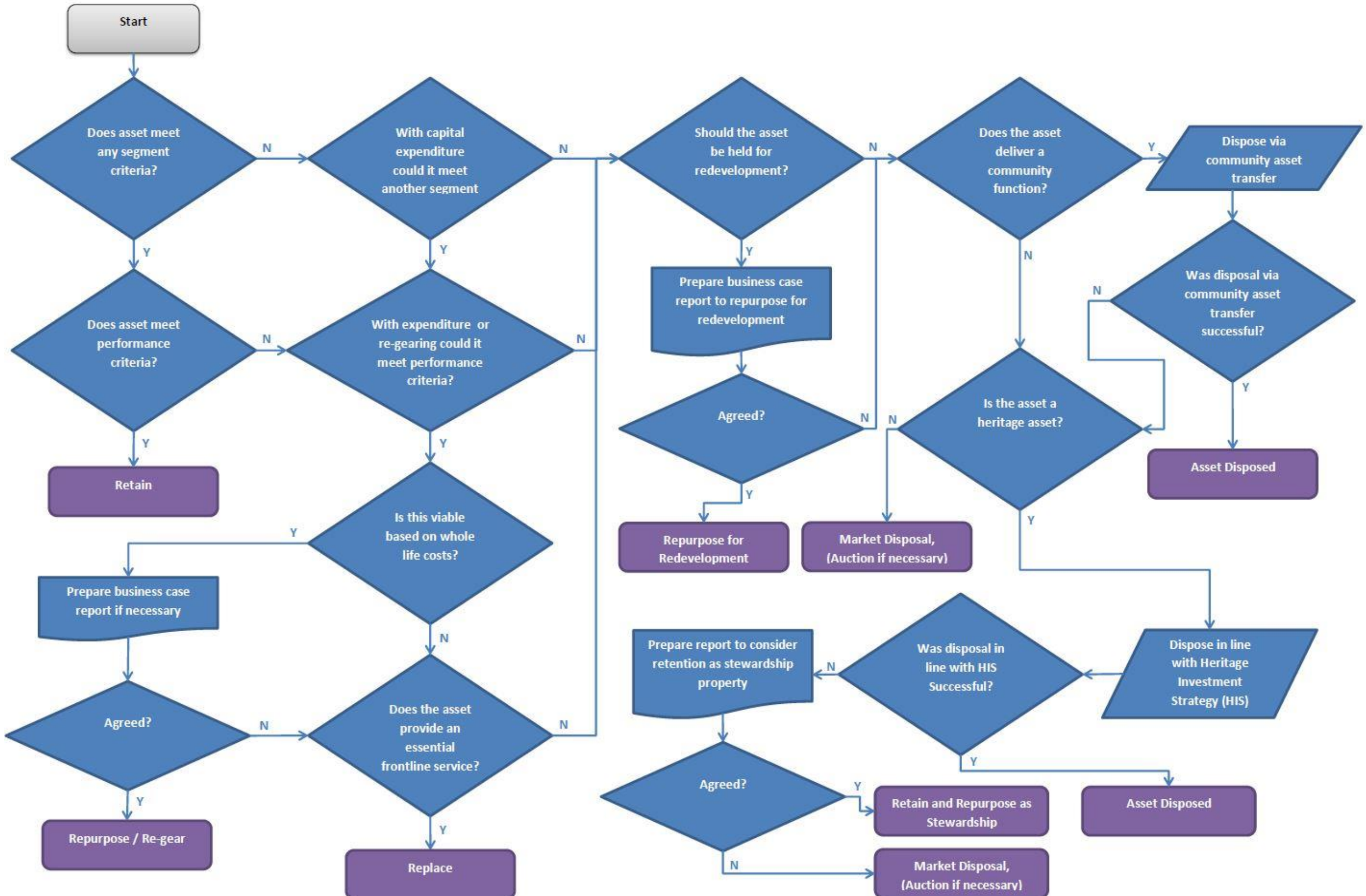
Asset disposal could be triggered for a number of reasons, through proactive review, due to poor performance, at request of a service area or due to an approach by a third party. The asset challenge framework on the following page provides a process whereby assets are sorted into relevant segments, performance is assessed, and decisions are made on the future of the asset. This could lead to one of the following outcomes:

- Retain the asset if it meets segmentation and performance criteria.
- Repurpose the asset into another segment.
- Repurpose the asset for regeneration/redevelopment.
- Re-gear the asset seeking revisions to tenancy.
- Replace the asset where an operational asset is not performing.
- Dispose via community asset transfer.
- Dispose in line with the Heritage Investment Strategy.
- Retain as a stewardship property for heritage assets which have not been sold successfully and where there is an unwillingness to auction.
- Market disposal.

The challenge framework ensures that an asset which is underperforming in one segment but could perform well in another segment is not disposed of ahead of that repurposing question being addressed.

For example, a listed building in commercial use which is currently held for investment purposes but does not have a positive net present value based on a lifetime costing model would fail the performance criteria for an investment asset. If there is no viable model to improve its performance, the asset challenge model requires an assessment of whether the asset delivers a front-line service, if it should be repurposed (for example as a stewardship property in this case), if it provides a community function or if it should be disposed of in line with the criteria in the heritage investment strategy. Depending on the circumstances of the case there would be a number of likely outcomes for such an asset. One such outcome could be holding the property as a stewardship property if it is of important civic value and there is evidence of market failure, alternatively it may be disposed of if there is no good reason for the Council to continue to hold the asset.

Asset Challenge Process



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5.3 Data & Performance

The segmentation and asset challenge process outlined above provides the basis upon which we will challenge assets in the future and make decisions relating to retention, replacement, repurposing, redevelopment or disposal.

Key to making informed decisions on assets and in managing their performance will be the availability of good quality data on our assets. This is vital to understanding our liabilities as landlords in terms of asset condition and energy performance. It will also be vital to inform a long-term action plan for our assets.

Currently there is a mixed picture in terms of the quality of data on our assets and for many assets good quality condition and energy performance information is lacking. As such the key focus over the next 12-18 months needs to be on improving the quality of that data. This will not only allow for informed asset reviews on individual assets but will also inform the medium to long term asset strategy going forward. For example, we know there is a maintenance backlog relating to our assets however the exact scale of the backlog will influence the level of capital which needs to be raised to invest in retained assets.

Data is also key to informing baseline information in order to establish asset performance criteria. Actions and performance output criteria are defined for each segment in the table on the following page. At this stage the performance criteria are indicative but have been proposed to enable some degree of benchmarking but also to ensure we can understand the value driven by our assets. Following the gathering of baseline data these will be refined via a review of this framework in 18 months-time. This will also include a capital strategy for assets and update on the action plan.

Norwich City Council – Property Asset Actions and Performance Objectives

Portfolio Segmentation	Key Criteria for Segmentation	Asset Objectives	Actions	Performance Output Indicators
Community	<ul style="list-style-type: none"> Land or property providing direct services to the local community. 	Deliver community facilities to support healthy lives, a great local environment and thriving communities.	<ul style="list-style-type: none"> Promote use Reduce liabilities (maintenance) Lower operating costs Consider community asset transfer 	<ul style="list-style-type: none"> Customer satisfaction (% satisfied) Index of Multiple Deprivation Decile (% visitors from lowest) Reduce running costs (%) Reduce energy consumption (% kWh) % with condition surveys % good condition (sound, safe, only minor deterioration)
Operational <i>Supports all objectives</i>	<ul style="list-style-type: none"> Offices or depots which are not community. 	Maintain efficient assets fit for the delivery of 21 st century local government services.	<ul style="list-style-type: none"> Lower operating costs Improve utilisation Reduce liabilities (maintenance) Consider shared use 	<ul style="list-style-type: none"> Improve utilisation sqm/FTE Reduce cost/FTE (%) Reduce energy consumption (% kWh) % with condition surveys % good condition (sound, safe, only minor deterioration)
Regeneration / Redevelopment	<ul style="list-style-type: none"> Land designated for redevelopment in the local plan. Land not falling under other categories but where there is a viable business case for regeneration in the next 10 years or forms part of a wider land holding which has strategic redevelopment potential. 	Regenerate and develop the city to deliver new housing, jobs and support thriving communities.	<ul style="list-style-type: none"> Minimise costs/maximise income whilst held for development Develop business plans/viability appraisal Secure planning permission Work with partners to bring forward regeneration Keep secure / consider demolition in the short-term to reduce revenue cost 	<ul style="list-style-type: none"> Homes delivered per annum Site specific time frames, targets and budgets % schemes delivered on time in budget
HRA Neighbourhood Amenity	<ul style="list-style-type: none"> HRA land including open space, play areas, garages, stores, refuse storage, cycle storage, car parking areas, utilities infrastructure, other miscellaneous land. 	Provide safe, clean and well cared for neighbourhoods with community facilities which cater for the needs of the whole community.	<ul style="list-style-type: none"> Improve neighbourhoods Improve utilisation Promote community adoption/management Assess potential (housing or habitat) Reduce liabilities 	<ul style="list-style-type: none"> Land use – if delivering essential facilities Usage rates (local v non-local) Public opinion/surveys
Stewardship / Heritage & Cultural	<ul style="list-style-type: none"> Only listed buildings or scheduled ancient monuments in Norwich. Exclude properties where there is evidence of similar private properties being successfully managed unless of outstanding civic importance. Exclude properties which do not require subsidy using whole life cost. 	Maintain and enhance the heritage of our fine city to bolster tourism, inward investment, and the quality of life of residents.	<ul style="list-style-type: none"> Maintain in good condition, reducing long term liabilities Lower operating costs Work with partners to identify income streams / reduce subsidy Seek out grant funding to assist with capital expenditure 	<ul style="list-style-type: none"> % with condition surveys % good condition (sound, safe, only minor deterioration) None on heritage at risk register
Economic Growth	<ul style="list-style-type: none"> Only a limited number of properties where there is an exceptional case demonstrating some form of market failure; The use of the building must clearly demonstrate it is delivering against corporate objectives, with delivery to be reviewed. 	Support the local economy, deliver inward investment and drive local economic and job growth.	<ul style="list-style-type: none"> Monitor tenancy compliance with segmentation criteria Reduce subsidy over time Reduce liabilities (maintenance) Monitor delivery against corporate and project specific objectives 	<ul style="list-style-type: none"> % with condition surveys % good condition (sound, safe, only minor deterioration) % meeting EPC requirements Asset specific objectives to demonstrate delivery of corporate objectives
HRA Shops	<ul style="list-style-type: none"> Commercial neighbourhood shops or parades. Providing essential services to a neighbourhood. Exclude properties which do not require subsidy using whole life cost. 	Provide essential community facilities to ensure thriving neighbourhoods.	<ul style="list-style-type: none"> Improve neighbourhoods Minimise subsidy Minimise vacancy rates Promote uses which deliver community benefit 	<ul style="list-style-type: none"> Customer satisfaction (% satisfied) Index of Multiple Deprivation Decile (% visitors from lowest) % with condition surveys % good condition (sound, safe, only minor deterioration) % vacancy rates
Legacy Investment	<ul style="list-style-type: none"> Legacy investment properties which are profitable based on whole life costing but do not meet the criteria for investment property May be awaiting capital expenditure where business plan exists to deliver income in short-medium term. 	Deliver income in the short-to-medium term for financial resilience in support of high-quality government services.	<ul style="list-style-type: none"> Review whole life costs and develop business case for capital expenditure where viable (based on NPV). Increase tenancy strength Reduce voids Balance across sectors to reduce risk 	<ul style="list-style-type: none"> % increase in income per annum % reduction in arrears per annum Maximum voids (%) % with condition surveys % good condition (sound, safe, only minor deterioration) % meeting EPC requirements Cost to income ratio

Investment	<ul style="list-style-type: none"> • Only investment properties purchased under the commercial property investment strategy or legacy investment properties which would meet the requirements of that strategy/any replacement. 	<p>Maximise income for financial resilience in support of high-quality government services whilst minimising investment risk.</p>	<ul style="list-style-type: none"> • Reduce voids • Monitor to ensure alignment with tenancy terms, yield, rate of return targets • Monitor balance across sectors and locations to reduce risk 	<ul style="list-style-type: none"> • Minimum % rate of return (based whole life cost) • Cost to income ratio (maximum) • Rent collection rates (% collected) • Maximum voids (%)
Disposal/ Surplus	<ul style="list-style-type: none"> • Properties which fail to meet the criteria for the above categories and have been identified for disposal or surplus land which may be suitable for disposal or community asset transfer. 	<p>Dispose to realise receipts to support the capital program, supporting the upkeep of retained assets.</p>	<ul style="list-style-type: none"> • Actively seek to dispose or transfer to community. 	<ul style="list-style-type: none"> • Capital receipt target per annum over next five years (£) • Total number of disposals per annum

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6.0 Asset Management Action Plan

The action plan on the following page provides a focused plan of action for the next 18 months. This is split into five sections:

Data

- ensuring we have good quality data in order to make educated decisions on both individual assets and to inform asset wide decisions such as the capital strategy.

Compliance

- ensuring we have complete information on property compliance
- undertaking essential and immediate action required resulting from the findings of the data gathering exercise to ensure compliance

Operations

- taking action to ensure that we are up-to-date with rent reviews and lease renewals to realise potential for increased income and bolster values.
- putting in place the correct procedures and governance to operate efficiently and effectively in the future.
- progressing high priority asset reviews which will inform, investment, repurposing, redevelopment and disposal decisions.
- establishing a short and medium-term financial strategy. Based on the data gathering exercise this will need to carefully balance asset disposal and investment against revenue loss and ability to drive greater revenue from our assets.
- putting in place measures to ensure future financial resilience such as sinking funds for assets.

Performance & Review

- as outlined in the asset strategy, the data gathering exercises outlined in the action plan are essential to inform the formulation of asset performance criteria.
- these performance criteria will be established alongside a review of the SAMF and action plan in 12-18 months time.

Secondary Strategies

- the asset management strategy has identified a number of existing strategies which will require an update on adoption of the SAMF. Of principal importance are the revision of the Heritage Investment Strategy and Commercial Property Investment Strategy.

--- Please see attached spreadsheet for action plan ---

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Norwich City Council Strategic Asset Management Framework Action Plan										
Ref.	Specific Key Actions	Comment	Baseline Data	Measurement of Success	Responsible Department	Attainable Financial / Resources	Key Drivers	Priority H/M/L	Impact H/M/L	Time-Based Delivery Timescale
Data										
Ai	Establish baseline data	Updated asset list, tenant/lease information, rent review, income. Understand requirements for EPC, condition survey and compliance information.	Existing NPSN reports and data	An up-to-date asset list	Property Team	Existing in house resource	Essential to inform other actions	H	M	Q4 21/22
Aii	Prioritise assets - for asset review	Develop a weighed matrix to prioritise assests based on factors such as lease expiry, known liabilities, redevelopment potential, yield etc.	Informed by Ai	A prioritised asset list	Property Team	Existing in house resource	Essential to inform other actions	H	M	Q1 22/23
Aiii	Commission EPC's	For all assets lacking an up-to-date EPC or with an EPC below SAP rating E	Informed by Ai	Complete EPC's on all assets	Property Team	External consultant £31k for initial EPC works - secured in budget	Legal - MEES Legislation, understand liabilities	H	M	Q4 21/22
Aiv	Commission condition surveys	For high priority assets identified via Aii	Informed by Ai/Aii	Fully condition survey for high priority assets	Property Team	External consultant - £430k 23/24 budget secured	Understand liabilities - financial resilience	H	M	Q1-Q4 22/23
Av	Obtain red book valuations	Focusing on priority assets and to inform asset review	Informed by Ai/Aii	RBV's on all priority assets	Property Team	External consultant - £430k 23/24 budget secured	Financial resilience	H	M	Q1-Q4 22/23
Compliance										
Bi	Identify properties lacking compliance information	FRA/EiCR/Loler/Gas Safety LGSR/Legionella/Asbestos	Informed by Ai	Assurance that such information exists/or is tenant responsibility	Property Team	1FTE for 6 Months - circa £60k compliance specialist working alongside in house resource working on Ai and Aii - from repairs reserve	Understanding liabilities - compliance	H	H	Q4 21/22
Bii	Commission compliance reports	For any assets lacking compliance information	Informed by Bi	Full compliance information	Property Team	External consultant - costs to be confirmed following Bi - from repairs/commercial property reserve as per 12/11/21 Cabinet approval	Understanding liabilities - compliance	H	H	Q4 21/22
Biii	Undertake priority capital works	Works needed for H&S reasons	Informed by Bi/Bii	All works signed off as compliant	Property Team	External consultant - costs to be confirmed following Bi - from repairs/commercial property reserve as per 12/11/21 Cabinet approval	Legal compliance	H	H	Q1-Q2 22/23
Biv	Undertake energy efficiency improvements to retained assets	Ensuring all assets meet minimum energy efficiency standards	Data from Aiii	MEES compliance	Property Team	£400k secured in 22/23 budget to undertake works.	Legislative	M	H	Q1-Q3 22/23
Operations										
Ci	Undertake outstanding rent reviews	There are a large number of outstanding rent reviews, whilst some relate to miscelanious land or infrastructure some have potential to realise increased income.	Informed by Ai	Completion of all outstanding rent reviews	Property Team	Refine list of assets which have income potential through rent review - proposed to outsource reviews externally.	Financial resilience - income generation	M	M	Q3 22/23
Cii	Renew leases for tenants holding over	There are a large number of tenants holding over. Renewing leases has the potential to realise income and improve covenant strength improving capital value.	Informed by Ai	No tenants holding over unless asset review determines otherwise	Property Team	Property Team - internal post April 22	Financial resilience - income generation	M	M	Q3 22/23
Ciii	Develop new processes procedures and templates for asset challenge and disposal	Including committee templates, updated governance and assurance procedures.	Review existing procedures, delegations, governance	New procedures, templates and delegations in place	Property Team / Project Place	Property Team/Project Place pre April 22	Resilience with clear governance and procedures	H	H	Q2-Q3 22/23
Civ	Implement new digital solution	To include database, DMS and performance dashboard, integrated with finance system	Data migration or from raw data captured via Ai-Av	System live date	Property / IT&Digital / Project Place	Property Team/Project Place pre April 22	Improving efficiency - assurance	H	H	Q1-Q2 22/23
Cv	Undertake asset reviews for high priority assets	Using asset challenge & segmentation criteria.	Data from Ai-Av and procedures Ciii	All asset reviews undertaken	Property	Property Team - internal post April 22	Improving asset performance / realising capital strategy	M	H	Q2-Q3 22/23
Cvi	Progress options appraisal of high priority development sites	Initially a strategy for development of Three Score to facilitate housing pipeline and also a capital receipt	Existing site specific data	Adoption of Strategy	Property/Housin g Dev. Team	Property and some feasibility work from external consultants - 23/24 Budget secured	Delivering housing / realising capital strategy	M	M	Q1-Q2 22/23
Cvii	Develop short-term capital strategy	Capital strategy for asset disposal and capital expenditure on assets 2022-2023	Data from Ai-Av and Bvi	Capital strategy adopted by Cabinet	Property Team / Finance	Property Team working with Finance - internal post April 22	Financial resilience - Capital Strategy	M	H	Q2-Q3 22/23
Cviii	Undertake asset reviews for medium priority assets	Using asset challenge & segmentation criteria	Data from Ai-Av and procedures Biv	All asset reviews undertaken	Property	Property Team - internal post April 22	Improving asset performance / realising capital strategy	M	H	Q1 23/24
Cix	Develop mid-term capital strategy	5 - 10 year capital strategy to be established following wider review of assets	Data from Ai-Av and Bvi & Bix	Capital strategy adopted by Cabinet	Property Team / Finance	Property Team working with Finance - internal post April 22	Financial resilience - Capital Strategy	M	H	Q2 23/24
Cx	Establish sinking funds for all asset segments	Based on understanding of liabilities and asset reviews	Data from Ai-Av and Bvi & Bix	Funds established	Property Team / Finance	Property Team working with Finance - internal post April 22	Financial resilience	M	H	Q2 23/24
Cxi	Undertake a utilities contract and energy audit	Review of all contracts including utilities to realise savings. Also energy audit to review utilities payments over last 6 years - potential to realise refunds	Data from Ai	Completed audit - up to date utilities contracts	Property Team	Outsourced to a consultant. Costs to be confirmed following a high level review internally.	Financial resilience	L	L	Q4 22/23
Performance & Review										
Di	Establish key performance indicators for each asset group	Using data attained from Ai-Av and informed by reporting functions of digital solution	Data from Ai-Av also informed by Biv	Adoption of performance indicators as part of updated SAMF	Property Team	Property Team - internal post April 22	To inform asset strategy, resilience, assurance & governance	M	M	Q2 23/24
Dii	Undertake a review of the SAMF and action plan	A short term 18 month review of the SAMF to enable key updates required based on data collection.	Informed by Ai-Av and Ci	Adoption of revised SAMF	Property Team	Property Team - internal post April 22	To define asset strategy and respond to internal and external factors	L	H	Q3 23/24
Secondary Strategies										
Ei	Revise and update the Heritage Investment Strategy	To ensure alignment and inform heritage asset disposal	Ai-Av and this SAMF	Adoption of Strategy	Property / Conservation	Property / Conservation - Internal	To ensure alignment with this strategy	M	M	Q4 22/23
Eii	Revise and update the Commercial Property Investment Strategy	To ensure alignment and inform performance criteria and hurdles for investment property	Ai-Av and this SAMF	Adoption of Strategy	Property Team	Property Team - internal post April 22	To ensure alignment with this strategy	M	M	Q4 22/23