



Asset Management Strategy (2013 – 2017)

“Doing things Differently” – A New Approach for a sustainable future



Contents

Introduction 3
 The Asset Management Vision, Policy Statement & Strategic Themes 6

Part A – Context 10

Part B – The Asset Management Framework 18

Part C – Achieving the Vision 25
 Theme 1 28
 Theme 2 29
 Theme 3 30
 Theme 4 31
 Theme 5 32

Part D – Case Studies 33

Part E – Putting it into Practise 46

PRODUCTIVITY – PREVENTION – PROCUREMENT – PARTNERSHIP

Foreword

- DRAFT -

Introduction



KCC's Asset Management Strategy sets the high-level strategic framework for managing our property portfolio effectively over the next 3 to 5 years. It will guide our future strategic property decisions to ensure we manage our property portfolio sustainably and efficiently so that it can adapt to remain fit for the future and support frontline delivery.

Since the last Asset Management Plan in 2007 the environment in which the Council operates has changed considerably. This presents both a number of challenges and opportunities, to drive change in how we deliver our services and the infrastructure needed to support this.

Our property assets are an important part of supporting and enabling us to transform the way we deliver public services with our partners and it is therefore essential that we have an innovative and forward thinking strategy in place.

"Strategic Property Asset Management is the process which aligns business and property asset strategies, ensuring the optimisation of an organisation's property assets in a way which best supports its key business goals and objectives"

RICS Public Sector Asset Management Guidelines 2nd Edition

As outlined in the RICS Public Sector Asset Management Guidelines, there are three core elements to the Asset Management document. These are:

- The Property Asset Management Strategy
- The Property Asset Management Policy
- The Property Asset Management Action Plan

The document gives context to the national and regional position in terms of policy and the current composition of the portfolio, as well as outlining key projects currently taking place.

The strategy and policy will remain in place until 2017, while the Action Plan will be updated annually and form part of the Property and Infrastructure Business plan for each year.



Our Role:

In Kent County Council our properties, and spending on them, are managed centrally by the Property and Infrastructure Support division who act as the '**corporate landlord**'. This enables our resources to be prioritised and directed where they are most needed, and ensures that the property portfolio is aligned with KCC's strategic objectives. We work with elected members, services and partners to develop innovative solutions for adapting our property portfolio to better support the changing business needs of our services.

It is our role to manage the Council's portfolio effectively, providing best value for our services and the people of Kent. Managing the portfolio includes:

- Overseeing day to day building management including maintaining and repairing existing properties;
- Developing new buildings that are well designed and fully meet service needs
- Identifying and disposing of surplus properties
- Capital Project Delivery
- Effective management of leases and licences
- Ensuring that the estate is used as effectively as possible

Why is the Asset Management Strategy important for Kent?

Our property portfolio is a valuable resource for Kent County Council. Valued at **£1.87Bn**¹ property is a huge investment for Kent. It costs a significant amount of money to manage and maintain each year c. £90m in 2012² and, on average we have spent £290m pa on capital projects with a set Capital Programme of £695m for the next 3 years.

We have a duty to deliver '**best value**' in how we manage our estate to ensure that we can achieve the best social, economic and environmental benefit for the people of Kent. This means managing our limited resources in an intelligent and integrated way to provide value for money for Kent taxpayers.

How the Council uses its property portfolio can play a significant role to stimulate regeneration and growth for the Kent economy. Public services, and the needs and demands of our customers, are evolving and changing rapidly. It is important that our approach to asset management remains relevant, innovative and flexible enough respond to changing needs and priorities of our services. This strategy sets out how we will achieve this.

¹ 2013 – Based on most recent valuations – Current Use Value

² Including schools portfolio

The Asset Management Vision, Policy Statement & Strategic Themes



The Asset Management Vision 2017

"an efficient and effective estate which supports and responds to enable the delivery of the Councils services across Kent."

The Asset Management Mission

"To be the leading Public Sector Organisation for Asset Management, working together to surpass efficiency targets across the Public sector estate whilst delivering an enhanced and sustainable service experience to the people of Kent"

The Asset Management Targets

- 30% Reduction in the number of non-school properties;
- Generate £100m Capital Receipts
- Achieve a 37% reduction in property asset revenue costs (£10m reduction from 2011);
- Increase the utilisation of the estate to ensure that accommodation fits the purpose and meets the needs of our services;
- Deliver the Corporate Capital Programme effectively;

The Asset Management Policy



We are committed to managing Kent's Property Assets in a way that provides Best Value to the people of Kent on a sustainable basis, supporting the delivery of services in the right place and in the appropriate environment.

We will embed a culture of innovation that delivers new ways of working and provides the efficiencies required whilst protecting the value of the estate for future generations. At all times through the process of transformation we will adhere to the values and behaviours and respect all staff and service users.

This policy is endorsed by the Executive Management Team. It is the responsibility of all Kent County Council employees to ensure its implementation. The Director of Property & Infrastructure Support has overall accountability for this policy and ensuring it is regularly reviewed.

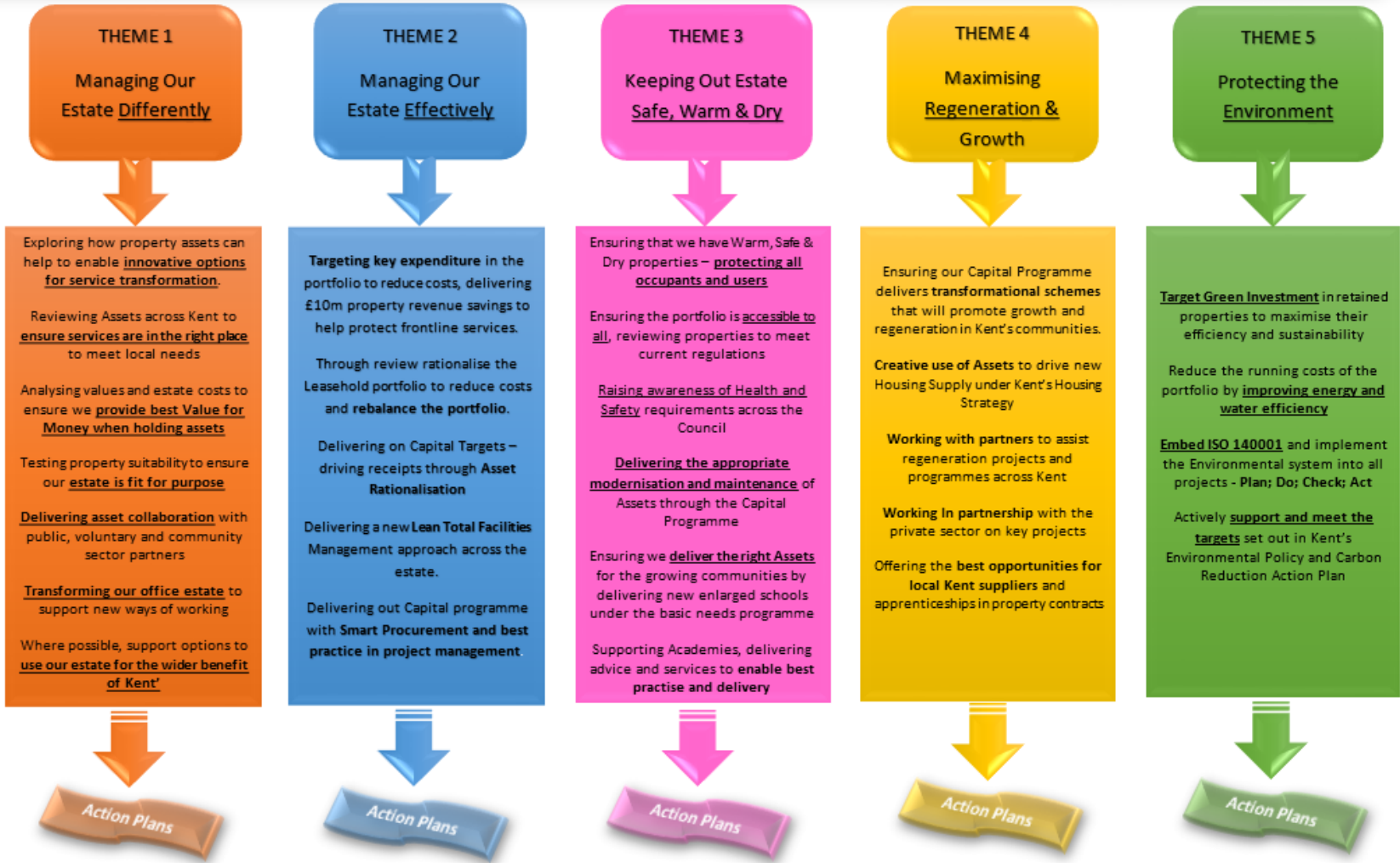
We will:

- **Manage the Estate Differently** by transforming the portfolio of property assets to meet the changing environment, ensuring we provide the right environments, in the right place on the best terms, innovating to find the best solutions to meet customer needs whilst achieving our financial goals;
- **Manage Our Estate Effectively** through effective Asset, Project and Estate Management, using clear Policies and Action Plans to meet our strategic goals and developing clear reporting to inform Members and internal departments in decision making;
- **Keep our properties Safe, dry and warm** through the implementation of clear maintenance plans and efficient Facilities Management;
- **Maximise Regeneration & Growth** through effective procurement and linking Public Sector requirements with regeneration opportunities;
- **Protect the Environment** through best use of appropriate technologies, utilising available financing to support implementation and meeting the objectives of the Carbon Reduction Action Plan.

To deliver these outcomes we will:

- Promote the Asset Management Plan and Policy;
- Engage with internal departments, public sector organisations, community organisations and other stakeholders to understand needs and asset collaboration opportunities;
- Improve data management and reporting to support decision making and enable best delivery of Estate management and FM services;
- Review and Develop Key Policies and procedures to support delivery, protect the estate and ensure best practice;
- Take a holistic approach to the portfolio, understanding the whole-life costs of properties and setting clear performance targets for the operational and investment portfolios;
- Understand and balance risks between the performance of our assets and the needs of our service users and stakeholders
- Use best practise in planning processes, programme and project management tools
- Train and develop our people to support the implementation of our strategies and plans
- Assign clear roles and responsibilities to all staff in the provision and maintenance of Assets
- **be** Realistic in our ambitions; Clear in our advice; Innovative in approach; Effective in Delivery.

“DOING THINGS DIFFERENTLY”
 KCC’s Asset Management Strategy – at a glance



Part A – Context

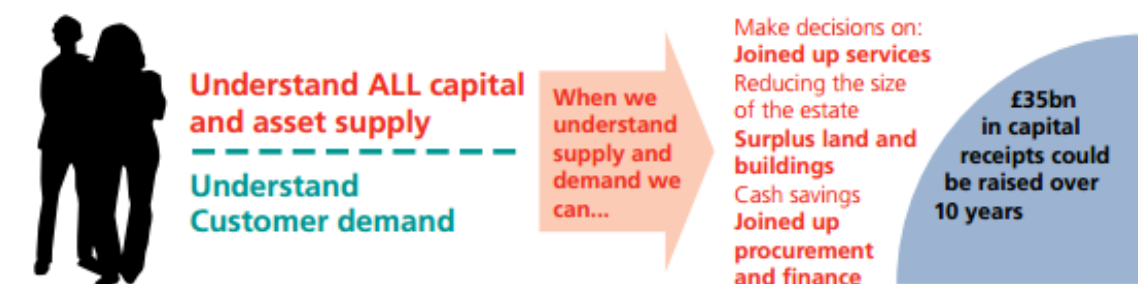


The National economic environment

Kent is well placed to respond to the national property context and to drive efficiency through commissioning its property estate whilst ensuring that our property portfolio is fit for purpose and can respond to the Council's changing needs.

Kent was selected as one of 11 Councils to drive the Department for Local Government's '**Capital & Assets Pathfinder Programme**' finding innovative ways to better use public sector land and buildings to improve services and generate savings. At its heart is co-location of both public and private sector to offer significant reductions in capital and running costs to re-invest into the local community. Kent with its Public Sector partners has established a series of joint programmes to deliver a more efficient, effective and appropriate service to the people of Kent.

The diagram below shows the principles of the pathfinder programme and the projected capital receipts available across England in the long term.



3

³ Diagram part of principles of Pathfinder – taken from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5949/19535881.pdf

The Localism Agenda

The '*Localism Act*' (2011) aims to shift power from central government back into the hands of individuals, communities and local authorities, giving local communities a greater say about what happens in services in their area. Three important aspects of the Act which most influence asset management are new powers surrounding the Community Rights, Neighbourhood Planning and Housing reforms. The Act places the emphasis on local authorities to radically reconsider service delivery and this means that we will have to re-think how our property assets support this rapidly changing environment.

In particular, the Community Rights mean that increasingly services may not be directly provided by local authorities, but by a mixed economy of providers including voluntary & community groups, parish councils, social enterprises and mutuals.

The localism agenda also means that people have more choice and control about what happens in their local community. The **Community Right to Buy** enables public and private local amenities and buildings –such as town halls, community halls, (or even the last village shop or pub) to be nominated for listing by the local planning authority as 'assets of community value'. If the local authority has made the decision to sell the asset, communities will have extra time to prepare a bid to take over the running of the building (not the service).

Where appropriate, we will support communities to keep assets in public use as an important and vibrant part of the social capital of local life. We have to be mindful of balancing this with our 'best value' duty and financial obligations to ensure that we drive value for money.

A Changing Education Landscape

The implementation of the '*Education Act*' (2010) and subsequent reform has prompted fundamental change in the education landscape and the role of the Local Education Authority. To support these changes Kent is developing new policies and processes to ensure that support for schools is maintained where needed through EduKent.

Health & Social Care Integration

The significant reforms put in place by the '*Health & Social Care Act*' (2012) have prompted one of the most extensive reorganisations in the history of the National Health Service. As local authorities take on new responsibilities for public health from April 2013, and as health services are commissioned at a local level by GP Clinical Commissioning Groups, health and social care services will need to work radically differently together. This is rapidly changing the local geography of providing local services and as frontline community health and social care practitioners integrate they will need co-location and asset collaboration solutions to share space effectively together to transform the way they deliver community and outreach work.

The '*Care and Support White Paper*' (2012) advocates that local authorities and parish councils, together with their local communities, should maximise the potential for spaces and buildings in a community to act as meeting places or centres for activity

that is open, welcoming and accessible to all. Leisure centres, libraries, day centres and community centres should be open, inclusive and culturally sensitive venues.

As part of our transformation programmes Kent is promoting the innovative use of venues in communities that will help to reduce social isolation of the most needy and increase connections for social care service users, their families and carers. Kent is at the forefront of delivering high quality design and asset collaboration options and will drive changes to transform existing spaces into vibrant community facilities.

Planning Reform

The Government has introduced a new National Planning Policy Framework to enhance local democratic accountability, and ensure that, whenever possible, planning decisions should be made at the local level. There have been significant changes in the planning system to encourage more local control and flexibility over planning decisions made through a faster and leaner planning system. This agenda aims to put councils and communities at the heart of the planning system, with core aims to deliver more homes and economic growth whilst ensuring that communities benefit from development, and new homes are matched with new jobs and investment.

Our strategic asset management approach considers how these changes impact on planning proposals for new schemes in the capital programme to enable growth and regeneration.

Growth & Regeneration

The Government sees these planning reforms as a key driver for growth, a significant priority at both national and local level. The *Growth and Infrastructure Bill* (2012/13) is aimed at stimulating jobs, development and infrastructure. The draft legislation provides for a relaxation on orders granting development consent which authorise compulsory acquisition of land belonging to a local authority – enabling local authorities to have more choice to dispose of surplus land in the manner they choose – this is particularly aimed at getting more brownfield sites back into productive use to stimulate local regeneration.

The *Infrastructure (Financial Assistance) Bill* (2012/13) paves the way for the Government to underwrite £40bn of private sector investment in nationally significant housing and road infrastructure projects that are ready to progress but may have stalled due to lack of investment. It provides for £10bn for national housing projects, including £300m to fund 15,000 affordable homes at no cost to developers, bringing 5,000 empty homes back into use – an issue which also remains a key regeneration priority in Kent. Stimulating the local housing market is also a priority, supporting in the Bill by extending the 'First Buy' mortgage support scheme for first time buyers – complemented by the 'Lend a Hand' scheme in Kent supported by Kent County Council, Tunbridge Wells Borough Council and TSB.

The Government's *Autumn Statement* (2012) focused on maximising growth and supporting local business. It contained a commitment to a revised version of PFI scheme, with the first PF2 project being a £1.7bn scheme to rebuild and renovate 219 schools. There is also money allocated for Capital Projects for investment in roads, broadband, higher education and new schools, Kent has successfully bid for the first

round of the £350m Regional Growth Fund, to provide a further stimulus for jobs and growth.

Lord Heseltine proposed, a range of growth measures in his report '*No Stone Unturned: In pursuit of growth*' (2012), setting out a key role for Local Economic Partnerships (LEPs) to lead the development of new 'Strategic Plans for Local Growth'. The Government will devolve a greater proportion of growth-related spending on the basis of these plans by creating a single funding pot for local areas from April 2015, a significant opportunity for Kent. Lord Heseltine has also proposed that the Government Property Unit should work with Local Authorities to identify and publish details of all surplus and derelict public land, so that LEPs and Local Authorities can collaborate to bring this land back into reuse in support of the local economic strategy. This builds on the existing move to create a 'One Public Estate' of central and local assets which would require each participating local authority to produce a plan for growth and how they would reduce expenditure for publicly owned assets.

This complements Kent's direction of travel to strategically manage our asset portfolio and drive options for asset collaboration with national, regional and local partners.

DRAFT

Kent Context

The asset management strategy is designed to complement Kent County Council's strategic policy direction, which directly influences frontline service delivery. As key strategies expire in 2015 there will be a review of this document at that point to cater for any potential changes in direction.

How we use our assets is critical to supporting our key policy drivers. The asset management plan seeks to compliment and embed the key drivers of the following policies:

Vision for Kent is Kent's countywide Sustainable Community Strategy which sets a 10 year partnership vision for the social, economic, and environmental wellbeing of Kent's communities. The vision requires partners to pull together in a shared approach to asset collaboration and rationalisation to better meet future service needs.

Bold Steps for Kent is Kent County Council's Medium Term Plan to 2015 which sets out three clear ambitions for radical public service reform - to help the Kent economy to grow; to put the citizen in control; and to tackle disadvantage. It urges a push towards greater localism and citizen empowerment which will require us to rethink how services are designed and delivered. One of the fundamental design principles is to utilise all the council's assets strategically to support our changing frontline service model, and rationalise back office functions – people, money, contracts and buildings – to deliver as one organisation.

KCC's **Medium Term Financial Plan** specifies how we will deliver the strategic priorities in 'Bold Steps' within financial limits and budgetary constraints. It sets out the national and local context of the current challenging financial period. KCC has made more than £250m savings over the last three years, but there are more challenging financial pressures to come in 2015-17, with an addition £15m additional pressures to fund in 2013/14 in light of the recent local government funding settlement, which was more challenging than expected. The plan identifies £10m of property revenue savings which will need to be achieved by 2015.



KCC's **Capital Strategy** is based on the key principle that capital investment should be deployed where it can have the greatest impact for the benefit of the people of Kent and deliver improvements in essential services. It sets the strategic direction for KCC's capital investment plans and projects within the Capital Programme. The strategy has a transformational stance to promote growth, but within the context of reduced borrowing and ensuring that all new bids to the Capital Programme align with the 'Bold Steps' priorities and have a robust business case for how they will provide more effective value for money – with 'invest to save' bids encouraged. Our capital strategy is inherently interlinked with our approach to asset rationalisation and disposals.

Our medium term strategic planning is underpinned by a suite of specific strategies and programmes which drive the detailed delivery of 'Bold Steps for Kent'.

[Unlocking Kent's Potential](#) is Kent County Council's long term partnership framework for regeneration and economic growth. It sets a vision for transformation in education and skills, the culture renaissance in the county and an efficient transport system that supports both the economy and residents. It is about improved housing conditions, particularly for the most vulnerable both young and old. The framework sets out how Kent is looking ahead to plan now for what will be needed in the future. Our strategic asset management approach will help to ensure we target our capital investment effectively to focus on investments that will stimulate and maximise economic growth and regeneration for Kent's communities.



The [Environment Strategy](#) underpins our Regeneration Framework, setting out KCC's approach to reducing its carbon footprint. An efficient and sustainable approach to designing buildings, and maintaining and managing our estate, is essential to helping to tackle the climate change agenda. This will also help to realise financial savings, by reducing running costs through improved energy and water efficiency within our buildings.

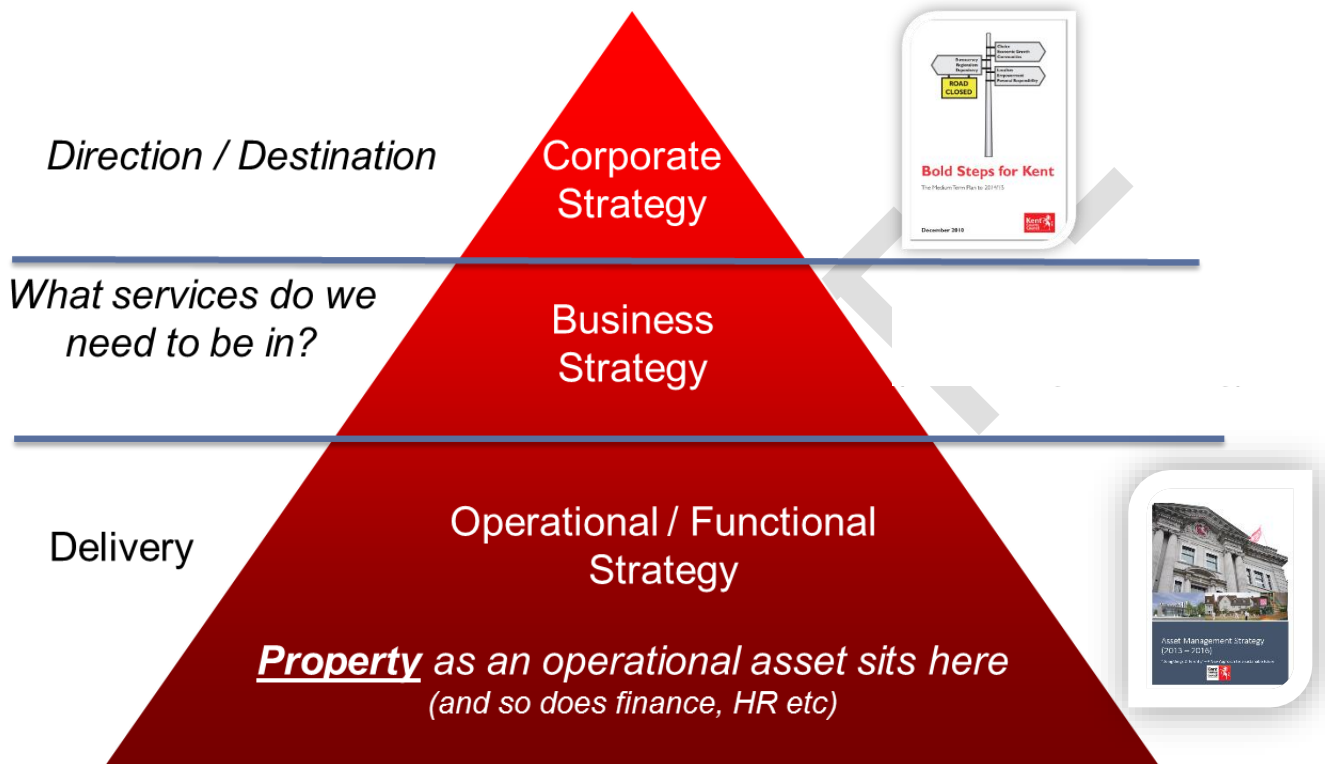
[Kent & Medway's Housing Strategy](#) sets a shared ambition for development and managed growth in Kent and Medway that facilitates economic growth and regeneration. Effective housing partnerships between local authorities in Kent continuously review land and property holdings to identify opportunities to release land for new market or affordable housing. Through joint working arrangements between local authorities, developers and private registered landlords, the strategic housing capacity will be enhanced to seize opportunities presented by the recession that offer the best prospect of achieving strategic housing objectives and good value for money. This includes enabling innovative housing projects that promote long term growth (such as 'Live Margate') and town centre regeneration schemes.

[Doing Things Differently](#)

KCC is driving cultural and workforce change through our 'Doing Things Differently' transformation programmes. Managing the Estate differently will support:

- **Our customers** (through our [Customer Services Strategy](#))
- **Our services** (transforming the way we deliver frontline services)
- **Our people** (effective workforce planning to ensure we have the right people with the right skills through [Organisational Development and People Plan](#))
- **Our systems and processes** (making the best use of right equipment and technology to help us work smarter, as set out in our [ICT Digital Strategy](#))
- **Our new ways of working** (through ICT equipment, office environments, values and behaviours that support and empower a flexible workforce)

The Corporate Strategy 'Bold Steps for Kent' gives the direction and vision for the Council. The further suite of Corporate Strategies help guide how we should be delivering this vision. It is important that all Strategies are linked to ensure that there are no conflicting goals and that they support each other to meet the Corporate Vision.



Part B – The Asset Management Framework



The Asset Management Strategy Framework

Continual Asset Management Improvement

The RICS Public Sector Asset Management Guidelines have been used to inform the process for the Asset Management Strategy. This ensures 'best practice' in the development and implementation of the strategy.

Key elements of the Asset Management Strategy review are:

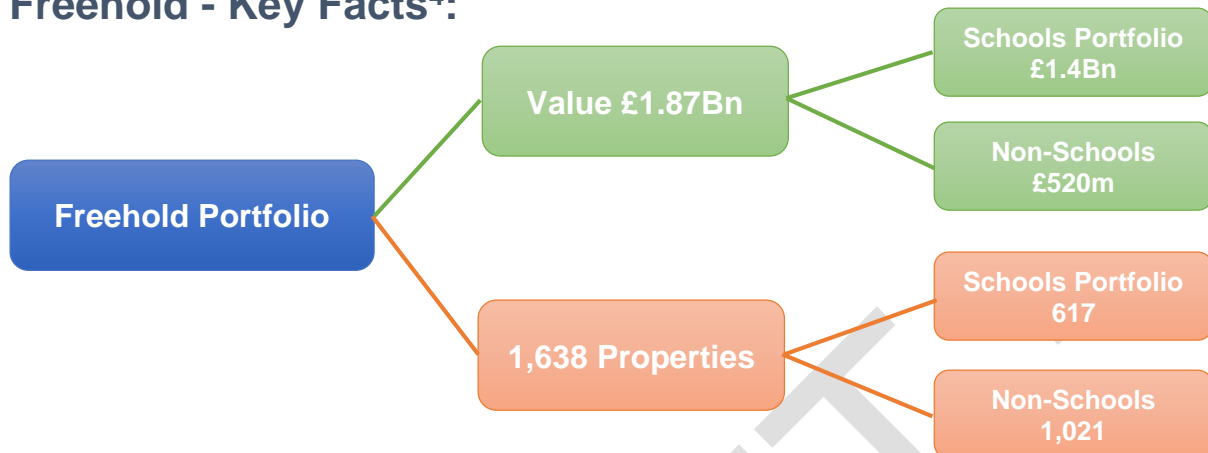
- Review of the Corporate Vision & Mission
- Review Service Delivery Strategies (including current reviews);
- Asset Planning (understanding the portfolio and required changes to meet the above)
- Delivery – The Asset Management Action Plan

The corporate Vision and Mission have been discussed in the previous section with a review of the Bold Steps and the related Medium Term Financial Plan.



Where Are We Now? Understanding Our Current Property Asset Portfolio

Freehold - Key Facts⁴:



Kent County Council has an extensive and diverse property estate spread over a large geographical area. Most of our property portfolio involves direct provision of public services for which we have a statutory or discretionary responsibility.

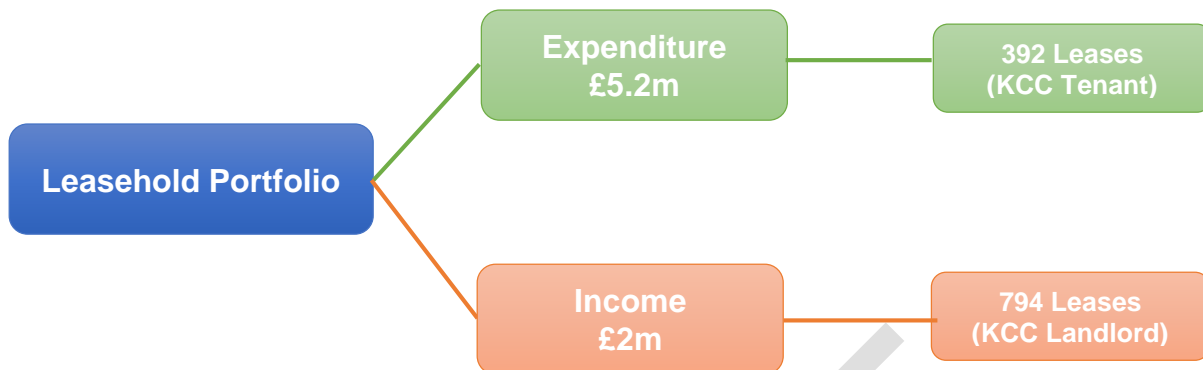
The estate includes schools, primary and secondary and special schools; libraries; playing fields; children's and youth and community centres; day centre and registered Care Centres; depots and waste disposal sites; adult education centres; houses and offices.

The portfolio is valued at £1.87Bn with a revenue cost of £90m pa (2012). To put this into perspective the schools portfolio is valued at £1.4Bn and the 'operational' non-school portfolio valuation is c. £520m. The operational portfolio costs c. £27m to run.



⁴ Figures taken as of 31st March 2013

Leasehold Portfolio⁵:



We will ensure that the Council's portfolio remains 'fit for purpose', and continues to meet the changing needs and priorities of the people of Kent. This will mean that the current profile of the estate will change over time as our frontline service delivery transforms. Through this period of change we have the opportunity to innovate to deliver a better, more effective portfolio supporting services for the people of Kent.

The basic principle for the future portfolio will be to ensure there is flexibility where there is uncertainty and potential change in the short to medium term (1-5 years) and invest or commit to longer terms at premises where there is likely to be long term stability.

We will continuously review the portfolio and work with services to identify opportunities to reduce the portfolio or increase efficiencies. Where there are lease opportunities (expiries, breaks etc.) we take the principle that the lease will not be renewed unless the business case proves best value and there are no opportunities to collaborate or work flexibly without affecting the ability to deliver the front-line services.



⁵ The figures include historic leases and licences which are not determinable and were given at a low, nil or peppercorn rent (KCC Landlord). Modern agreements are given on a commercial basis.

The Schools Portfolio:

Of the Schools portfolio, to date the value of those transferred to Academy status and are leased through 125 year leases accounts for over £712m of the portfolio.

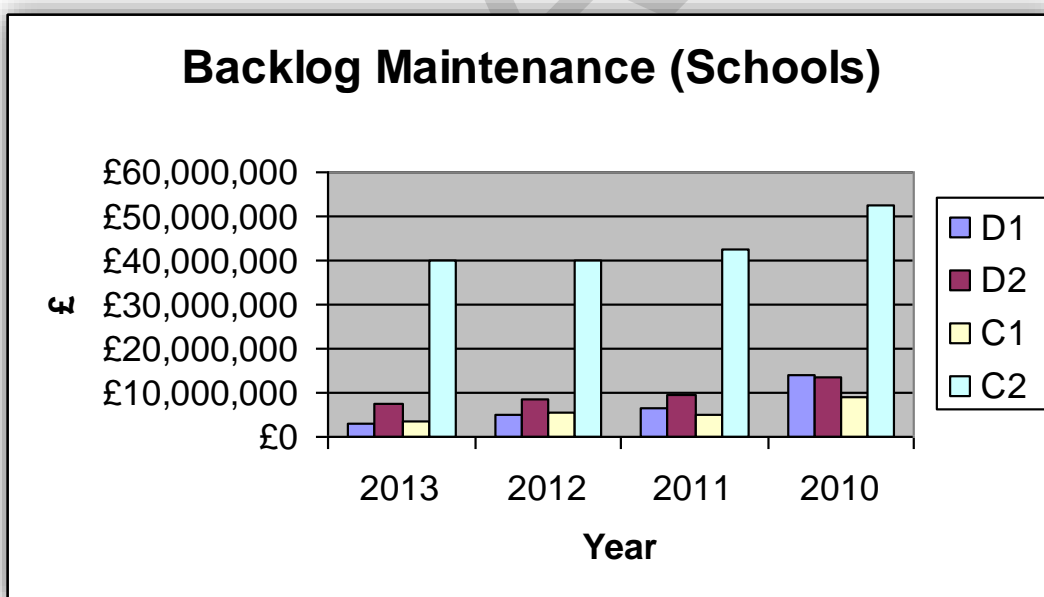
Maintenance Backlog of School Properties

The maintenance backlog has seen an overall reduction of 40% since 2010. There have been significant reductions in the high priority (D1 & D2) cases falling by 79% and 45% respectively. The scale for work priority can be seen on page 33.

The Council has delivered an ambitious Capital and Maintenance Programme to address significant backlog maintenance, and continues to have a dedicated modernisation programme.

	2013	2012	2011	2010
D1	£3,001,890	£5,037,729	£6,268,239	£14,164,261
D2	£7,530,033	£8,703,590	£9,468,607	£13,659,615
C1	£3,681,162	£5,476,066	£4,934,932	£9,244,779
C2	£39,892,847	£40,135,233	£42,568,438	£52,550,310

(Note: Backlog Maintenance for which KCC is responsible)



The Council continues to support our schools through 'Class Care' which gives our schools access to the knowledge and expertise to manage their buildings effectively and aims to keep schools 'Warm, Safe and Dry'. This enables schools to focus on the provision of education whilst KCC manages the maintenance and statutory monitoring programmes. This scheme is also available to Academies

Through this service KCC's vision is to keep schools 'Warm, Safe and Dry' for the future generations learning in Kent.

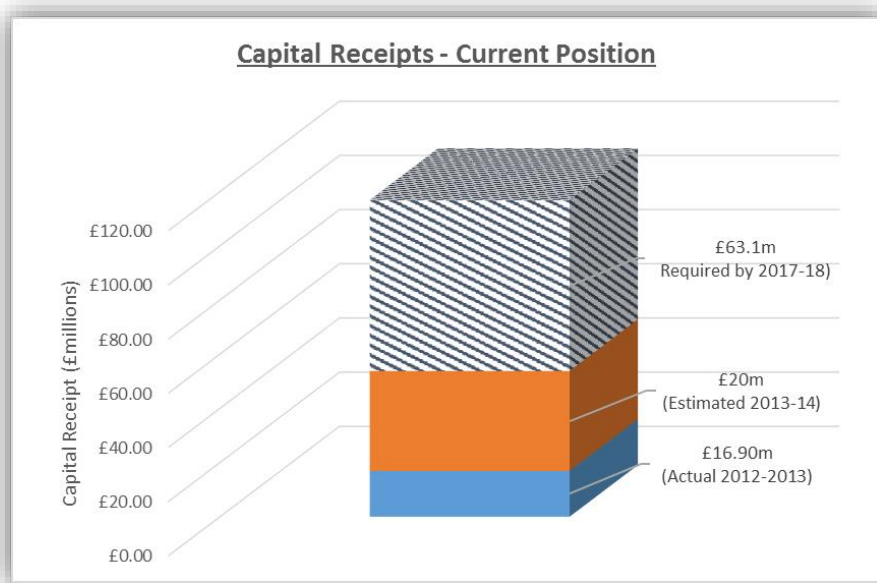
KCC Property Asset Distribution across Kent



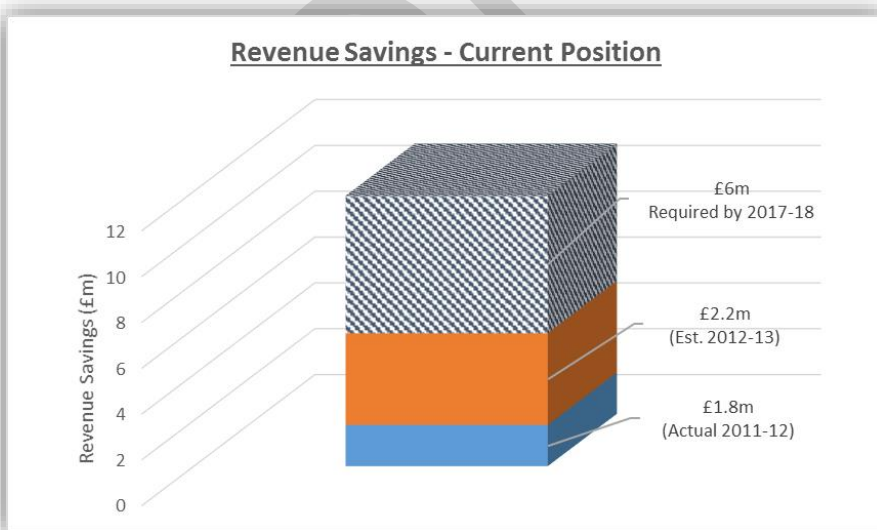
Driving Value through Our Estate:

Requirement	Amount	%	By When
Capital Receipts from Sale of non-school Assets	£100 million	19%	2017-18
Revenue Savings from efficiency savings and leasehold rationalisation	£10m	37%	2017-18

Current Position - *Medium Term Financial Plan Targets:*



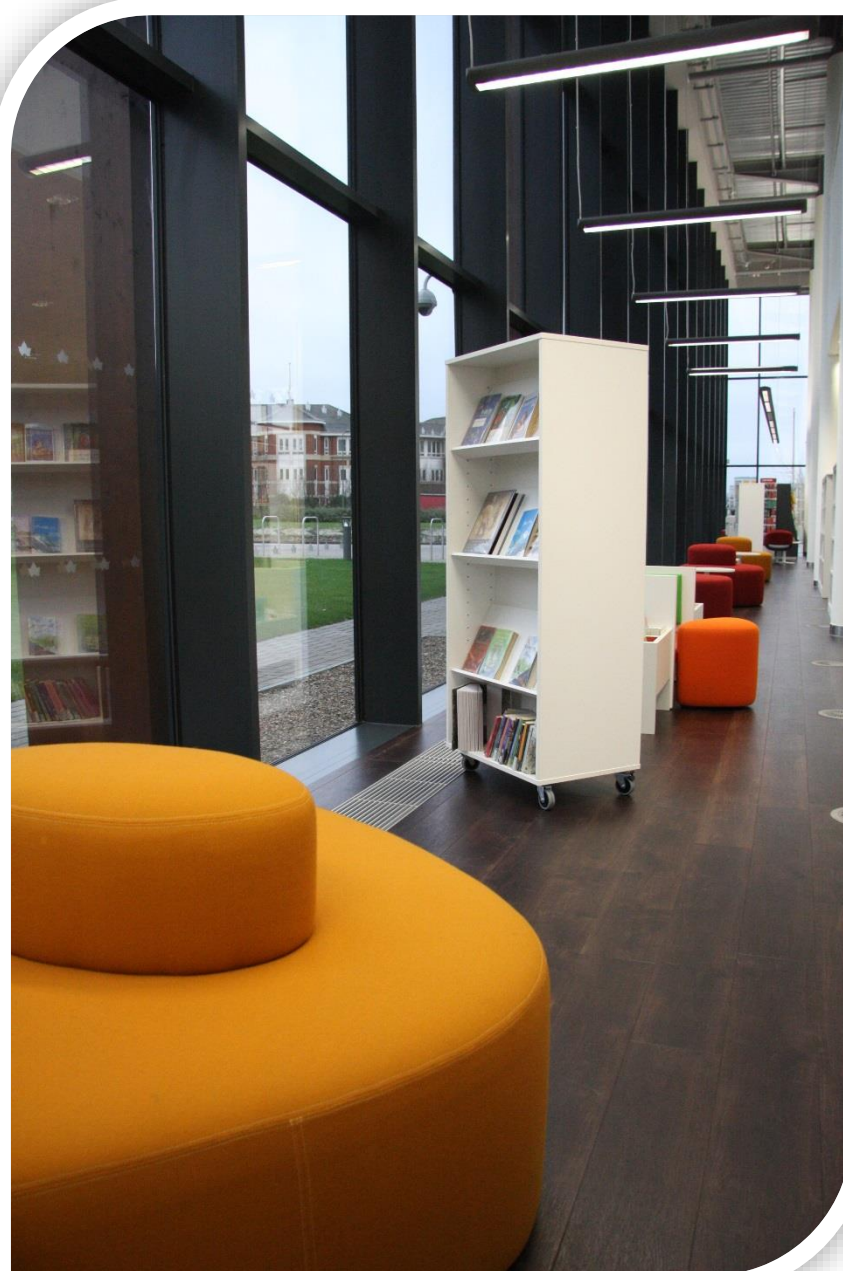
Work against the targets commenced in 2012 and are due to be met by year end 2017-18 (5 years). In 2012-13 we delivered 16.9% with estimates for 2013-14 c. £20-£24m. The pipeline continues to be developed as service transformation programmes progress alongside asset reviews.



Work progressed to drive efficiencies through a number of key programmes.

Part C

Achieving the Vision



Achieving the Vision 'Doing Things Differently'

In order to achieve our vision, we will deliver a number of key programmes focussed around 5 themes:



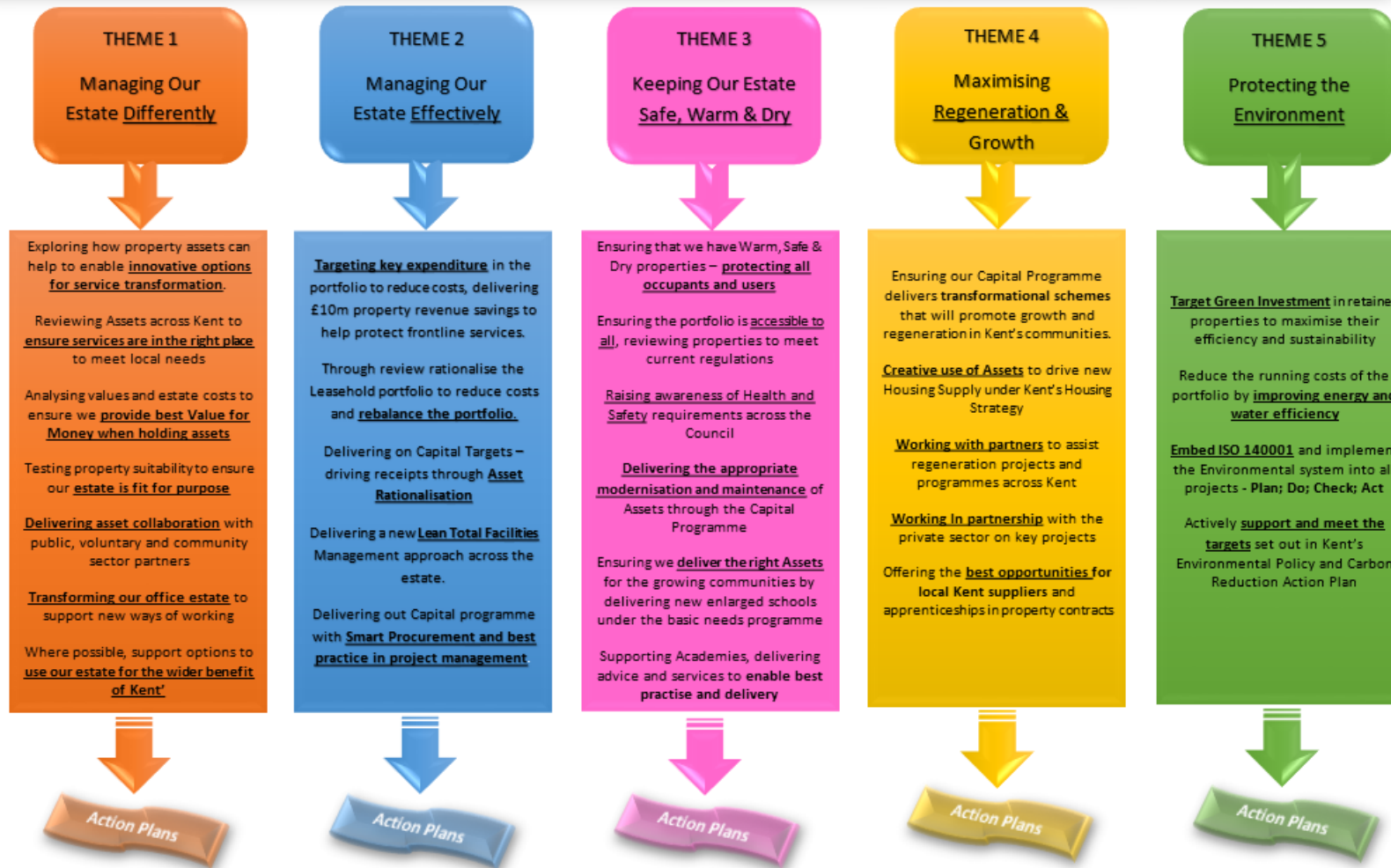
Action Plans

To keep the strategy live and relevant it will be refreshed on an annual basis. Each theme is supported by Asset Management Action Plan with detailed work-streams, actions and performance measures which will be a working part of the document and link into the Property and Infrastructure Support Business Plan.

Detailed Property Policies & Procedures

The themes are underpinned by a suite of detailed online [policies and procedures](#), which can be found on KNet. They are regularly updated to keep pace with changes in national policy, legislative requirements and business needs. They set out a clear set of practical guidelines for our staff and contractors on specific topics.

“DOING THINGS DIFFERENTLY”
 KCC’s Asset Management Strategy – at a glance



Theme 1

Managing Our Property Assets Differently

"to innovate and change the way we use our estate, working with others to maximise the value of the estate for the people of Kent"

The Vision - by 2017 we will have:

- A realigned portfolio enabling flexible working from core hub properties;
- Improving the efficiency and occupation of the estate, reducing our property portfolio by 30%;
- Co-locating with other Public Sector organisations;
- have reviewed and improved where necessary the structure of how we hold property;

Actions - What we will do:

- We will develop property options to enable service transformation and support best delivery of services to the people of Kent;
- We will ensure the estate is fit for the future with flexible agreements where services are subject to short to medium change and investment in long term property requirements;
- We will deliver asset collaboration solutions to share space and running costs with our partners, in order to deliver services in a more integrated way
- We will create property solutions that support and empower our staff to deliver new ways of working
- We will review different property structures to find the most effective way to deliver transformation and hold long term assets.
- Working closely with our customers to understand demand and requirements, ensuring that changes do not adversely affect delivery of front-line services.

Theme 2

Managing Our Estate Effectively

"driving Best Value from the estate, balancing costs and delivery needs to deliver a flexible and sustainable portfolio"

The Vision – By 2017 we will have:

- reduced the running costs of the portfolio by 37% - having reviewed all contracts and expenditure;
- a reduced number of leases where KCC is the tenant;
- reduced our freehold portfolio to meet the Capital Receipts £100m target;
- a new property data management system that will improve our ability to monitor and identify opportunities and provide better information for decision making;
- a new Facilities Management structure providing improved service at a reduced cost;
- a portfolio, policies and systems that are flexible and ready to deal with change quickly and effectively;

Actions - What we will do:

- Review all costs within the portfolio to drive best value in day to day management of assets;
- Negotiate all lease opportunities to deliver best value in leased occupation whilst delivering the right solution to services;
- Review data management to provide the right information to internal teams and Members and inform our property decisions as part of the implementation of a new system;
- We will continually review our portfolio to ensure it meets the needs of the Council's business, providing flexibility or long term certainty where require;
- Deliver the new FM service model

Theme 3

Keeping Our Buildings Safe, Warm & Dry

"Through good practice ensuring all buildings are appropriate and all people who use or visit our services are safe"

The Vision – By 2017 we will have:

- A new FM structure that provides improved services more efficiently, providing better information on maintenance to support continued improvement ;
- Inclusive environments that provide appropriate and safe environments for all staff and service users ;
- Lifecycle costs and use them to increase understanding and plan maintenance and financial costs of running the estate.

Actions - What we will do:

- We will continue the work on a Total Facilities Management solution to improve service and efficiency;
- Continue to develop lifecycle costing for all new properties to improve our understanding the future costs of the estate;
- We will ensure all visitors and users to our buildings are safe;
- We will ensure the estate is fit for purpose through good delivering best practice in maintenance programming;
- Where we occupy others buildings we will work with Landlords to ensure their duties are being carried out to the standards required;

Theme 4

Maximising Regeneration & Growth

"to maximise all opportunities to regenerate key areas of Kent, making best use of assets and capital for the benefit of future generations of Kent"

The Vision – By 2017 we will have:

- Supported regeneration and housing strategies by the appropriate location of new operational hubs and liaison on disposals ;
- delivered key projects in progressing Live Margate, working closely with Thanet District Council to regenerate Margate;

Actions - What we will do:

- We will work with and support the Economic Development Team to obtain best value from all assets and Capital Expenditure, focussing new buildings and developments, where possible, in areas requiring regeneration and growth across the county;
- To work with the KCC Housing team to facilitate and support delivery of the Housing Strategy;
- Support the use of local SME's and Kent business where possible in the work that we do;
- Promote the use of apprenticeships and skills/ training opportunities.

Theme 5 Protecting the Environment

"to become the lead County for carbon reduction and the sustainable use of environmental technologies in property"

The Vision – By 2017 we will have

- Maintained and improved the use of the environmental system of Plan; Do; Check; Act embedded in all projects, in line with ISO 14001 principles;
- policies to ensure environmental aspects are covered in all projects and maintenance;
- researched and made best use of sustainable solutions, making use of all incentives to reduce costs and emissions across the estate;
- met the targets set out in Kent's Carbon Reduction Plan.

Actions - What we will do:

- Target green investment in retained properties to maximise their efficiency and sustainability;
- Reduce the running costs of individual buildings by improving energy and water efficiency programmes;
- Reduce the backlog and future burden of maintenance by investing in sustainable construction;
- Where appropriate, all new and redeveloped buildings to meet the BREEAM 'Very Good Rating';

Part D

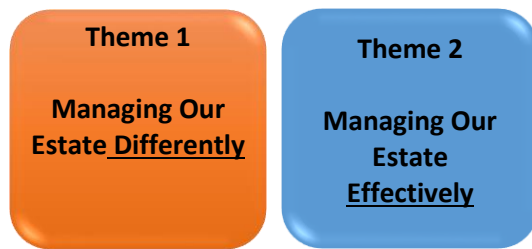
Achieving the Vision

Key Programmes & Case Studies



Programme 1: Asset Collaboration across the Public Sector

Themes Covered:



Example 1 - Asset collaboration

Managing our assets effectively is not something we can achieve in isolation. The public and voluntary & community sector are increasingly working together to achieve improved services at less cost. There is a growing trend for asset collaboration for frontline and support services to share accommodation space to share running costs of maintenance, facilities management and construction. Asset collaboration is a practical solution that will both create greater efficiencies and reduced costs for partners, and enhance local service delivery for customers.

Kent County Council should be seen as the driver amongst our partners to encourage collaboration and integration to provide the best of services for the people of Kent. With the policy direction towards Localism – creating local public services which are tailored to meet local community needs and priorities - it will be vital to ensure that we continue to break down traditional delivery 'silos' through close co-operation with partners.

In Kent we want to build on a long tradition of partnership working to collaborate with partners to ensure a more effective use of our combined assets. Sharing our property will become the norm, not the exception. We will continue to build on the work we started in 2010 with the 'Total Place' Project, where partners worked together to map and cost local assets to identify projects that create more effective service delivery whilst also realising local savings. During the lifetime of this plan, we will increase the number of short-medium term projects to be identified with District Planners and Locality Boards. Elected members from both County and Districts will play an important role in shaping these projects through Locality Boards to accelerate the progress of asset collaboration in their local areas. As part of rationalising KCC's local office facilities across the County links have been made with several District Councils to explore the opportunity of sharing office accommodation and, in some cases such as Canterbury and Sevenoaks KCC, staff now work within the District Councils Civic Centres. It is often the case that smaller collaboration projects provide vital foundations to building partnerships with our partners, they also provide the opportunity to reduce revenue costs for all parties. An example of this is the use of Sheltered Housing Accommodation in Gravesham by KCC's Good Day Programme service. Asset Collaboration worked with partners in Gravesham Borough Council to identify suitable facilities to provide the GDP with a hub integrated with other aspects of the local community. Sheltered Housing accommodation was identified and deemed as suitable, this will ultimately in have cost saving benefits for both partners as well as benefit the users of both services.



Programme 2 - New ways of working

Themes Covered:



The New Way of Working models proposed will deliver a range of benefits to improve the efficiency of operations and use of resources, whilst providing the opportunity for much more flexibility in terms of managing services, and responding to local needs. Having strong community based delivery and developing innovative solutions to deliver services to the public, will be priorities for the way services will be delivered in the future.

The work on developing alternative delivery models for KCC Services was based on the following step changes that have taken place over the past two years:

- A challenging yet innovative transformation programme over a four year period in readiness for implementation of new ways of working and service delivery mechanism was agreed by the Council
- Redesign and remodelling of services not only in order to deliver fit for purpose and future proofed provision but to meet the requirements of the Medium Term Financial Plan and to ensure that by 2016 KCC will a fit for purpose portfolio of office premises that support new ways of working.
- Designing services to act as a key provider delivering a range of co-located services accessible to local communities
- Services to be developed to obtain the following goals:
 - Fit for Purpose
 - Transform and Modernise
 - Deliver the Vision
- Service remodelling aligned to an infrastructure (ITC and Property) investment strategy.

Background

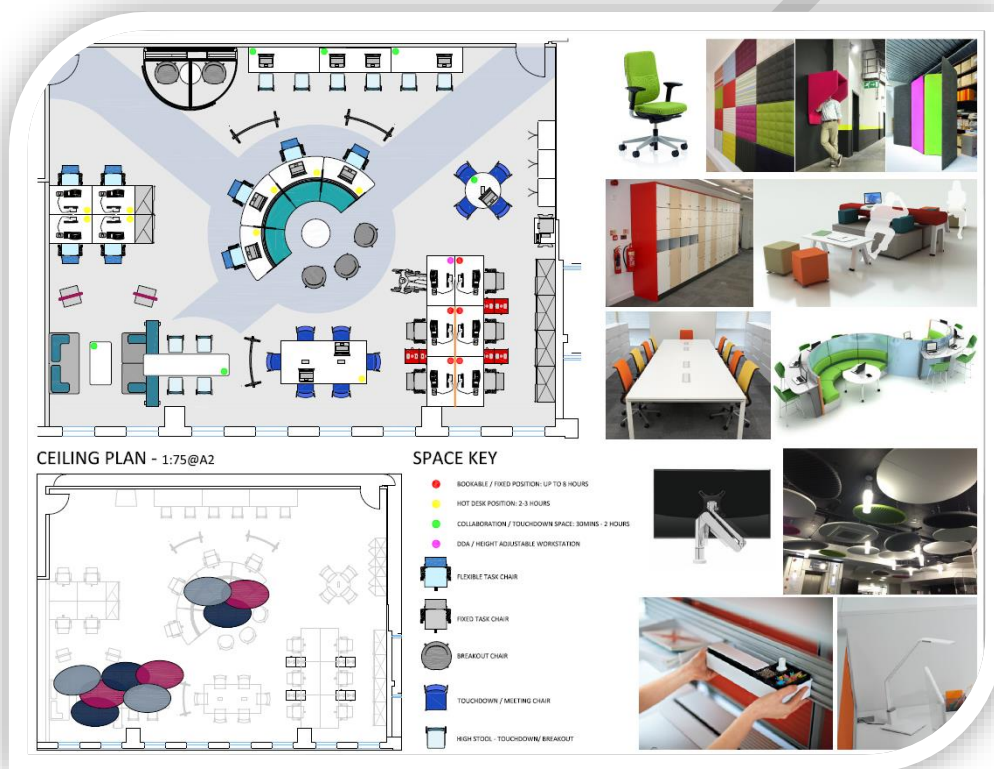
As part of the Workplace Transformation Vision, updated in 2009, Kent County Council (KCC) undertook to consolidate from some 20 offices throughout the county into 3 core hubs in East, Mid (Ashford-based) and West Kent. (In addition to the proposed local area provision, other KCC premises including libraries will provide touchdown space for staff.)

Since the start of this programme in 2009, KCC have withdrawn from 7 offices and achieved a gross annual saving of £1.8 million. This has been underpinned by a policy

not to renew leases except where full business cases have been provided with exceptional circumstances. Also, over the last 2 years, co-locations with public sector partners have taken place where there has been a need for limited local office provision for specialist services.

For some time the culture within much of the Public sector in relation to desk use was based generally on the idea of "my desk and my space" and one person per desk. In recent years this has been changing. To succeed with New Ways of Working KCC is delivering an agile and mobile office, with staff using flexible office accommodation, appropriate ICT systems and new staff management methodologies

BENEFITS of New Ways of Working:



Establishing New Ways of Working will achieve the following:-

Improves Work Styles and Workspaces: Wider adoption of agile working will be made easier through the introduction of a new style of management, work practice guidance and ICT technologies. To support this, office accommodation will be brought up to appropriate standards to support that need.

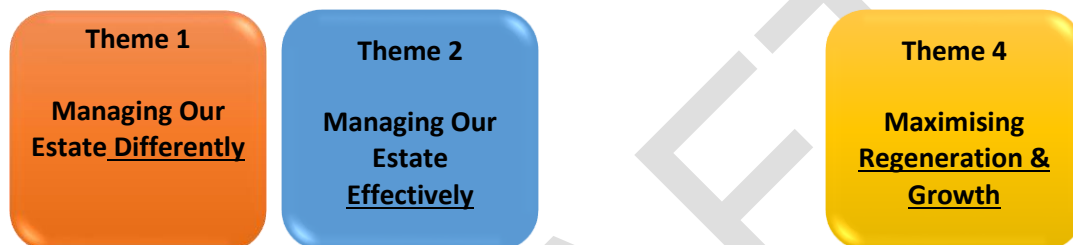
Improved Customer Experience: Aligned to the Customer Service Strategy, customers will be able to access services in many different ways – on the web, by telephone or in person. It will be desirable therefore to bring public services together in locations that support access to services in a way that is convenient to our customers and delivers efficiently.

Joining up Delivery with Other Providers: To co-ordinate the hosting of other activities, public bodies and third sector organisation from the sites under their control to provide locally based "joined up" services. This ability to make quick decisions will make maximum use of publicly funded buildings without involving bureaucratic procedures.

Reduced Costs: The proposed changes to the portfolio will lead to more efficient use of property with lower operating costs, to help safeguard our frontline service delivery.

Programme 3 - Community Asset Transfer

Themes Covered:

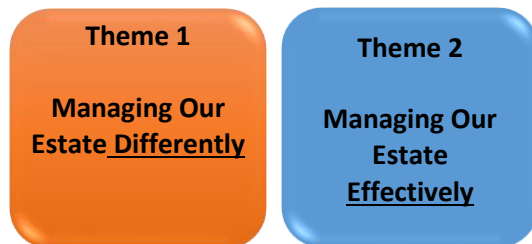


Bold Steps seeks to allow opportunities for communities to put communities in control and encourage the ethos of community empowerment through social enterprise, community and voluntary sector involvement in running services. The Council will support this through the adoption of a Community Asset Transfer Policy.

Whilst this needs to be balanced by the need to meet our 'Best Value' duties a clear policy and process will be made available for local communities on our website.

Programme 4 - Effective Asset Management

Themes Covered:



Data management

KCC currently use a system called Enterprise which manages information on the property portfolio. The system now requires updating.

As part of this improvement we will implement a new Property Asset Management System (PAMs) which will bring all the core elements of property information under one umbrella system.

Key Financial Management

It is key that we have the right financial management data available in order to ensure the effective running of the estate and focus on key cost opportunities in a targeted way. As part of the data management review we are reviewing the financial information we have and monitor key 'dashboard' financial information to prioritise cost reviews and savings programmes.

Annual Business Planning

The annual Business Plan will use the key themes in this Asset Management Plan giving clear reference to the Themes and where initiatives fit into the framework. The Business Plan will sit under the Asset Management Plan and will include priorities and a programme for the year's actions.

Asset Reviews

As an ongoing element of our Asset Management we will undertake regular assessments to ensure that we are using our property estate effectively.

Acquisitions and Disposals

Kent needs to explore how to maximise our powers under the 'Local Government Act' (1972 and 2000) to acquire land and property to improve the economic, social and environmental wellbeing of an area. Acquisitions are usually planned to meet a specific identified need or within the context of an approved strategic programme or capital project. All acquisitions follow the Acquisitions Policy to ensure best value is achieved.

We will continue to drive forward the delivery of our disposals programme to meet the Councils financial objectives.

Capital investment

Capital investment in our non-schools properties is very much linked and support the transformation of the estate.

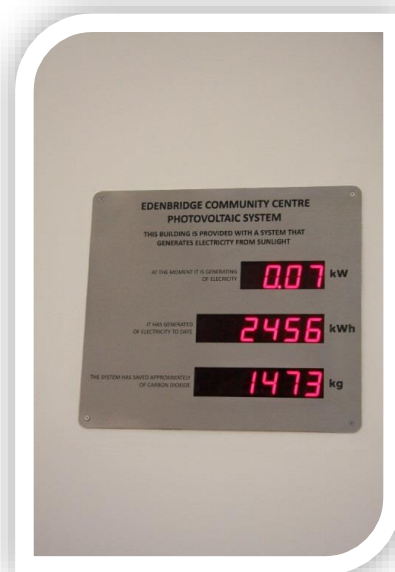
We always consider the Opportunity Cost of Capital in our decisions and therefore will only invest in areas that enable savings to be generated and/or increased productivity in the delivery of services.

Programme 5 :Total Facilities Management



Kent is exploring opportunities to improve the way it delivers facilities management through the implementation of a Total Facilities Management model. This is designed to ensure that there are consistent levels of service across the Councils estate, which responds to the needs of our services and that buildings support services are delivered as effectively and efficiently as possible.

For the year 2012-13 £3.1m was spent on improving our properties in this way. In 2013-14 we will spend a further £5.9m ensuring we continually improve our core assets. We will continue to priorities and spend on a comprehensive service to ensure our estate is Warm, Safe and Dry alongside ensuring that our buildings meet statutory requirements.



Programme 6 – Supporting Regeneration & the Kent Economy



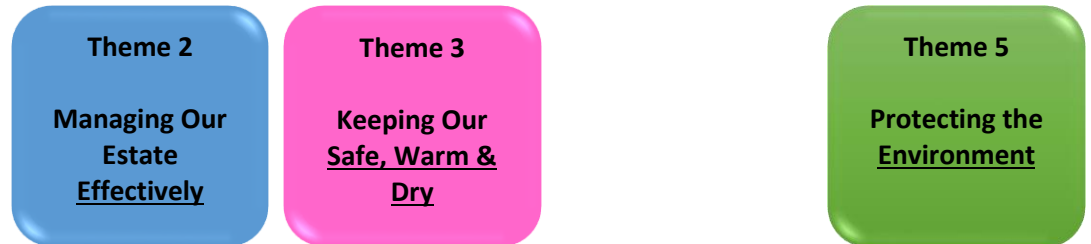
KCC is one of the largest owners and developers of property in Kent, and most communities have at least one KCC building. This presents a visible image to the public that influences their perception and satisfaction in local authority services. Buildings with high quality and design can act as a stimulus for regeneration - to draw in business and people, and contribute to the prosperity, growth and community cohesion of an area. Strategic asset management has an important role in 'place-making' using creative design to shape the look and feel of public spaces into more vibrant and sustainable communities. As such, it is not just our public and private sector stakeholders who should be engaged in change, but also local communities. Our service users, residents and customer should also be consulted and involved in sharing their experiences and aspirations about the changing use of the public realm.

Where appropriate we will use our land holdings and buildings to help achieve social and economic objectives, for example job creation, economic development and affordable housing. Any property solution for regeneration needs robust social and financial justification to transparently articulate the ability of the scheme or project to meet social goals and the true financial impact.

Investing in and modernising our property portfolio to support regeneration is part of a bigger picture of expansion and growth of Kent's communities. The Housing and Planning Futures Group provides strategic coordination of housing growth across Kent and Medway, setting out the infrastructure and resource requirements needed to meet these ambitions. KCC continues to seek development contributions from all development sites where there is a proven impact on current service provision. Since 2002, KCC has secured 9 primary and 2 secondary school sites, additional adult social services and community facilities and £81m in cash contributions. We will continue to explore the potential for parcelling up packages of land to make it attractive to local developers to invest in regeneration areas and gain developer contributions to reinvest in community assets in strategic locations. This will help to ensure we achieve our goals in the [Kent & Medway Housing Strategy](#) to facilitate growth that creates sustainable, vibrant communities, not just housing estates.

KCC is helping to support approaching housing in a new way. We are taking a more entrepreneurial approach to secure new investment funds and funding streams – for example working with Kier in response to the Homes & Communities Agency slowing down and moving away from grants. KCC and Kier have agreed a land disposal which will deliver 300 new houses on sites which otherwise would have been land-banked for left undeveloped.

Programme 7: The Environment and Sustainability:

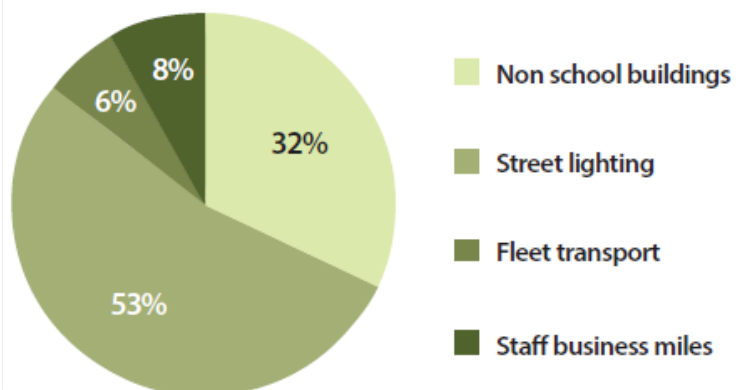


The Kent County Council environment policy 'Growing the Garden of England – A Strategy for the environment and economy in Kent' sets out our priority commitments which are:

- to **stabilise** and progressively reduce our environmental footprint;
- progressively **reduce** our carbon dioxide emissions;
- make sure our estate and services are **adapted** to the future impacts and opportunities of climate change;
- **contribute** positively to Kent's character, local environmental quality and natural environment.

Kent County Council's action programme to make environmental improvements and address the impacts of climate change ensures all areas of the council, including schools, implement the environment policy and improve performance.

Graph 1 - Percentage of carbon emissions by source type



Our corporate targets up to 2015

- reduce energy use within our estate to meet the carbon reduction target of **2.6%** per year up to 2015
- reduce business miles travelled by car by 5% per year up to 2015
- reduce water use within our estate by **10%** by 2015
- reduce waste generation across our estate by 5%, and increase the proportion of our corporate waste which is reused or recycled to 60% by 2015

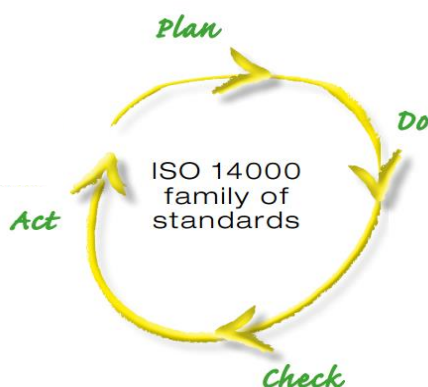
The Main opportunities in buildings and Infrastructure are:

- Focused investment on strategic Council properties – energy efficiency retrofit, renewable energy and improved facilities management;
- Oil to gas (or Biomass, where feasible) – boiler replacement programme;
- More efficient use of shared space/shared public sector premises across Kent as part of the Asset rationalisation programme and modernisation of services;
- Local actions in buildings to reduce hours of heating and other efficiency proposals;
- Improved energy monitoring to identify wasted energy/ improve building controls;

ISO 14001 – Establishing a sustainable Estate

Kent County Council is ISO14001 Accredited and we will ensure that the methodology is embedded in our Asset, Estate and Facilities Management Policies. This will ensure that the processes are in place for the Environment to be considered in all matters of acquisition, development and maintenance and also in the way we plan the estate.

Considering environmental 'aspects' - In developing the New Ways of Working and bringing together the public estate we need to ensure that this does not lead to increased car use for both staff and the public. Locations and availability of transport needs to be carefully considered so that we meet the targets set out.



Plan: Establishing objectives and processes covering all elements of property that interact or have an effect on the environment 'aspects'

Do: Implement the processes

Check: Measure and monitor the impact and effect of the processes.

Act: Take action to improve processes and performance

Property and Infrastructure Environment Champion

This will be led by Asset Management with the objective to:

- be the main contact internally for estate environmental matters;
- ensure teams are up to date with knowledge of opportunities available;
- lead the Sustainable Estate Task Force and ensure plans are being followed through (*Do and Act*);
- Plan, implement and continually improve environmental processes.

Sustainable Estate Task Force:

The Task Force is made up of a '*Property and Infrastructure Environment Champion*', the leads for Asset, Estates, and Project Management and the leads in the KCC Environment and Climate Change teams. The Director of Property and Infrastructure is the sponsor for the group.

The Task Force ensures that we 'Plan' how we reach the vision for a sustainable estate and also 'Check' that opportunities are being considered and implemented where possible.

Financing Sustainable Technology:

Especially in the current climate we need to make sure that we keep investing in Kent's future and the environment is key. To help afford this we will make best use of funding available such as the SALIX Finance to provide low cost capital financing of projects (0%). Projects that provide an income through schemes such as RHI payments will be prioritised as these are financially and environmentally sustainable, both saving money and providing a greener future for the people of Kent.



Energy & the Environment

We are working closely with our energy suppliers to source energy from environmentally sustainable sources. The best way, however, to reduce the effect on the environment is to use less energy and therefore we are and will continue to roll out programmes to use energy efficient technology and design to reduce our demand. In most cases this will be through incorporating technology in specifications for redevelopment, maintenance and upgrading. Such projects will be reviewed to understand the cost and environment benefits of the project, ensuring it works towards the Environmental Strategic targets for Kent and does not adversely affect revenue targets.

In many cases new environmental technology has a payback of c.3.5 years and delivers a further 10 years of savings. We will monitor all projects to ensure performance both environmentally and financially so we can use the knowledge to continually improve our processes and focus on the most sustainable technology.

Kent CC is part of the CRC Scheme and will use the benchmarking and ranking in this scheme to monitor improvements on energy consumption.

BREEAM 'Very Good' Rating:

In accordance with Central Government targets Kent will aim to achieve a minimum of a 'very Good' rating on all major refurbishments and new builds, where appropriate. These will be subject to site and current financial constraints as we must be realistic and ensure this is providing 'best value' to Kent.

Key Project Areas

Property and Infrastructure Support's asset strategy will reflect and progress the opportunities identified in the [carbon management plan](#) with a focus on capital investment and modernisation of assets. The Energy Efficiency Investment Fund, part financed by Salix Finance and managed by Enterprise & Environment will be utilised to supplement capital funds available for specific energy efficiency projects, which meet the fund criteria and approved as part of the asset strategy.

In most buildings heating and lighting account for the majority of energy use and provide the best opportunities for carbon dioxide emissions reduction. The investment programme will therefore be focused on achieving efficiencies in these areas through improved technology and better control.

The priorities for the energy efficiency programme have been identified as:

- Lighting replacement/ modernisation with T5 lamps, or LED lamps in appropriate locations.
- Lighting controls (daylight and/or movement activated sensors)
- Review of heating system controls, to include opportunities for installation of Buildings Management Systems (BMS)
- Insulation
- Draught proofing
- Increased use of the KCC LASER Energy monitoring system (Systemslink) and Automatic Meter Reading where appropriate.

A review of the Display Energy Certificate Advisory reports has also been completed with project opportunities being matched to the buildings strategy to identify where it is most appropriate to invest.

Renewable Energy

Renewable energy opportunities will be fully explored and implemented where feasible and a sound business case is confirmed. The introduction of the Government support programmes for renewable electricity generation and renewable heat provides a further financial incentive and long term income generation.

Several installations have already been completed across the estate both as retrofit or part of new build capital programmes.

The main opportunities for renewable energy are:

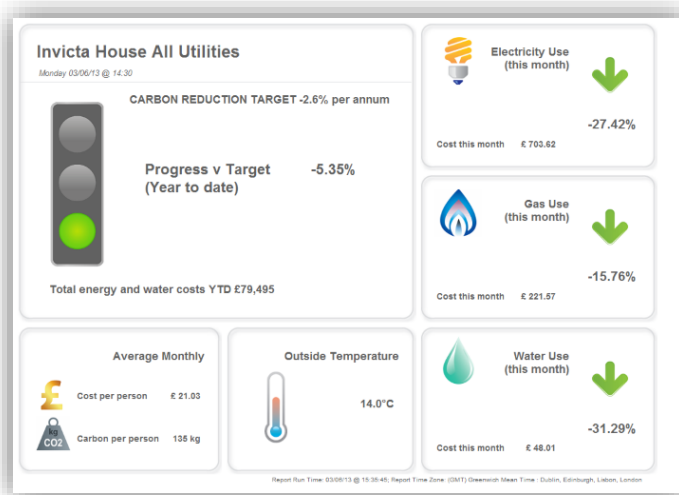
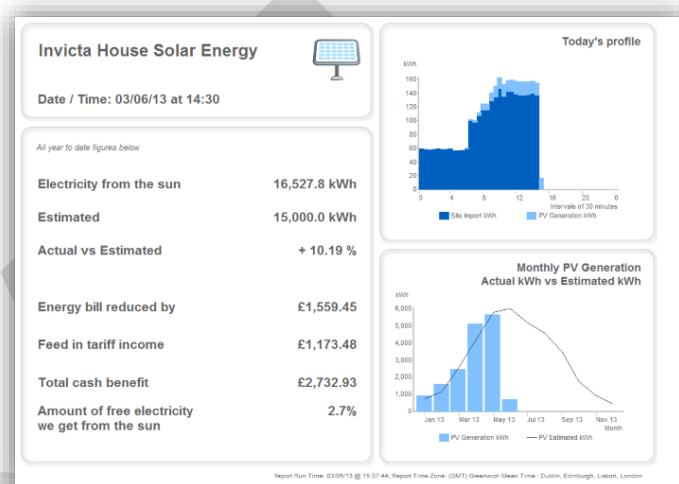
- Biomass boilers
- Solar PV

There are likely to be limited opportunities for solar thermal, ground/air source heat pumps or combined heat and power systems but where they could be of benefit, will be evaluated.

Boiler replacement is part of the modernisation of assets programme. Where biomass is deemed feasible and a sound financial business case is confirmed, these projects will be progressed. This technology will cut carbon dioxide emissions significantly. In addition the government financial support available through the Renewable Heat Incentive and the possibility of receiving interest free financing make these projects more financially attractive.

Solar PV also offers good potential, albeit more limited, particular now that the Feed in Tariff payments for electricity have been significantly reduced. However, as solar panel costs have dropped sharply in recent years these projects may remain financially sound and will be implemented where the business case dictates.

In Sessions House, Maidstone, we use solar to provide electricity to the office, reducing utility costs and providing income via the Feed in Tariff. This is monitored by the energy management system which monitors consumption and costs, allowing us to understand the opportunities and benefits of installing such a system. In 2012-13 the system returned 9% more income than originally projected.



This pilot scheme has given us information to use in future decision making for such systems and monitoring is continuing at other sites including Ashford Highways Depot and Broadmeadow Care Centre.

Part E

Putting it into Practice



To deliver our actions and vision we will put in place a number of delivery plans supported by the Property and Infrastructure Support Business Plan.

The priorities will be:

Priority 1 Actions (Year 1)

Delivered in the early stages of the Plan as these underpin later actions (Year 1).

Priority 2 Actions (1-3 Years)

Require completion before the end of the Plan in 3 years (complete in 1-3 years)

Priority 3 Actions (Year 4 and beyond)

Longer term actions that will continue beyond the end of the plan and will be reliant on deliver of Priority 1 & 2 Actions

The Actions Plan Document will be updated annually as part of the Business Plan review and will give a clear and transparent position on where we are in delivering the Vision. These will be available in the Asset Management/Business Planning section on the Kent County Council Website.

This document will be reviewed in 2015 when current Corporate Strategic documents expire – actions will be updated but the Asset Management Vision for 2017 will remain, supporting the people of Kent now and for future generations: