

REPORT OF THE LEADER OF THE COUNTY COUNCIL**CORPORATE PROPERTY TRANSFORMATION PROGRAMME****Purpose of the Report**

1. To provide an update on the delivery of Phase 1 workstreams and to seek approval for Phase 2 deliverables.
2. To seek approval to develop the County Council's corporate landlord model.
3. To seek approval for six monthly Property performance reports to be taken to Policy Committee from April 2020/21.

InformationPhase 1

4. In 2018, the County Council embarked on a Property Transformation Programme to drive improvements in the operation of our property services, which provide essential support to Council services, and to realign them to ensure maximum impact on investment and growth of the Nottinghamshire economy. The programme's first deliverable was the 2018 – 2023 Corporate Property Strategy approved by Policy Committee in October 2018.
5. Since then the programme has delivered a restructure of Property Services (Policy Committee approval in May 2019) which includes a new Group Manager Property Asset Management post (approved by Policy Committee in November 2018) and six new posts to boost surveying and project management capacity. Under the restructure, operational elements of property compliance work transferred to Arc Partnership. A Property Services Leadership Team has been formed to drive day to day improvements across all parts of the function and embed new performance indicators which will show the progress being made.
6. The programme has created, or updated, operational processes within Property Services and between Property Services and other agencies, such as Legal Services, to increase clarity, efficiency and effectiveness. A staff training programme commenced in June 2019 covering awareness of the Corporate Property Strategy and an understanding of how the Property Services teams – Strategy & Information, Estates Practice and Commissioning – would work together under the auspices of the new leadership team. Working together was the central theme of a whole service workshop on 1 July.
7. Ensuring that up to date and complete information and documentation for each Council property is held in P2, the Council's property and estates management database, and other network drives, has been progressed. This work continues (see Phase 2).

8. The transformation programme is being driven by two project managers, equivalent to 1 FTE, from the Council's Programmes & Projects Team, supplemented from September 2019 by a full time Programme Officer.

Phase 2

9. Property Services manages an estate of over 1,100 assets including schools, libraries, social care buildings, youth clubs, offices and smallholdings with a combined value of over £700m and an annual running cost in excess of £30m. It is also integral to the success of numerous multi-million pound change programmes affecting the estate. Thus far, the Property Transformation Programme has concentrated on the fundamental building blocks of strategy, governance, staff structure and capacity. It has also commenced essential improvements in operational procedures and information management and the creation of stronger team working, both within Property Services and with other parties, including Legal Services.
10. To achieve sufficiently high performance there is more to be done. Phase 2 will complete the P2 improvements and the development and use of performance indicators; deliver a more robust case management process; complete the Service Asset Management Plans which feed the Property Asset Management Plan; progress the corporate landlord model; and establish a quality assurance culture within Property Services which will include the auditing of operational processes.
11. Programmes & Projects (P & P) Team support will remain in place until the end of 2019/20 for all of the Phase 2 tasks, as approved by the Transformation and Change Governance Group, and further P & P resource will be sought to complete the Corporate Landlord model work, which is expected to run until March 2021.

a) Service Asset Management Plans

The Service Asset Management Plans (SAMP) are used to clearly articulate a service's property needs and allow the Council to develop a strategic approach to addressing a service's property asset requirements. The process was designed and commenced during Phase 1. Phase 2 will support the delivery of a number of SAMPs that will go through the Capital Asset Management Group for approval and will inform bids for capital investment and revenue spend.

b) Improved Property Services case management process

Property Services casework (lease completions, disposals, land enquiries, wayleaves, etc) is a significant workload requiring professional and systematic management to ensure the thorough and timely discharge of cases. Errors, omissions and delays can lead to additional work, avoidable cost and reputational damage. Better prioritisation, progress tracking and clearer allocation of responsibility at each stage will improve performance, increase efficiency and reduce delays and possible complaints. This task overlaps with data management cleansing.

c) P2 data management and maintenance

Work commenced under Phase 1 to ensure up to date and complete information and documentation for each Council property is held in P2, the Council's property and estates management database. The work includes an important revenue protection aspect. Once

cleansing has been completed, embedding a new data maintenance regime will prevent erosion. Reliable P2 information is necessary to deliver performance indicators and will open up greater possibilities for analysis and decision-making.

d) Transfer performance indicator reporting to business as usual

The mechanisms for producing performance indicators (PIs) on a periodic basis are being devised. The next stage is to transfer generating, collating and reporting the PIs to business as usual. It is proposed to bring a property services performance report to Policy Committee twice each year.

e) Audit the effectiveness of the Phase 1 operational processes

Under Phase 1 over twenty operational processes were created or updated. These included, setting up and reviewing leases and licences, managing properties which become vacant and deciding upon future use / disposal, and commissioning projects with Arc. Having a set of instructions is not the same as following them day to day. Ongoing quality assurance will be introduced which will include audits and actions agreed with the Property Services Leadership Team if compliance is faltering in any area. The creation of the operating model for developing capital schemes, tracking documentation has been devised to assist the primary parties - Strategy & Information Team, Compliance Team and Arc Partnership - to achieve transparency about progress. Feedback will be sought on the effectiveness of the documentation and improvements made where necessary.

f) Developing the corporate landlord model

The Corporate Landlord model consolidates all estate related budgets, decision making and activities to within a central team. Priority one of the Corporate Property Strategy is to re-introduce a Corporate Landlord model to proactively manage property and land at a corporate level and as a corporate resource taking into account our vision for the portfolio. The model is to be embedded across the whole Council and all departments are to use Property as the 'go to service' in all matters relating to land and property assets.

A key aspect of the model that has been identified for improvement is the Council's network of Nominated Property Officers, and Nominated Property Contacts at each of its sites, who are responsible for the day to day safety and basic maintenance. The effectiveness of this network and its interface with Property Services currently does not reflect the corporate landlord model approach. The existing model will be explored, and a new approach developed with key services.

Other Options Considered

Do Nothing

12. The lost opportunities will leave the performance of Property Services compromised, costing unnecessary time and effort to work around the unfixed problems. There would also be a level of safety, reputational and financial risk if the identified opportunities are not taken.

Task Property Services to deliver the changes without support

13. This could be considered. However, the group has little if any spare capacity and planning, driving and supporting change is the specialism of the Programmes & Projects Team. The level of P&P resource proposed is modest.

Reason/s for Recommendation/s

14. Property Services manages the Council's buildings and estate, a high value asset set in which many thousands of people work, learn and spend leisure time. Significant, largely structural, changes have already been made to improve the services. A second phase of support will enable process improvement and data cleansing to be completed and the additional opportunities listed above to be taken, drilling down into the operational sphere to deliver a range of fixes which will make Property Services better equipped to help the Council meet its ambitions.

Statutory and Policy Implications

15. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Data Protection and Information Governance

16. Should any of the proposed tasks be deemed to possibly have data protection implications, they will be subject to a Data Protection Impact Assessment.

Financial Implications

17. The improvements proposed will not incur additional net costs beyond the planning resources already approved.

Human Resources Implications

18. The improvements proposed will continue to progress the changing culture of Property services and their interaction with internal and external services, whom they engage with daily.

RECOMMENDATION/S

1. To approve the Property Transformation Phase 2 deliverables.
2. To approve the development of the council's corporate landlord model.
3. To approve the six monthly Property performance reports that will be presented to Policy Committee from 2020/21.

Councillor Mrs Kay Cutts MBE
Leader of the Council

For any enquiries about this report please contact: Derek Higton, Service Director, Place and Communities, 0115 9773498

Constitutional Comments (EP – 12/09/2019)

19. The recommendations fall within the remit of Policy Committee by virtue of its terms of reference.

Financial Comments (RWK - 12/09/2019)

20. There are no specific financial implications arising directly from the report.

HR Comments (JP – 02/10/2019) There are no HR implications arising from this report

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- October 2018 Policy Committee report (Corporate Property Transformation Programme)
- November 2018 Policy Committee report (Place Department Growth & Investment Refresh)
- December 2018 Policy Committee report (Corporate Property Transformation Programme)
- May 2019 Policy Committee Report (Corporate Property Transformation Programme)

Electoral Division(s) and Member(s) Affected

- All