

Corporate Asset Management Plan

Live from: November 2024

Live until: March 2028

	Corporate Asset Management Plan (CAMP)
Ref	AM 001

Creator	Author(s)	David Jamison – Head of Property and Commercial Services.		
	Department	Asset Management		
	Service area	Property and Commercial Services.		
	Head of Service	David Jamison – Head of Property and Commercial Services.		
	Director	Richard Horniman – Director Regeneration		
Date	Created	20/6/2024		
	Submitted			
	Approved			
	Updating Frequency	3-Yearly		
Status	Version: 1.0			
Contributor(s)	David Jamison, Teresa Garrett, Paul Shout, Andrew Glover			
Subject	Property management			
Type	Procedure			
	Vital Record	X	EIR	
Coverage	Middlesbrough Council			
Language	English			
Document Control				
Version	Date	Revision History	Reviser	
1.0	October 2024	First version		
Distribution List				
Version	Date	Name/Service area	Action	
1.0	October 2024	MBC	All directorates areas and electronically to intranet	

Contact:	David_jamison@middlesbrough.gov.uk
-----------------	--

1.0 Summary

1.1 This policy sets out how Middlesbrough Council intends to organise its Corporate Asset Management Plan in order to achieve Best Value compliance.

2.0 Context

2.1 The Corporate Asset Management Plan (CAMP) is the Parent policy for Asset Management.

3.0 Purpose

3.1 This new policy builds on the principal of the 2020 Estate Strategy with a fresh approach. The CAMP objective is to provide clear and concise information on how the Council fulfils its statutory obligations in accordance with the requirements of the Local Government Act 1999 Part 1 Best Value Duty, and in respect of land and built assets, “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”.

4.0 Scope

4.1 This policy applies to all Middlesbrough Council employees and elected members.

5.0 Policy Detail

5.1 The CAMP sets out how the land and property portfolio will support the Council Plan, Transformation, corporate priorities, and objectives, providing the direction for the ongoing management of the portfolio over the next three financial years.

5.2 This CAMP has three elements:

- The Asset Management Strategy – highlighting the strategic context and factors that will influence change and translate organisational objectives into property objectives.
- The Asset Management Policy – setting out the framework of rules, culture and behaviour that will ensure the consistent management and high performance of Council property assets.
- The Asset Management Action Plan – an action plan of activities and projects that deliver Council property objectives.

5.3 The CAMP therefore has due regard to the role of land and property in acting as an enabler to the Council achieving effective outcomes.

5.4 This approach will ensure that finances are properly prioritised, management is consistent, and opportunities are realised across the whole estate. In this way, we can be confident that the needs of the whole organisation, as well as individual service operational needs.

6.0 Roles and Responsibilities

6.1 The responsibilities for the governance and management of Asset Management can be found at the following link [Corporate Landlord](#)

7.0 Monitor and Review

7.1 The implementation and effectiveness of this policy and its supporting procedures will be reviewed annually.

7.2 This policy will be reviewed every three years, unless there is significant development that would require a more urgent review e.g. new legislation.

8.0 Evaluation

8.1 Monitoring and evaluation will be undertaken by the Head of Property and Commercial Services. Governance will be provided through the Corporate Asset Management Group. Full detail can be found at the following link.

[Asset Management Framework Protocol Feb 2024.docx \(sharepoint.com\)](#)

DRAFT

Foreword

I am pleased to present the Corporate Asset Management Plan (CAMP) for Middlesbrough Council, a strategic document that underscores our commitment to effective and responsible management of land and building assets.

As Middlesbrough continues to evolve and face new challenges, the role of local government in the proactive management of corporate assets becomes increasingly pivotal. This Corporate Asset Management Plan is not merely a bureaucratic instrument; rather, it represents how we will optimise our assets to their fullest potential, ensuring the delivery of essential services, fostering economic growth, and enhancing the overall well-being of the residents of Middlesbrough.

In an era of rapid technological advancements, changing demographics, and fiscal constraints, the need for a comprehensive and forward-looking approach to asset management is needed. This plan outlines our policy and strategies for reviewing, investing and maintaining our portfolio of assets.

Cllr Theodore Furness
Executive Member for Regeneration

DRAFT

Introduction to the Corporate Asset Management Plan

Middlesbrough Council is committed to providing value for money in respect of Property & Land management.

The Corporate Asset Management Plan (CAMP) provides a clear picture of what we want from our property portfolio, setting out the overarching principles by which we will manage this. It will be used to guide future planning and use of our property portfolio and influence all property-related activities.

Whilst our property portfolio includes maintained schools, the growth of academies means that they are not included in the scope of this plan.

This CAMP also excludes the Council's highway infrastructure and assets, the management of which are the subject of a separate Transport Asset Management Plan (TAMP).

The introduction of this new plan combines the segmentation portfolio principals of the Council's 2020 Estate Strategy with the Chartered Institute of Public Finance and Accountancy (CIPFA) Asset Management Framework, which includes the Corporate Landlord model.

DRAFT

Document structure

This CAMP includes three elements, and is structured accordingly:

<p>The Asset Management Strategy</p>	<p>The direction for change</p> <p>This will set out at a strategic level what the Council wants to achieve from its property assets in the context of its organisational objectives and achieving its priorities. This will reflect different strategic issues including specific social, economic and environmental objectives as well as specific service and portfolio transformation objectives.</p> <p>It will translate organisational objectives into property objectives.</p>
<p>The Asset Management Policy</p>	<p>The rules, culture, and behaviour</p> <p>This will set out the rules and principles by which the property assets must be managed.</p> <p>It will provide the framework under which all activities will be undertaken and will ensure that performance is effectively and consistently managed to support the Council's strategic objectives, in addition to statutory and legislative requirements.</p>
<p>The Asset Management Action Plan</p>	<p>The delivery plan</p> <p>This will be a short term, 'live' action plan specifying detailed activities, timescales, resources, and responsibilities to achieve the property objectives.</p> <p>This action plan will be actively managed and updated at least annually.</p>

Part 1: The Asset Management Strategy

The CAMP is informed by the Council Plan and Transformation Strategy to ensure decisions relating to the property portfolio supports the Council's ambitions.

More focused service specific strategies may require consideration of property implications as part of service and project specific business planning. This is a fundamental element of our evolving corporate approach to property asset management to ensure demands from our services for properties that support them in the delivery of services and demands from our communities for properties to support local needs are proportionate.

The Council Plan 2024-2027 sets out the contributions that the council will make to achieve the vision for Middlesbrough.

The Council will transform into an organisation that works with the community to achieve its aims and objectives.

Services will transform to make them as efficient as possible, ensuring the best outcomes for residents.

The themes and priorities in the Plan centre around the Mayors Vision and Priorities

- **A Successful and Ambitious Town:** *Maximising economic growth, employment and prosperity, in an inclusive and environmentally sustainable way.*
- **A Healthy Place:** *Helping our residents to live longer and healthier lives, improving life chances and opportunities to thrive.*
- **Safe and Resilient Communities:** *Creating a safer environment where residents can live more independent lives.*
- **Delivering Best Value:** *Changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.*

Medium Term Financial Plan

The Council will always have financial demands, so there is an expectation that the property estate will deliver both capital receipts from disposals and revenue income from the commercial estate.

The Medium-Term Financial Plan (MTFP) and Capital Strategy provide the framework within which we ensure our financial resources are managed effectively so that service and financial planning is fully aligned with council priorities.

The Capital Strategy ensures we make capital expenditure and investment decisions in line with service objectives and properly consider stewardship, prudence, sustainability, and affordability. The capital programme will be prioritised and agreed through a corporate approval process and will be supported in part by capital raised from the disposal of surplus property assets and land.

By continually reviewing the performance of our property assets through the asset challenge programme, we can ensure that we identify opportunities to rationalise the estate, control running costs and maximise property related opportunity for the council.

We will only acquire assets that meet our objectives and provide a reasonable level of return, with all risks assessed as part of a robust business case and due diligence process. How we then manage these assets must reflect and be determined by performance against these objectives.

Transformation Strategy

The proposed Transformation Plan comprises of six thematic programmes, each containing a number of projects which are sponsored by a member of the Leadership Management Team.

The size, make up and geographic spread of our current portfolio gives us a real opportunity to reshape it to support our organisational transformations and changes to service delivery models and ways of working. By creating flexibility in our estate, we will be in a better position to respond to opportunities for change and to collaborate with partners and our communities.

The Property Programme purpose is to undertake a comprehensive review of the Council's asset portfolio, with a focus on identifying immediate opportunities to maximise the generation of revenue and capital receipts to support organisational transformation. For the period 2024-2026 there is a revenue saving requirement of £0.569m from the closure and disposal of operational assets and deliver £44.7m from sales, £26.7m for flexible use of capital receipts and £18m to part fund the capital program.

We will undertake further work to fully understand service priorities, to stay informed of new legislation and best practice and ensure that the property portfolio supports wider corporate strategies.

Through our Housing Strategy, we continue to focus on preventing and alleviating homelessness and identifying opportunities for the provision of housing that meets the needs of our communities. We will continue to provide professional support when we acquire properties and ensure that appraisals of initial and ongoing costs are used to inform any investment decisions.

Climate Emergency Response Plan and Ecological Emergency

Our Climate Emergency Response Plan and Green strategy includes targets for carbon reduction, with the aim of becoming a net zero Council by 2029 and to have a 'carbon neutral Town' by 2039. It is vital that we aim to reduce the council's carbon footprint which includes emissions from the use and occupation of buildings. This will include setting clear design priorities for our operational buildings.

Whilst it may be harder, and potentially more costly to achieve retrospectively in existing buildings, all maintenance and other property activities will seek to support the achievement of our carbon reduction targets, through means such as the choice of energy efficient plant, equipment, materials, or procurement options.

Asset Management Strategic objectives

Demonstrating Value for Money and effective outcomes requires us to use all our resources to best effect. To help us do that, we have set out high-level property specific objectives within the context of the Council Plan & Transformation.

Objective & Purpose	Actions	Corporate Drivers
<p>Corporate Resource: Policy & Strategy</p>	<p>Develop and obtain Executive approval for the implementation of a Corporate Asset Management Plan – Including Policy, Strategy & Annual Action Plans</p> <p>Develop the Corporate Landlord Model</p>	<p>Council Plan & Transformation</p>
<p>Right space, right place: Rationalisation</p> <p>To only hold (or acquire) assets for a defined purpose in support of a corporate objective with demonstrable benefits</p>	<p>Ensure we have clear purpose to hold each asset.</p> <p>Use asset challenge to identify assets not supporting the Council Plan & Strategic Objectives.</p> <p>Ensure there is a robust business case and appraisal prior to all acquisitions.</p>	<p>Council Plan & Transformation</p>
<p>Right space, right place: Rationalisation</p> <p>To improve the flexibility in the use and efficiency of our property portfolio</p>	<p>Seek opportunities to rationalise the portfolio.</p> <p>Use Asset Challenge to identify opportunities to improve utilisation, co-locate or provide space differently.</p> <p>Use service improvement & development plans to inform strategic planning of the property portfolio.</p> <p>Seek to achieve an optimum estate to maximise efficiency.</p> <p>Set a minimum corporate standard for operational Assets.</p>	<p>Council Plan & Transformation</p>
<p>Well maintained and sustainable: Policy & Strategy</p> <p>Control the level of revenue spend on maintaining assets.</p> <p>Obtain Capital Funding to address.</p> <p>Maintenance backlog</p> <p>Investment in buildings</p> <p>To reduce the carbon impact of our portfolio</p>	<p>Reduce operational costs through more effective use of buildings.</p> <p>Ensure effective performance monitoring and energy management.</p> <p>A proactive approach to reducing the level of reactive works through the introduction of planned cyclical maintenance.</p> <p>Produce report to advise on the level of funding required to address the maintenance backlog to buildings. Plan & delivery a program of works over a 5-year cycle.</p> <p>Produce report to advise on the required funding to refurbish buildings as part of transformation.</p> <p>Ensure sustainability and environmental impact is considered when undertaking building refurbishment, and maintenance activities.</p> <p>Ensure the way we use buildings minimises impact through the introduction of energy efficiency and renewable technology.</p>	<p>Council Plan Transformation</p> <p>Green Strategy</p>

<p>Optimise returns and support growth: Disposals.</p> <p>Support Transformation through the generation of capital receipts from property & land sales</p>	<p>Use asset challenge to identify opportunities to release surplus assets.</p> <p>Use our Disposal Programme to manage the delivery of capital receipts.</p>	<p>Council Plan & Transformation</p>
<p>Optimise returns and support growth: Property Management</p> <p>Generate revenue income and maximise benefits from our portfolio.</p> <p>Formal options appraisal and business case for long term management arrangements for each category of property</p>	<p>Ensure our management approach relating to the commercial estate maximises financial returns, including debt management, timely lease & rent reviews, recognise other economic and social benefits.</p> <p>Effectively manage the performance of our portfolio to meet income targets.</p> <p>Review arrangements for the estates management of the commercial portfolio include the option of outsourcing.</p>	<p>Council Plan & Transformation</p>
<p>Optimise returns and support growth: Property Management</p> <p>To use the property portfolio to support and drive growth and regeneration objectives</p>	<p>Ensure we use our estate innovatively to identify opportunities to drive and support regeneration and development.</p> <p>Ensure we consider growth and economic impact in the way we use and manage our property portfolio</p>	<p>Council Plan</p> <p>Town Strategy</p> <p>Housing Strategy</p>
<p>Support community involvement and partnerships</p> <p>continue to look at opportunities to seek out community groups and other partners who can take on responsibilities for properties.</p>	<p>Work with operational directorates, community organisations and other partners to optimise the beneficial use and efficient occupation of our properties.</p> <p>Consider opportunities for community and partner involvement in the management and longer-term future leasing or ownership of our properties.</p>	<p>Council Plan & Transformation</p>

By defining these objectives, we can create a clearer picture of how we want to shape our property portfolio going forward.

Governance

The Constitution sets out how the council operates, how decisions are made and the rules and procedures which are followed to ensure that we are efficient, transparent, and accountable to local people.

The Constitution designates the Director for Regeneration as being responsible for the management of our property assets, with certain matters being delegated to the Head of Property and Commercial Services.

The Corporate Asset Management Group (CAMG) through its Terms of Reference will have overall responsibility for ensuring a corporate approach is taken in respect of investment, remoulding, acquisition or disposal of our property assets.

The Regeneration Directorate acts as custodian and steward for the property portfolio. All decisions about our property portfolio are made in accordance with the requirements of our Financial Procedure Rules which are also set out in our Constitution.

As the Council moves towards the roll-out of the Corporate Landlord model we recognise that this is important not only to effectively manage our assets, but it's critical to ensure that the decisions made on our assets are able to be supported by our financial position and deliver corporate outcomes.

Our approach to governance and decision making on our assets is part of the Corporate Landlord model and one of the key elements to the implementation of a corporate approach is the introduction of the CAMG.

The CAMG is responsible for ensuring there is a robust governance structure in place, providing direction and transparency of the management of the Council's estate. This includes strategic decision making, monitoring performance and approval of capital funding up to the delegated value and if required approval for reports to be presented to Executive.

The link below outlines the organisational structure for the governance and approval for capital funding to corporate land and building assets.

[Asset Management Framework Protocol Feb 2024.docx \(sharepoint.com\)](#)

The Corporate Property Group will be chaired by the Director for Regeneration. The frequency of meetings will be subject to the level of activity and decision making required.

Performance

The importance of performance management has been set out in several government documents, such as the Local Government Act 1999, which requires that services are: 'responsive to the needs of citizens, of high quality and cost-effective, and fair and accessible to all who need them'.

There is also statutory guidance on 'best value duty, where authorities are under a general duty of best value to: 'make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness'. If we do not measure results, we cannot tell positive progress from problematic progress. Understanding this difference is key. Positive progress must be highlighted so that we can reward it and build on it. Problematic progress must be highlighted so that we can correct and learn from it.

Work is ongoing to review and refresh performance management arrangements across property activities to ensure we only collect meaningful performance data, which will lead to service improvements and reflect the principles of the Corporate Landlord model.

Resourcing

The decision to amalgamate Asset Management, Valuation & Estates and Property Services into one service, with the Head of Property & Commercial Services, reporting to the Director of Regeneration in August 2023 ensures a corporate approach to the operational management of the property portfolio. The implementation of the Corporate Landlord model, and other corporate transformations may result in a review of the current structure to ensure the CAMP is effective. This work is ongoing, and delivery of the various activities referred to in the Action Plan (Part 3) will be dependant to some extent on the availability of resources, both financial and staffing.

Part 2: The Asset Management Policy

Sets out the rules and principles by which our property assets will be managed. It provides the framework under which all property related activities will be undertaken and will ensure that we can effectively and consistently measure and manage performance to support the Council Plan and Corporate objectives.

The principles of Corporate Landlord (CL) model are fundamental in directing the way we manage our property assets. The theory of the model is that responsibility for all property related activity and expenditure is within the remit of Asset Management, under the direction of the CAMG. This approach assures maintenance compliance and that finances are properly prioritised, management is consistent, and opportunities are realised across the whole estate. In this way, we can ensure that the needs of the whole organisation are met.

It is important to note that under the CL model, Operational Directorates occupy property assets to enable the delivery of their services and retain the role of Building Manager, which includes premises health & safety management.

To provide a strategic framework we have defined five policy principles.

- **Corporate Resource:** To ensure property & land assets are managed as a corporate resource and are used to support the Council's ambitions and priorities.
- **Right space, right place:** To ensure property assets provide the right spaces in the right places to support the delivery of services for the benefit of our communities.
- **Well maintained and sustainable:** To ensure property assets are managed and maintained safely, effectively, efficiently, and sustainably to take account of whole life costs and environmental impact.
- **Optimise returns and support growth:** To ensure consideration is given to the use of property assets to stimulate development and growth, support local business needs, optimise financial returns, and support corporate ambitions and priorities.
- **Support community involvement and partnerships:** To ensure opportunities for community involvement and partnership working are considered where they can provide efficiencies, benefits to communities and the property assets can be effectively managed.

We want to develop a culture whereby our behaviours and activities positively reflect these principles. As part of the adoption of each principle we have also included some core cultural values to provide a clear and consistent way of working.

Corporate Resource

The property portfolio should reflect our corporate needs and support our objective to only hold (or acquire) assets for a defined purpose in support of a corporate objective with demonstrable benefits.

This requires an in-depth understanding of the needs of services and how they will develop in the future, as well as full integration with our wider corporate strategies.

It is essential that services consider property requirements and implications on the existing portfolio as part of their service development planning. All property implications should be identified and considered in wider context to ensure all assets are managed for the benefit of the Council as a whole.

The concept of this approach is that property activities are coordinated through senior representatives of service areas. The CAMG provides governance and co-ordinator of strategic property activities on behalf of the Council.

The current financial challenges and transformation strategy across all service areas will continue to inform the decision making of the CAMG.

The CL model will ensure that the property portfolio is managed in a way that delivers our corporate priorities and that work is organised and delivered with consistency and efficiency.

There is still work to do in fully implementing the CL model and we are actively working through a programme of activities which are reflected in the Action Plan for the coming year.

All decisions relating to the property portfolio must be evidence-based and fully appraised. This requires reference to, and analysis of comprehensive and robust property data. Our property data is held on Civica – Cloud based Asset Management System and includes.

- Deed Management: - data and documentation on all property transactions undertaken by the Council, such as acquisitions, disposals, leases etc. This data provides the base source for 'Asset Segmentation and confirms the legal status of the land held by the Council. This data will be visually represented on the Council's GIS mapping system.
- Asset Manager: - information to each property type. Each property is given a Unique Property Reference Number (UPRN) and aligned by service user. A key part of this system is to ensure Council compliance with CIPFA Financial Accounting Standards
- Condition and access surveys, the property help desk, reactive and planned maintenance, asbestos, contract/ service level agreements (SLA's). A further programme of works will be undertaken to integrate capital projects and remaining legacy systems.

By managing our property portfolio corporately, we are able to challenge and review our assets against defined criteria ensuring that we continue to meet our defined strategic objectives. These criteria will include assessment against technical property performance measures (such as their condition, future maintenance liabilities and operational costs).

Implementing a programme of **asset challenge reviews** enables us to continually identify opportunities to use our assets to best effect, and to develop a programme of rationalisation and portfolio transformation. It is anticipated that the overall size of our property portfolio will reduce, achieving a more cost effective and efficient use of the estate long term.

The development of a comprehensive property performance management regime, supported by meaningful data is a key project in the implementation of the CL model.

Culture

To ensure property assets are managed as a corporate resource and are used to support the Council's ambitions and priorities:

- We will recognise that all our property assets are held as a corporate resource and are managed by Asset Management reporting through the CAMG.
- We will ensure that services consider property requirements and implications as part of service development planning and liaise with Asset Management to ensure this can be considered in strategic planning of the estate.
- We will ensure that all assets are categorised correctly and managed accordingly.
- We will ensure that Asset Management coordinate all property related information and use it to inform strategic planning and decision making,

Property Portfolio

There is a large and diverse property portfolio which we are responsible for managing. It is made up of a mix of buildings, structures, and land. The range of assets within our portfolio includes operational assets used for front line service delivery, assets to enable our communities to access our services and administrative buildings along with others such as depots, bus station, car parks, recreational and cultural assets.

We also have a commercial portfolio, a number of heritage assets, parks and other land.

 <p>Circa 234 hectares of land A book value of land and property circa £224m</p>	 <p>Planned income from Surplus Land & Buildings 2024-2027 Circa £47m</p>	
 <p>75 Operation Buildings</p>	 <p>10 Commercial Estates</p>	 <p>3 Retail Centres</p>
 <p>353 Commercial lets</p>	 <p>38 Vacant Commercial lets</p>	 <p>Annual Net Income £2m</p>
 <p>Maintenance backlog Priority 1=£6K Priority 2=£25m Priority 3=£14m Priority 4=£13k Total Circa £39m</p>	 <p>Building Running costs £4.3m Building Maintenance £1.8m</p>	 <p>Buildings Energy Carbon 3,878.32 tCO2e</p>
 <p>1 gypsy roma traveller sites</p>	 <p>6 Children Homes</p>	 <p>2 Adult Day Centres</p>
 <p>registry Office 1</p>	 <p>6 Cemeteries & 1 Crematorium</p>	 <p>8 Libraries (4 in Hubs)</p>
 <p>3 Museums / Gallery</p>	 <p>1 Bus Station</p>	 <p>3 Leisure Centres</p>
 <p>6 Community Hubs & 6 Family Hubs</p>	 <p>Parks 5</p>	 <p>2 Depot</p>

Right space, right place

Property assets have traditionally been the means by which we have delivered services to our communities and are often the first point of customer access.

However, the way that services are delivered is constantly evolving and post transformations services may be less focused on bricks and mortar access, but rather about the most effective ways of providing high quality services to customers, so we need to ensure that it is this that directs our future property solutions.

Fit for purpose property is essential to the provision of quality services, and we will work to better understand service and customer needs through suitability and sufficiency surveys to ensure that the estate responds to and supports service transformations in respect of locality working and digitalization of frontline services.

Many services have historically operated from individual premises, and we will seek out opportunities to improve service delivery through more integrated provision of our own services as well as opportunities to work more collaboratively with partners.

Whilst we will continue to support the provision of essential services and support community needs, we will look for opportunities to meet these through fewer but better buildings.

By continuing to understand service and community requirements, we can inform our asset challenge programme. Putting this understanding alongside property performance data, we can seek to ensure that our property portfolio of the future provides the efficient space in the right locations to meet needs.

Routinely challenge the performance of our portfolio, will ensure that we derive the maximum benefit from our most efficient, flexible, and best quality buildings and that we ensure our buildings are appropriately utilised and support the user and customer experience.

Culture

To ensure assets provide the right spaces in the right places to support the delivery of services for the benefit of communities:

- We will ensure that Asset Management and services work closely to share understanding of space and locational requirements for effective service delivery.
- We will offer guidance and seek to identify opportunities to ensure that our property portfolio is suitable and sufficient to meet and respond to changing service needs.
- We will seek to ensure that the property portfolio is supportive of inclusive environments for all users.

Well maintained and sustainable:

It is essential that we effectively maintain and manage our property portfolio to ensure all our properties are safe and function efficiently and effectively. Expenditure on maintenance need to be prioritised and effectively managed to make the best use of our resources.

As an employer and landowner, we have many legal duties to ensure property assets meet statutory and regulatory requirements. The implementation of the CL model and development of a Property Maintenance Plan will enable us to manage and maintain the property portfolio to consistent standards and evidence compliance.

Each building is subject to a Condition survey every five years. The current maintenance backlog is estimated at £33m. This is not a desirable nor a sustainable position and we will continue to look at our portfolio strategically to ensure that we target resources to those properties that provide long term provision for our services and to ensure that all our holdings are safe and secure.

Not all properties require the same standard of maintenance. By categorising our property into the five segmentations, we can set different maintenance standards to reflect the type and usage. We will continue to develop this approach thereby ensuring we use our resources more effectively.

The use and occupation of our buildings play a significant part in meeting our carbon reduction target, and through our maintenance activities we will identify opportunities to mitigate this impact.

Culture

To ensure property assets are managed and maintained safely, effectively, efficiently, and sustainably to take account of whole life costs and environmental impact:

- We will ensure that our property portfolio is safe and secure and meets all- statutory requirements.
- We will ensure that our property portfolio is maintained in accordance with the Property Maintenance Plan and available resources.
- We will ensure that Asset Management develop and share property maintenance plans with services and that all property maintenance activities are suitably managed.
- We will seek to reduce energy and water consumption and carbon emissions and ensure that our property portfolio is as sustainable as possible in its design, construction, operation, and management.

Optimise returns and support growth.

As a significant property and landowner, the Council play a major role in driving growth and regenerating across the town. As such, we have the unique opportunity to be able to utilise our property portfolio to support and promote economic growth and regeneration.

Obtaining the best value from our property portfolio will continue to be a priority.

Between 24/25 to 26/27 there is a requirement to deliver £44.7m, £26.7m for flexible use of capital receipts and £18m to part fund the capital program.

Work continues to investigate the potential of our land and buildings to provide revenue, capital receipts and act as leverage or catalyst for development and investment to drive growth.

Governance through the CAMG and adoption of the CL model and Asset Challenge will ensure we take a fully corporate approach in seeking out and appraising such opportunities.

The estates management arrangements for the Cleveland Centre, Captain Cook Square, Centre Square 1&2 is provided by Praxis Real Estate Management, with the remaining portfolio managed by the inhouse Valuation & Estates team. We will continue to review these arrangements to ensure they meet our requirements, deliver acceptable returns, and demonstrate value for money.

Culture

To ensure consideration is given to the use of property assets to stimulate development and growth, support local business needs, optimise financial returns, and support corporate ambitions and priorities:

- We will consider opportunities to reprofile our income producing portfolio, use our property portfolio innovatively to stimulate and support development and regeneration opportunities at a local and regional level
- We will seek to optimise financial returns and commercial opportunities through our property portfolio.
- We will manage our income generating assets effectively to balance financial objectives with wider corporate benefits.

Support community involvement and partnerships.

As the way that we work and provide our services is changing, so too are our needs for property. We recognise the need to robustly manage the size and make up of our portfolio to achieve an optimum estate to maximise efficiency, at the same time ensuring we provide first class essential services.

We want a property portfolio that is flexible and adaptable to these changing needs, and by working with other partners and organisations we may be able to better provide the 'right space in the right place'.

In collaboration with operational directorates we will continue to strengthen and develop our partnership working with the public sector and with our communities to deliver our services, such as through membership of the Tees Valley One Public Estate and Community Councils.

Through this engagement, we will also seek to identify similar opportunities in respect of property provision and ongoing management. This could range from co- location services within operational buildings to transferring premises responsibilities or ownership.

Through the community building asset transfer programme, we have already successfully transferred nine assets, enabling local groups or organisations to take control of the delivery of services and activities in their local area. We have also set up a partnership for our five leisure centres.

We will continue to look at opportunities to seek out community groups and other partners who can take on responsibilities for properties.

The corporate approach to enable us to properly and consistently evaluate any proposal to transfer a property asset to partners is included in the Community Asset Transfer Policy. This ensures we are confident there is a strong business case behind any proposal and that the long-term future of the property is assured for the benefit of the whole community.

Culture

To ensure opportunities for community involvement and partnership working are considered where they can provide efficiencies, benefits to communities and the property assets can be effectively managed:

- We will work with operational directorates, community organisations and other partners to optimise the beneficial use and efficient occupation of our properties.
- We will work closely with partners to identify opportunities for co-location and to drive efficiencies by working together.
- We will consider opportunities for community and partner involvement in the management and longer-term future leasing or ownership of our properties.

Part 3 The Asset Management Action Plan

This sets out the short-term, 'live' action plan specifying detailed activities, timescales, resources, and responsibilities to achieve our property objectives.

The six Asset Management Strategic Objectives and five Transformation Projects will provide clarity of purpose and consistency of focus to our work.

The day-to-day activities of the Asset Management teams will be informed and influenced by these programmes of activities.

The programme is set out below.

DRAFT

Project	Ref.	Milestone	Lead	Progress	Planned Start	Planned End	Actual Start Date	Actual End Date	Status	24/25 £m	25/26 £m	26/27 £m	Total £m
Housing Supply										0.080	0.220	0.200	0.500
REG 07	1	Understand the demand and supply of temporary accommodation	SH	100%	02/04/24	30/05/24	02/04/24	30/05/24	Complete				
	2	Understand existing accommodation supply and what's already on track for future growth plans	SH	100%	02/04/24	10/06/24	02/04/23	10/06/24	Complete				
	3	Understand how current needs are being met and at what cost	SH	100%	15/04/24	10/06/24	15/05/24	10/06/24	Complete				
	4	Understand the strategic needs for the borough, how they are changing and model future demand	SH	100%	15/04/24	15/08/24	15/04/24	06/08/204	Complete				
	5	Understand best practise from other LAs (efficiencies through housing transformation, how the council compares in terms of baseline cost/outcomes to other similar councils)	SH	100%	15/04/24	30/06/24	15/04/24	30/06/2024	Complete				
	6	End of six-month project report with data overview, recommendation regarding the creation of a Head of Housing Strategy role and efficiency/cost saving/improving outcome opportunities	SH	100%	15/04/24	30/07/24	15/04/24	06/08/2024	Complete				
	7	Recruit Head of Housing post (post exists and approved) - JD/PS, advertisement, interviews, appointment, and notice period.	RH	70%	01/07/24	31/12/24			On Track				

Property Rationalisation		Lead	Progress	Planned Start	Planned End	Actual Start Date	Actual End Date	Status	0.223	0.346		0.569
1	Asset challenge all built assets - to determine whether Council retains / disposes / repurposes (continuous process)	DJ / TG	50%	01/10/23	01/03/27	01/10/23		On Track				
2	Options appraisal for core buildings (Municipal, Fountain Court, Middlesbrough House, MICC, Viewley etc)	DJ / TG	70%	01/11/23	31/08/24	01/11/23		On Track				
3	Approval for Employment Hub to move to Cleveland Centre (from Multimedia)	CC	100%	31/07/24	30/09/24	16/07/2024		Complete				
4	Refurb and fit out works to Cleveland Centre unit and decant of Employment Hub from Multimedia Centre	CC	0%	01/02/25	31/12/25			Not Started				
5	Refurb and fit out works to Cleveland Centre unit and decant of Live Well from Dundas to Cleveland Centre	MC	80%	20/05/24	31/12/24	20/05/24		On Track				
6	Seek approval for outcome of options appraisals / asset challenge (where different from Asset Review Exec report approval)	DJ / TG	0%	01/09/24	31/01/2025			Not Started				
7	Implement rationalisation recommendations (commencement of individual project delivery plans for each property)	DJ / TG	0%	01/10/24	31/03/27			Not Started				

Policy and Strategy		Lead	Progress	Planned Start	Planned End	Actual Start Date	Actual End Date	Status	0.000	0.000	0.000	0.000	
	1	Transformation programme outcomes inform revision to draft Corporate Asset Management Framework	DJ	100%	01/04/24	31/05/24	01/04/24	22/05/24	Complete				
	2	Revise Corporate Asset Management Framework	DJ	100%	01/06/24	30/06/24	01/06/24	30/06/2024	Complete				
	3	Develop Corporate Asset Management Action Plan	DJ	80%	01/06/24	31/07/24	01/06/24	31/07/2024	Complete				
	5	LMT approval	DJ	0%	01/07/24	31/07/24	01/07/2024	01/08/2024	Complete				
	6	Exec approval	DJ	0%	01/09/24	30/11/2024			Not Started				
	7	Implementation and communication	DJ	0%	01/11/24	31/12/24			Not Started				

DRAFT

Property Management		Lead	Progress	Planned Start	Planned End	Actual Start Date	Actual End Date	Status	0.000	0.000	0.000	0.000	
	1	Complete variation to include management of Boho 1, 5 and 8 in existing Praxis (external agent) contract	DJ	60%	01/03/24	31/03/2025	01/03/24		On Track				
	2	Audit of V&E policy and procedure relating to management of rental income and implement recommendations	DJ	70%	01/11/23	30/10/24	01/11/23		On Track				
	3	Formal options appraisal and business case for long term management arrangements for each category of property - identifying properties that could be managed externally	DJ	70%	01/09/23	30/11/24	01/10/23		On Track				
	4	Procure agent for identified retail (existing contract runs to 2026 option 2 year extension)	DJ	0%	01/12/24	31/03/2026			On Track				
	5	Procure agent for identified commercial / office units	DJ	0%	01/01/25	31/03/25			Not Started				
	6	Approvals and legal documentation	DJ	0%	01/04/25	31/07/25			Not Started				
	7	Retail and commercial assets handed over to third-party agent for management	DJ	0%	31/07/25	30/08/25			Not Started				
	Asset Sales									24.51	13.24	9.71	47.46
	1	Disposal of Assets	DV	20%	01/04/24	31/03/27			On Track				