

MEETING:	CABINET
DATE:	18 DECEMBER 2009
TITLE OF REPORT:	JOINT CORPORATE PROPERTY STRATEGY (2009-2012)
PORTFOLIO AREA:	RESOURCES

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

The purpose of this report is to approve a Joint Corporate Property Strategy (2009-2012) for the Council and NHS Herefordshire (NHS).

Key Decision

This is a Key Decision because it is likely to result in the Council incurring expenditure above agreed budgets for the service or function (shown as a line in the budget book) to which the decision relates but allowing for virements between budget heads and savings within budget heads of up to £500,000; and it is likely to be significant in terms of its effect on communities living or working in Herefordshire in an area comprising one or more wards.

It was included in the Forward Plan.

Recommendation

THAT: the Joint Corporate Property Strategy be approved

Key Points Summary

- This is the first joint strategy covering the Council and NHS.
- The strategy supports the organisational improvement and greater efficiency requirements faced by the Council and NHS.
- It confirms that the Shire Hall and Town Hall will be retained in public ownership.
- The strategy will allow both organisations to respond to the anticipated further reduction in public sector funds.

Further information on the subject of this report is available from
Malcolm MacAskill, Head of Asset Management & Property Services on 01432 260227

Alternative Options

- 1 An alternative would be for the Council and NHSH to continue to have separate strategies. This would continue duplication of provision and not deliver efficiencies and improved outcomes.

Reasons for Recommendations

- 2 Both the Council and NHSH operate from facilities across the county. The strategy outlines the policy framework to increase co-location and deliver efficiencies.

Key Considerations

- 3 This is the first joint corporate property strategy between the Council and NHSH and it seeks to support the delivery of integrated public services across the county. It is worth noting this is also one of the first joint property strategies in the country. Whilst acknowledging the significant progress made to date the policy will provide a framework within which further progress can be made.
- 4 The strategy includes an overarching vision for property across the partnership. The vision states the strategy is **“to support the integrated delivery of public services across the county through highly accessible and adaptable community based, multi functional buildings, shared by public agencies”**.
- 5 The challenges arising from the rural nature of the county as well as the relatively few population centres mean the vision needs to be delivered by what is best described as a “hub and spoke” model. This sees a hub provided by the Plough Lane office and the spokes being a series of accessible locality offices based in the five market towns and the Golden Valley.
- 6 The vision will also be supported by the decisions arising from the extensive mapping exercise of public sector property in the county. Opportunities to co-locate and work more closely to deliver accommodation across organisations will be identified as a result of this work.
- 7 The changing nature of service provision means that the Joint Corporate Property Strategy will have to be flexible enough to support (as yet unknown) county-wide implications of significant shifts in models of service provision as the move to a commissioning organisation evolves. The integration of provider services is one such change that may result in different estate requirements to support changes to models of care.
- 8 As part of the preparation for the strategy’s production there has been an extensive mapping exercise of all public sector property in market towns. This mapping provides the first consolidated and comprehensive map of public sector property. The mapping is now being overlaid with current information about service demands to identify opportunities for shared provision as well as gaps in provision.
- 9 The approach taken in the strategy is to bring together a joint accommodation strategy covering operational properties, a disposals policy, a community asset transfer policy and a strategy for building maintenance. These will help the effective delivery of a long term sustainable accommodation framework.
- 10 The joint accommodation strategy supports the organisational improvement and greater efficiency requirements faced by the Council and NHSH. It sees a series of linked components that are key to its delivery. These are:
 - a. The joint back office at Plough Lane;

- b. A multi agency front office in Hereford City (The Hereford Centre);
 - c. A series of locality offices in the market towns and Golden Valley;
 - d. An integrated records management facility;
 - e. An integrated community equipment store and support service facility;
 - f. An acknowledgement of the potential future role of the Town Hall and Shire Hall;
 - g. The future development of the Victoria House site as a possible site for the children's development centre on the Ross Road.
- 11 Two key buildings for future service delivery are the Shire Hall and the Town Hall. Both will be retained in public ownership with the Shire Hall becoming a more flexible venue whilst being retained as a council/board meeting facility.
- 12 The strategy also brings forward for the first time, a community asset transfer strategy. Whilst there is a clear national policy context for this issue the approach taken is that any transfer being carried out must demonstrate the ability of the recipient to manage the asset effectively. The proposed strategy makes it clear that transfer can be at market price or alternatively at some concessionary rate.
- 13 The overall strategy also includes a buildings maintenance strategy so that all operational properties can have maintenance requirements priorities

Community Impact

- 14 The implementation of the strategy will identify potential opportunities for community organisations to work closely with public sector bodies to improve delivery of public and community services to our local communities in a joined-up and co-ordinated manner.
- 15 Rationalisation of the joint property portfolios will support regeneration opportunities.
- 16 Services will be delivered at point of contact where it is feasible and appropriate to do so.

Financial Implications

- 17 There are no direct financial implications arising from the approval of the joint strategy.
- 18 The rationalisation of property assets will create revenue savings in building running costs and improved efficiencies.
- 19 The projects identified in the Joint Accommodation Strategy will have development capital costs.
- 20 The programme of works will identify and quantify costs and savings as part of the options appraisal process.
- 21 The Disposal Policy, which is a part of the joint strategy, will identify buildings that are surplus to requirements. As and when these properties are identified, we will market them to optimise the capital receipts. We must ensure that this does not create a glut of properties on the market at any one time or when market values are depressed.

- 22 Funding for the various projects within the programme of works will come from existing capital receipt reserves, future capital receipts generated from disposals and from prudential borrowing.

Legal Implications

- 23 None in respect of this report.

Risk Management

- 24 The acquisition of Plough Lane removes major risks regarding development timescales.

Consultees

- 25 NHS Herefordshire Resources Directorate.

Appendices

- 26 Appendix 1 – Joint Corporate Property Strategy 2009 - 2012.

Background Papers

- 27 None identified.