

UNBRANDED VERSION – DRAFT

PERFORMANCE MANAGEMENT SCRUTINY COMMITTEE

Shropshire Council

Asset Management Strategy

2020-2025

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Approval and Sign Off

Director of Place – Mark Barrow	
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Foreword and Vision

The two primary objectives of effective asset management are fundamental in enabling the Council to innovate to thrive: to provide suitable accommodation for Council services so that they can excel in their corporate plan objectives; and to generate income – and savings - through effective property management and investment.

The framework of this asset management strategy sets the structure for managing our property portfolio effectively over the next 5 years. It will guide our future strategic property decisions to make sure we manage our property portfolio sustainably and efficiently, so that it can remain fit for the future and support frontline delivery. It will support asset-led transformation and innovation, giving clear direction and instruction to service areas in respect of how our assets and estate can help them achieve and exceed their objectives.



Mark Barrow, Executive Director of Place

Land and property remain critically important for Shropshire Council and a robust forward-thinking strategy is essential in achieving many of its future objectives and aspirations. This includes delivering a new operating model where staff work are digitally enabled to work in a mobile and agile way undertaking their work activities in places and venues that are connected to core systems and accessible anytime, anywhere.

The Council has many major capital initiatives which involve shrewd and effective asset management. These are essential to ensure the economic development and appropriate place shaping happen across the county.

The generation of income and rationalisation of the estate will deliver appropriate financial management to support front line services and deliver the necessary savings for the future.



Cllr. Steve Charmley, Portfolio Holder for Assets, Economic Growth and Regeneration

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Introduction

Second only to the workforce, property is the Council's most valuable asset in respect of financial value, as well as being essential for effective service delivery. A clear asset management strategy is essential to enable property decisions to be made in the best interests of those that we serve – the people and communities of Shropshire. These property decisions need to be transparent, and subject to robust challenge. They need to be consistent and reflect the flexibility that individual services require. They need to be effective at both operational and strategic level. The Asset Management Strategy provides a framework that sets out how and why these property decisions will be made, and how we lead and co-ordinate a process that involves service areas, portfolio holders, members, local businesses and the community. All of this is in a context of statutory compliance, best practice, sustainability, and innovation.

Building on the Asset Management Strategy 2014-2018, this new strategy sees the incorporation of a categorisation process to define portfolios. Every Council property will be determined – through a clear process of assessment – as either:-

Operational – Efficient, suitable and fit for purpose accommodation for the future delivery of public services

Heritage – Community infrastructure for the future, the Council as custodian, manages and invests in these assets for future generations

Development and regeneration – Appropriate intervention and enablement to deliver economic growth

Investment – In support of the Council's Commercial Strategy, maximising income generating opportunities through appropriate and effective property investment

Disposal – to divest, reduce revenue burden and fuel the Council's capital programme.

These portfolios create the baseline and provides a clear path of related activities to ensure that resource is targeted, and outputs are maximised. The categories will be covered in detail in Section 8 and 9.

This strategy reflects the digital transformation that Shropshire Council is incorporating into all its activities. All property data is now held on the cloud-based Technology Forge. Lease, occupancy, suitability, condition, energy, and maintenance data can be shared with colleagues and service users; monitored and managed effectively and efficiently.

It also responds to the workforce transformation programme, which seeks to empower staff to work in smarter and more flexible ways. In certain instances, this significantly changes the way the workforce utilises assets and how the public access services.

Commercial Driver for Success

Shropshire Council, like almost all local authorities, is looking to increase the contribution that commercial activity can make to minimise the impact of funding cuts. The Council proposes to invest in property and assets, which will generate an income, either through capital receipt, new revenue streams, or savings. The Council also wishes to look at new and innovate external investment models to fund development/investment projects. The Asset Management Strategy underpins this process and ensures that all assets are considered corporately and commercially.

The strategy also supports other property related initiatives including the launch of the Council's new housing company, Cornovii developments limited.

The Investment Portfolio

This portfolio will comprises of assets which are being held by Shropshire Council solely for the purposes of income generation and/or future development from which it may derive a return. Other investment/development will support the Council's capital investment programme to modernise / improve its service delivery. Key objectives:-

- Increase and optimise income
- Mitigate holding cost
- Enforce the terms of the tenancy arrangement in accordance with the lease
- Maintain & improve overall property holding and value position
- Balance a resilient income producing portfolio within an acceptable risk profile
- Optimise capital value and development return within risk parameters.

These assets include commercially tenanted assets, operational assets where part is let out at market value, or operational assets which have been repurposed to support innovate service with secondary commercial drivers.

Organisational Plan and Policy Drivers – Cognisance and Coordination

The Asset Management Plan responds to, informs, and works with, the following:

► **Shropshire Council Corporate Plan 2019/20 to 2020/21**

Our vision: Innovate to thrive Our 5 Priorities are:

- ❖ More people with a suitable home
- ❖ Care for those in need at any age
- ❖ A good place to do business
- ❖ A healthy environment Sustainable places and communities
- ❖ Embrace our rurality

The Assets Management Strategy will support the Council in implementing a place based approach, by optimising physical assets , working with our partners to deliver services where the greatest number of people can access them.

► **Planned Capital & Investment Strategy 2019/20 to 2023/24**

The Capital Strategy 2019/20 to 2023/24 sets out the importance of effective strategic asset management planning processes and their relationship to commercial activity and investment property decision making. Whilst the existing governance processes for managing assets are set out; it is important to note that as the new 5 year Corporate Asset Management Delivery Plan emerges, it will need to be consulted upon and aligned with both the financial planning review timeline, and the Commercial Strategy timeline, and reported to Cabinet in tandem.

▶ Housing Strategy/Housing Dev Co.

The engagement with the Council's housing development company remains a key driver for the next five years. The company will establish new sites and a pipeline of opportunities exists across the Council's existing estate. This strategy will endorse an approach to bring forward sites for consideration together with generating appropriate capital receipts through the effective disposal to the company.

▶ Economic Growth Strategy

Enablement and delivery of the economic growth strategy has and continues to be one of the Council's highest priorities, whether continuing to invest in successful infrastructure (business parks or industrial estates) or enabling future investment so the Council can take a key role leading in place shaping.

▶ Local Development Plan & Place Plans

Delivering local property related infrastructure to support local led service delivery is key in interpreting local resilience and capacity to shapes localities and deliver local needs. This strategy endorses and supports an approach which improves and delivers local change where the Council holds community property.

▶ Commercial Strategy

The Commercial Strategy 2017-2021 sets out the strategic objectives for commercial activity across the Council, the framework for their delivery and the key performance indicators for measuring success. A number of the targets relate specifically to property investment and are under continuous review. The Asset Management Strategy provides the foundations for these aspects and ensures with appropriate alignment with the Commercial Strategy and Capital Strategy given their interdependence.

▶ Climate Change/Carbon Emission Reduction Strategy

The appropriate management of the Council's estate drives and contributes to positive action on climate change, sustainable design at the heart of Council led development, the continued transition and acceleration to low cost renewable energy. Councils' Use less carbon than we are able to capture;

► Strategic Partnerships/OPE/Central Government Estates' Strategies

Central to this strategy is the principles of a One Public Estate. This strategy commits the Council wherever possible to engage with partners with a view to exploring co-location options and the potential for sharing accommodation. As well as efficiencies this commitment has secondary benefits such as income generation through renting surplus space to partners, the ability to free up complete sites or buildings for alternative use such as housing and also the ability for staff from different parts of the public sector to work, share and learn together to improve front line services for residents and customers.

► Heritage and Cultural Strategy

The heritage estate, owned and managed by Shropshire Council, can be defined as the buildings, monuments, sites or places that have historic significance sufficient to merit consideration in planning and other statutory decision-making processes. Due to their condition, limitations and viability of potential and permissible uses, many heritage assets cannot be self-sustaining. Consequently, they must be managed as effectively as possible to reduce subsidy and therefore financial pressure on the Council, whilst retaining heritage merit and community value.

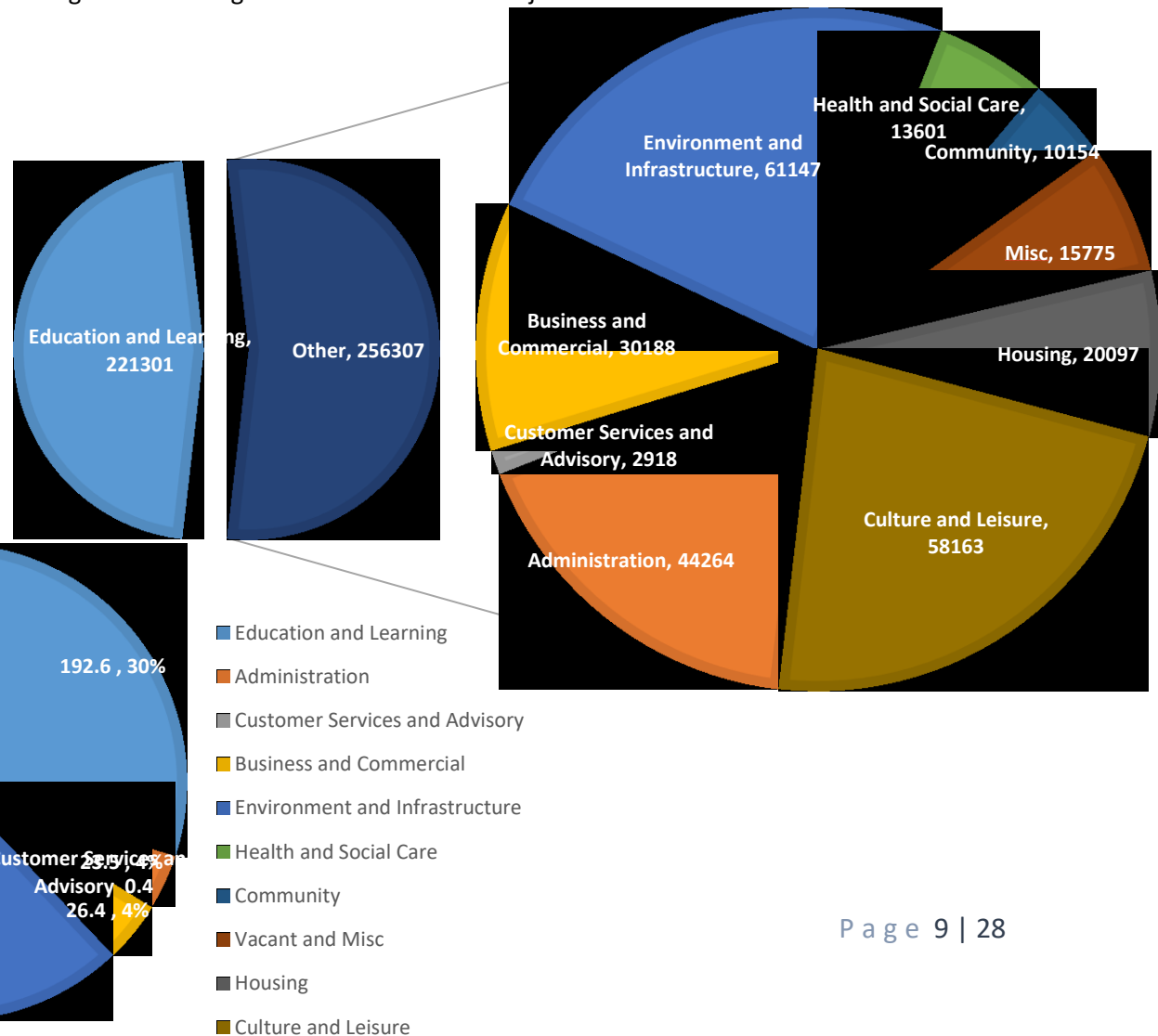
► Corporate Workforce Strategy

The strategy enables change and promotes agile and mobile and flexible working where appropriate and effective for the workforce. Asset led transformation delivers workplaces which can respond to the changing workplace environment and sets the future conditions. The rationalisation of the administration accommodation can help drive change and reduce significantly the reliance on traditional workspace and hence assist in the in reducing property related costs.

Portfolio Overview

The Assets and Estates team manage a portfolio of assets worth approximately £640M, with a total GIA of 447,000 m2. The Estate currently generates £5.86M per annum. The majority of the portfolio is essential to directly delivering Shropshire Council services. The remainder is income generating; generating income to support Council services, as well as contributing to economic growth and commercial objectives.

The first chart shows GIA (m2) by service area. Just over half of the Council's property portfolio in terms of area sits in learning and skills. Using the same colour key, the second chart shows value (£M) of properties. The 3 most valuable portfolios are learning and skills, environment and infrastructure, followed by culture and leisure.



Portfolio Overview Cont'd

The Shape and Composition of the Estate

The Council owns and manages a diverse estate which reflects its agricultural and rural heritage together with its historical transition to unitary status in 2009. It remains a mixed portfolio spanning a number of different property types and land holdings. The diversity can be seen through the different property holdings ranging from administrative office buildings, operational buildings situated in the community (such as schools and libraries), more complex operational sites such as car parks, waste transfer sites and depots, custodian heritage assets, historic listed buildings and monuments to income producing assets such as business parks and buildings let to tenants providing more community-based services. They are held on a mixture of tenures, freehold, leasehold and licences. Increasingly as the Council has embraced new place shaping models and strategies, it is continuously reviewing its previous focus on commissioning and how it utilises assets through a range of contracting and grant agreements in the delivery of services.

The Council is a Local Education Authority where it has a reducing number of Council maintained schools where repair and maintenance are devolved to the schools themselves. Shropshire Council acts as custodian and holds a number of lease arrangements following statutory transfers to academies, foundation trusts and diocesan bodies. The Council continues to experience significant demand for school places for the Council and will see the development of a more significant capital programme to ensure sufficiency across the county whilst working with multi academy trusts to meet its statutory duties.

The Council continues to commit to the development of further and higher education and plays a key role in its relationships and partnerships with its local universities and college groups. It provides through the deployment of a number of key assets the property infrastructure for the University of Chester including its main campus building and student accommodation. This strategy recognises the diversity and seeks to exploit the opportunities this provides for innovative asset management.

Diversity in delivery: The delivery of the corporate landlord model through the implementation of the previous strategy has enabled the coordination and consolidation of the management of the estate bringing together and removing disparate property management. This provides the opportunity, through effective coordination and collaboration internally and externally, to achieve the right balance of assets to support the Council's future core business objectives.

There has been a shift in traditional UK property markets from commercial and retail to a more residential. Shropshire's agricultural status and location being in a commuter belt for larger conurbations such as Birmingham, Liverpool and Manchester shapes the economic development drivers to encourage business and growth in the area. The local market in Shropshire remains stable with steady growth the Council continues to release vacant properties where appropriate for disposal.

Estate – Key National and Local Policy drivers 2020 -2025

The Hackitt Review – the tragic events at Grenfell have led to direct changes in legislation and the operational property policies and strategies. This strategy places a renewed emphasis on the property management area, as set out in the Assessment and Property Management sections.

The Climate Emergency declared by the Council alongside a number of other Councils across the UK. The reduction in the carbon foot print and natural utility use through the modernisation of its portfolios are key drivers and are covered in the objectives and measures within this strategy. Seek external funding to make such changes where it can but there are no resources for doing so and to reduce where it can assets situated in zones where there is a risk of adverse weather impacting on the services it accommodates and having identified plans in place to react appropriately where assets are affected.

The Public Sector Building Condition Challenge - There is a significant variance in condition across the estate, and the portfolios hold buildings from newly built assets to some which are several hundred years old and subject to heritage preservation. The importance of accurate property data and compliance is paramount across the next year five year period, fire safety and condition data show that large proportions of that the Estate have suffered in terms of its condition. This is reflective of the national picture where public sector resources have reduced and has meant whilst there has been a focus on the fundamental of basic statutory compliance and health and safety compliance, there has been challenges on the general condition. This remains a significant challenge and this asset management strategy recognises its importance and seeks to deliver change to improve the situation. The importance of capital investment is recognised alongside the importance of improved intelligence and data to release poor performing assets and focus on the essential operational assets. The review process now being undertaken in terms of the new portfolio approach will lead to strategic realignment and address this issue strategically.

Overall objectives of the strategy

Our aim is to develop a property portfolio that:

Treats all assets strategically and corporately	<ul style="list-style-type: none"> • Ensure assets are managed strategically and in line with our corporate objectives • Understand the purpose of each asset • Rationalise and resize our estate
Demonstrates value for money and fitness for purpose	<ul style="list-style-type: none"> • Performance monitoring, based on qualitative and quantitative property data that generates accurate asset RAG ratings; enabling innovative property decisions • Suitability assessments • Challenge levels of occupation and utilisation
Enables dynamic and effective service delivery	<ul style="list-style-type: none"> • A clear methodology of how to identify, measure and manage service objectives that are influenced by/can influence property decisions • Effective facilities management (FM)
Maximises opportunities of working with the wider public estate and partners to support new models of service delivery	<ul style="list-style-type: none"> • Avoid duplication, enabling strategic planning, economies of scale • Consolidated estate management • Support innovative new models of joint working • Lead the public sector through the One Public Estate programme - clear governance which enables collaboration and collective decision making • Secure funding
Generates and diversifies revenue streams	<ul style="list-style-type: none"> • Ensure non-operational assets produce a satisfactory level of return. • Performance benchmarking
Reduces our carbon footprint and promotes sustainable asset management	<ul style="list-style-type: none"> • Ensure assets are sustainable in design, construction, maintenance and operation • Identify opportunities to invest in innovative technologies • Effective facilities management (FM)



Planned and preventative maintenance

Sustainability

Performance management

Generates receipts to support our capital programme	<ul style="list-style-type: none"> • Disposals policy • Reconciliation back to property portfolios • Appraise opportunities to uplift the value of assets in order to maximise receipt
Reduces revenue impacts	<ul style="list-style-type: none"> • Reduce running costs through energy management, asset review and suitability assessments • Effective financial management and monitoring: cost, value, income • Effective facilities management (FM)
Empowers communities to thrive	<ul style="list-style-type: none"> • Use and develop assets in a way that stimulates activity and encourages the vitality of the area • Community Asset Transfer (CAT) – release assets into community ownership • Protect and promote community infrastructure • Community Right to Bid (CR2B) – • Place making • Sympathetic management of heritage assets
Takes advantage of our unique place in the market, to stimulate economic growth through planned intervention.	<ul style="list-style-type: none"> • Develop a long term strategic vision. • Use and develop assets in a way that stimulates activity and encourages the vitality of the area. • Housing to address unmet need in the county



Corporate and Service Delivery Plans

Corporate Asset Management Delivery Plan - 5 year Plan

The plan and delivery framework to enable the delivery of the strategy which sets out the detailed operational measures to deliver the objectives.

This is informed by and captures the key drivers of the Service Asset Management Plans whilst ensuring they are compatible, consistent and deliverable. This is a meaningful plan which remains a live and dynamic document responding to the performance of the Council in meeting its key targets set in the strategy.

Service Asset Management Plans

Service Asset Management Plans (SAMPs) are fundamental to the success of this strategy. They forge the link and ensure collaboration between the key drivers of service delivery and the asset led transformation engendered through the Corporate Landlord model. The following areas will be targeted to support the strategies objectives. The strategy sets the need to review and challenge as appropriate:

- Service area short, medium and long term vision and objectives
- Property condition
- Property suitability
- Current and confirmed capital projects
- Planned maintenance programme
- Reactive maintenance incidents and response times
- Running costs including energy usage
- Income
- Property title
- Opportunities to co locate with internal and external partners

Portfolio Categorisation

In order to make suitable and effective property decisions in respect of each asset, the asset base has been categorised into the following portfolios/categories.

Category	Definition	Performance Assessment Considerations
Operational	<ul style="list-style-type: none"> • Place shaping • Workforce transformation • Service delivery/rationalisation • Performance improvement 	<ul style="list-style-type: none"> • Efficient and effective use • Minimising cost of occupation • Improved utilisation
Heritage and community value assets	<ul style="list-style-type: none"> • Release & stewardship • Protected & supported 	<ul style="list-style-type: none"> • Must be protected because of historic, heritage value
Development & regeneration	<ul style="list-style-type: none"> • Housing stock • Business growth interventions 	<ul style="list-style-type: none"> • Where potential alternative value exceed existing use • Delivery of alternative uses through effective planning consultancy
Investment	<ul style="list-style-type: none"> • Enhanced capital return and/or revenue generating 	<ul style="list-style-type: none"> • Rate of return • Enhanced capital value • Improvement in building performance
Disposal	<ul style="list-style-type: none"> • Fuel for capital programme 	<ul style="list-style-type: none"> • Surplus land and buildings, that do not fit into any of the categories above

Portfolio Assessment

Assessment methods vary according to category. Assessment is designed to be structured, but be flexible and bespoke depending on the service requirements and/or any changing or emerging corporate objectives.

Category	Assessment criteria and considerations	Outcomes
Operational	<ul style="list-style-type: none"> • Running costs • Condition • Suitability • Title • Development opportunities • Council policy • Service vision/objectives 	<ul style="list-style-type: none"> • Consolidate • Invest and improve • Make service adjustments (i.e. rehouse, col-locate) • Reallocate to other category
Heritage and community value assets	<ul style="list-style-type: none"> • Sensitivity analysis • Specialist surveys • Conservation and maintenance plans • Interpretation • Community Infrastructure mapping • Stabilisation programmes 	<ul style="list-style-type: none"> • Commercial opportunities • Divest • New ownership models • Investment plans • Targeted funding bids
Development & regeneration	<ul style="list-style-type: none"> • Master planning and place shaping • Business activity and promotion • Land and property appraisal • Economic Development 	<ul style="list-style-type: none"> • Investment modelling • Delivery partnerships • Release to private sector

Investment	<ul style="list-style-type: none"> • Income projections being met • Rate of return or yield stable, increasing or under performing • Acceptable level of risk • Balanced portfolio • Short term or longer term investments • Contribution to wider strategic programmes and objectives 	<ul style="list-style-type: none"> • Further targeted investment or development • New financial investment models • Review management processes and improve performance monitoring
Disposal	<ul style="list-style-type: none"> • Property review • Balance of investment and disposal • Service based rationalisation 	<ul style="list-style-type: none"> • Fund non-income generating Council investment • Support the capital programme

Delivering Property Related Services and the Corporate Landlord

Diversity in delivery: The delivery of the corporate landlord model through the implementation of the previous strategy has enabled the coordination and consolidation of the management of the estate bringing together and removing disparate property management. It provides the opportunity, through effective coordination and collaboration internally and externally, to achieve the right balance of assets to support the Council's future core business objectives.

The operation of the model involves the central management of both the assets and the allocated support resources to support; the Council as stated in its Constitution owns all property assets centrally and all decisions relating to their acquisition, holding and disposal are governed within financial limits with delegation to senior management up to a set value after which decisions taken by Cabinet or Council again depending on the value. The Portfolio Holder Portfolio Holder for Assets, Economic Growth and Regeneration acts as custodian and steward for the estate and endorses the strategic and operation plans which ensures its appropriate management.

Estate Management and Property Services - This strategy recognises the importance of 'inbuilt intelligence' through its retention of key property related services areas. This retains knowledge and expertise at the heart of delivery and reduces an overburden or reliance on external contracting. This strategy endorses the continuation of effective coordinated internal property related services whilst drawing in private sector acumen and support when needed to drive innovation/change and major asset related project delivery.

Criticality of Baseline Data

The strategy endorses the criticality of Baseline Data

Essential to the proper assessment, review and challenge of the property portfolio, is accurate baseline data. This is achieved through the following:

- Every building that the Council has an interest in is recorded on Technology Forge (TF), a cloud-based property information database
- Energy data for each individual corporate property is recorded and monitored.
- All repair and maintenance works undertaken at a property are logged on the property's TF record.
- Service Asset Management Plan meetings will be held at least once every 6 months with all services in the Corporate Landlord model.
- Corporate landlord building review meetings held quarterly to ensure that all public buildings owned by the Council are compliant with statutory requirements including health & safety, disabled discrimination act regulations, fire safety regulations, legionella and radon regulations etc.

There are a number of actions that will be progressed and completed in the life cycle of this asset management strategy:

- Every building will have a condition survey no more than 5 years old
- Operational assets will have a suitability survey no more than 5 years old
- Current occupied/vacant space will be recorded for each property
- All buildings will be categorised into one of the five categories listed on page [x]
- All Corporate Landlord service areas will be allocated a dedicated lead, to act as 'account manager' for all property related decisions and activities.
- Dedicated lead, to act as 'account manager' for all property related decisions and activities.

Repairs and Maintenance Strategy

The strategy will set in motion the need for a focused repairs and maintenance strategy which will set the direction through portfolio management to reduce the estate to provide a critical mass of land and property which meets the Council's strategic objectives but is affordable to maintain. Maintenance will become planned and proactive to ease the burden of expensive reactive maintenance. Investment and improvement will be targeted appropriately and measured to match the both the capital and revenue monies available across the next five years.

Condition Surveys and Condition Programme - This strategy will promote and engender visibility across a five year programme of condition surveys. The Council will become intelligence led in terms of financial deployment. The condition data will be coherent, transparent, accessible and dynamic to all areas to allow fast and effective decision making.

Coherent – consistent cost-effective survey programme providing compatible data with the Council's ICT property management system.

Transparent – data will be accurate and quality checked to ensure evidence based decisions can be taken when setting short and long terms maintenance programmes

Accessible – data will be available to all officers through the property management system.

Dynamic – collaboration through service based planning will ensure surveys are fit for purpose in the context of the building type and future plans.

Suitability Surveys - The strategy endorses a fundamental move back to recognise the importance of suitability assessment and data. Working cross directorate the data pool will be increased to provide robust intelligence. The intelligence will deliver meaningful and directional change in terms of matching against the property categories set out in page 15.

Repairs and Maintenance Strategy Cont'd

Planned Maintenance Programmes - This strategy recognises the tension between the financial budgetary pressure and planned maintenance. Through achieving a critical mass in terms of the quantum of the Council's estate this strategy endorses the fundamental importance of a Planned Maintenance programme. This is sometimes referred to as planned and preventative maintenance or PPM, is the scheduled maintenance of an asset to prevent failure or deterioration and the key target in the corporate plan is to reduce any risks associated with health and safety or major failure leading to financial and reputational damage.

A rolling 5 year planned maintenance programme is developed using information gathered from condition and suitability surveys, fire risk and DDA assessments, service objectives, in accordance with the need/requirement set out by its categorisation and any determined required intervention. Extensive property data enables programmes of work can be developed that meet service needs, corporate objectives, and can address the highest priorities; programmes that are attractive to suppliers and ensure value for money in respect of packaging works (e.g. similar work types/locations to attract specific suppliers and/or take advantage of specific market conditions).

The planned maintenance programme is managed and monitored by Assets and Estates with support from Finance and PSG. The programme can be flexed to meet changing service priorities and corporate objectives, as well as external factors such as responding to the challenges of the climate emergency.

Reduce Reactive Maintenance - This strategy endorses an approach to reduce reactive maintenance by 20% reducing in economic maintenance activity and stabilising maintenance spend so it is planned and cognisant with the identified budgets.

Measuring Success

The objective of the strategy is to create a framework through which effective property decisions are made, that enable effective service delivery both directly and through effective commercial decisions. Success of this strategy can be measured through the following:

KPI	Target	Capture and Assessment Method
Strategy level:		
S1. Approval from cabinet of AMS	5 year	Agreed by Cabinet
S2. Creation and performance monitor of Corporate Asset Management plan linked to AMS.	Annually	Reported to Cabinet annually
S3. Repairs and Maintenance Strategy	Annually	Reported to Cabinet annually
S3. Review of AMS against other key corporate strategies	Annually	Record of annual review updated Corporate Asset Management Plan. RAG assessment

Corporate level:

KPI	Target	Capture and Assessment Method
C1. Review and refresh of Corporate Asset Management Delivery Plan	Quarterly review	Regular reviews shared and agreed delivery plan for each service area.
C2. To Generate and diversify revenue streams through effective property investment. Led by the Council's Commercial Strategy the Investment plan will generate new and durable income streams through the both the re-development or repurposing of its existing assets or the acquisition of new assets which will deliver a strong financial yield	Quarterly review/KPI monitor	Performance monitored against the Commercial Strategy. Key performance indicators and measures.
C3. In response to the Climate emergency Reduce our carbon footprint and promote sustainable development and asset management.	Quarterly review/KPI monitor	Monitored against the Council's Carbon Reduction Strategy. MEES Compliance.
C4. Generate receipts to support our capital programme. Rationalise and reduce the estate to deliver receipts and support the Council's capital aspirations	Quarterly review/KPI monitor	Monitored against the Council Capital Strategy
C5. Demonstrate value for money and fitness for purpose annual suitability assessments. Council's assets will be suitable and sufficient to support the Council's functions and objectives.	Quarterly review/KPI monitor	

C6. Through effective service asset management planning the Council will retain fit for purpose assets which strongly align to service delivery. Service Asset Management Plans will be in place for all directorates	Quarterly review/KPI monitor	Monitored against directorate strategies
C7. Fit for purpose administration accommodation targeting a critical mass to ensure staff are supported through digital transformation and back office savings continue to be delivered driving efficiency. New administration model to be delivered by year five.	Quarterly review/KPI monitor	Monitored in conjunction with Workforce Transformation and Digital Transformation
C8. Reduce Shropshire Council's estate by a third and resultant reduction in revenue cost. Optimising the estate to reduce the burden of repairs and maintenance and reducing operating costs.	Quarterly review/KPI monitor	Monitored against property indicators – area and value analysis
C9. Maximise opportunities of working with the wider estate. Drive innovation across the public estate and creates the real opportunity for savings linked to new ways of working.	Quarterly review/KPI monitor	Delivered and monitored against the Shropshire and Telford and Wrekin Estate Partnership
C10. Empower communities to thrive. Promoting, releasing and working with communities to improve resilience and allowing the use of assets by the community to deliver change.	Quarterly review/KPI monitor	Key Performance indicators borne out of place planning process

Service/operational level:		
O1. % of Council service areas with a Service Asset Management Plan	100%	
O2. % of buildings with DDA audits	100% of buildings with public use	DDA audit and management plan
O3. % of buildings with FRAs	100%	FRA and action plan
O4. % of buildings with condition survey no older than 5 years	95% of corporate buildings	Commissioning process, Corporate Programme Building Review Board, TF
O5. % of buildings with suitability survey no older than 5 years	90% of corporate buildings	SAMPs, TF
O6. % of buildings with urgent and essential category work outstanding	1% of corporate buildings	Condition Surveys
O7. % of buildings with Energy Performance Rating below national target	10% of corporate buildings	EPC rating/MEES rating
Q8. Reduction in EPC and DEC out-turns, reduction in utility and energy usage, reduction in the number of buildings in areas prone to extreme climate events.		
ABOVE INDICATIVE FOR draft AWAITING GOVERNMENT RELEASE ON LATEST RECOMMENDED KPI PROPERTY TARGETS – UPDATE FOR FINAL DRAFT		

Draft Timeline strategy development and approval process

July 2019	Performance Management Scrutiny Committee – Structure sign off
November 2019	Performance Management Scrutiny Committee – Draft Strategy
December 2019	Asset Management Strategy approved by Cabinet
February 2020	Strategic Asset Management Strategy Plan reported with Capital Strategy
March 2020	Corporate Asset Management - Delivery Plan prepared and approved in line with financial governance and reporting deadlines

Glossary

AMS Asset Management Strategy

Corporate Landlord (CL)

Capital Investment Board (CIB)

Capital Steering Group (CSG)

CIPFA

Community Right to Bid (CAT)

DDA

FRA

KPI Key Performance Indicator

MaRe

MEES

PRINCE2 PRojects IN Controlled Environments, a process-based method for effective project management used extensively by local government and well as the private sector both nationally and internationally.

PSG

RICS

SEPuBu Sustainable Energy in Public Buildings

SAMP Service Asset Management Plan

TF/Technology Forge

