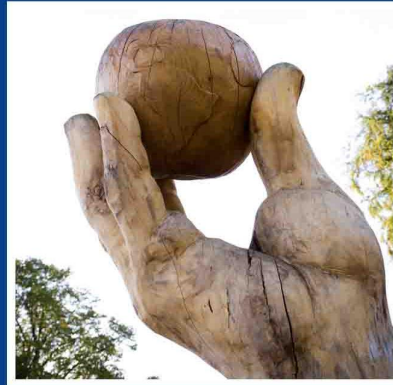




# Property Asset Strategy

## 2012 – 2017

Document 1 of 4



*your council working for you*

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**1 Property Asset Strategy**

**1.1 Vision and objectives**

**1.1.1 Corporate Vision and objectives**

1.1.2 In order to establish what the Council property portfolio should look like and how it should perform, the portfolio needs to be matched to the Council’s high level corporate objectives. These are set out in the Corporate Plan 2011-15.

1.1.3 The Council’s high level vision is “South Kesteven 2021 – a destination of choice where people want to live, work and visit, which is to be delivered through the Council’s core values, priority projects and various service delivery plans.

1.1.4 The authority has been working over a number of months on revising the Council’s priorities. In order to achieve this, a considerable amount of work was done in examining the current state of the district and a documentation was drawn up entitled ‘State of the District 2011’. The purpose of this document is to give an overview of the current state of South Kesteven, whereby it looks at the current position of the district and the characteristics of the people who live and work there. This document has been fundamental in assisting the authority in understanding what issues need to be addressed to be able to achieve the priorities of the council. The authority then consulted with stakeholders asking them to imagine the district in 2021 and how they would imagine it to look and the new priorities were devised from this work and the existing state of the district information.

The new priorities are:



1.1.5 The current Corporate Plan spans a four year period from 20011-2015. The priority themes are already well developed. These will need to be incorporated into this document and translated into the performance management framework as appropriate.

1.1.6 **Community priorities**

1.1.7 The Council must to play its part in delivering the Lincolnshire Sustainable Community Strategy (SCS) 2009-2030. The strategy sets out an overall direction and priorities for the County to make it easier for local organisations to tackle the issues together. The six identified themes are:

- Vibrant communities where people enjoy life.
- Opportunities for good health.
- Rich diverse environment, heritage and culture are recognised and enjoyed by all.
- One of the healthiest and most sustainable economies in Europe.
- Good connections between people, services, communities and places.
- Organisations working together for Lincolnshire.

1.1.8 **Asset Vision and objectives**

1.1.9 Drawing on the Corporate Plan, the Sustainable Community Strategy and the desire to have a more collaborative approach to share public sector assets to reduce the reliance/ demand on council tax to support the overall public estate, as a foundation, the following vision/ objectives for the Council's property portfolio have been developed as follows:

1.1.10 *Vision Statement*

*By 2015 SKDC will have developed with its partners and other like minded public sector organisations opportunities to rationalise or share property assets to provide a cost effective and sustainable public estate to serve the locality and meet customer demand whilst reducing reliance on council tax and government grant and will have implemented the opportunities that arise.*

1.1.11 The Council's property assets should be:

- Fit for purpose
- Maintained in a good state of repair
- Inclusive and accessible
- Environmentally sustainable
- Economically sustainable
- Efficient in their use and cost
- Flexible and adaptable for the future
- Welcoming and modern

1.1.12 The individual elements of this property objectives are important as they will determine how the Council expects its property assets to perform, and how progress will be measured against achievement of the corporate priorities.

1.1.13 Building on the work undertaken in developing the property vision, a Property Performance Management Framework has also been developed that will be used to demonstrate progress towards ensuring achievement of that vision.

1.1.14 Details of the Property Performance Management Framework, including performance measures and target standards, are set out in detail in Section 3.

## **1.2 Why the Council has property assets**

1.2.1 This Property Asset Strategy addresses the management of property assets across the entire South Kesteven District Council property portfolio. For the purposes of this document, the property assets referred to are 'fixed' property assets of a building construction and/or land nature. Property assets include physical assets, e.g. sports halls, depots, and intangible assets such as leases and ground rents. For clarity, this document does not include housing assets. Other non property assets are not covered by this Strategy.

1.2.2 Property assets are an important resource in contributing to the delivery of efficient and effective services to the community. However, ownership, occupation and operation of property assets are not ends in themselves, and the holding of each asset should have a clear rationale and purpose. The Council is clear that:

- Property assets held for non-investment purposes should be cost effective and make a positive contribution either to direct service delivery or to other socio-

economic objectives of South Kesteven District Council, over and above the costs of ownership.

- Property assets held for investment purposes should provide the optimum balance between revenue income and capital appreciation.

### **1.3 What the assets are**

- 1.3.1 The Council's property assets (excluding council dwellings) are valued and held in the 2010-2011 Statement of Accounts at nearly £45 million. This is the net 'book' value of the assets, in most cases assuming continued use by the Council, and does not represent the value that might be secured from disposal on the private market. Nevertheless, this is a considerable book value which demonstrates the importance of property assets to the Council, and particularly why it is so important to manage and maintain the resource effectively, and ensure that assets are both needed and provide value for money.
- 1.3.2 An analysis of the Council's property holdings identified that around 75% of the Council's property holdings are recognised as Operational – property used for the delivery or provision of front line services. The remaining 25% are recognised as Non-Operational assets which includes surplus and investment type assets.
- 1.3.3 The assets are diverse and varied and range from administrative offices to public conveniences. The Council's asset register as at 31 March 2011 identifies the following breakdown showing the number, value and floor areas of principal property assets owned by the Council (excluding housing assets) including:

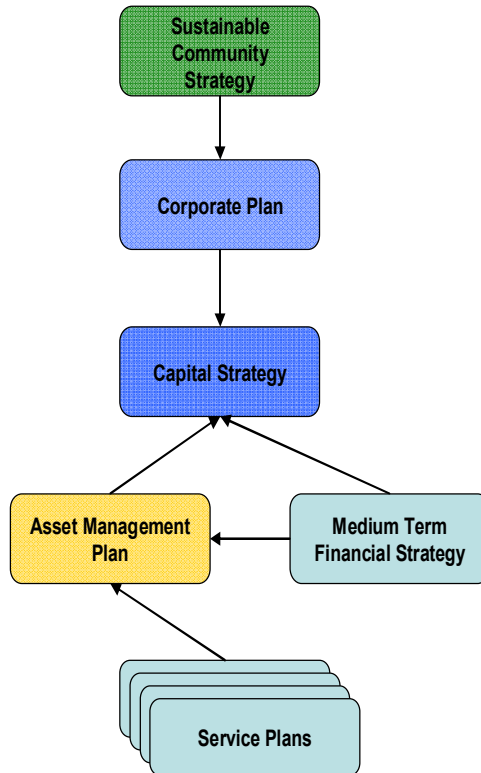
Type of Asset	Number of Assets	Book Value (£)	Gross Internal Floor Area (m <sup>2</sup> )
<b>OPERATIONAL</b>			
Art Centres	2	4,354,180	6,773
Bus Stations	3	431,013	6,937
Car Parks	18	5,259,719	52,279
Depots	1	499,930	2,269
Market Stores	3	137,120	386
Civic Offices	3	3,743,344	6,708
Playing Fields (Inc Pavilions)	10	1,012,095	220,800
Public Conveniences	12	453,156	568
Public Halls	1	143,403	1,394
Stadium & Leisure Centres	6	18,024,926	15,374
Cycle & Change Facilities	1	58,110	79
Community facilities	7	1,730,704	17,465
<b>NON-OPERATIONAL</b>			
Industrial Premises (No of sites/units)	5/17	5,033,449	8,625
Miscellaneous	23	3,119,038	28,404
<b>Total</b>	<b>95</b>	<b>44,000,187</b>	<b>62,047</b>

## 1.4 Policy framework

1.4.1 This document fits within the context of a wide range of policies, strategies and plans covering key service areas and overarching activities. All these policies and strategies are complementary in support of the overarching corporate priorities and include:

- Sustainable Community Strategy 2009-2030
- Corporate Plan 20011-2015
- Economic Development Strategy 20012-2016
- Medium Term Financial Plan 2008-2011
- Capital Strategy 2010-2013
- Treasury Management Strategy 2010-11
- Carbon Management Plan 2008-2013
- Service Plans

1.4.2 The relationship of this set of Asset Management Plan documents to the key corporate documents and processes is shown diagrammatically below:

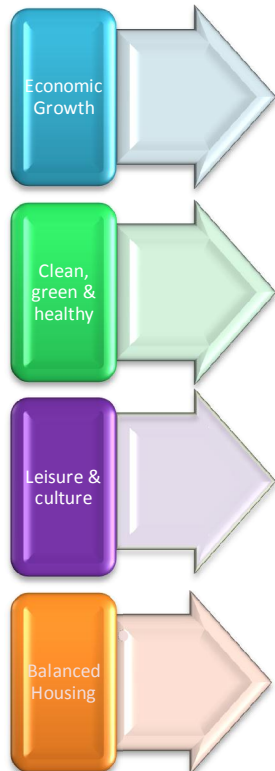


1.5 Key Program and objectives

**Program**

**Asset Rationalisation**

**Priority**



**Objective**

**Support development of Station Approach in Grantham through potential public sector campus approach to office accommodation**

**Reduce energy consumption and carbon emissions through reduction in office space**

**Add vitality and vibrancy to Grantham town centre through potential redevelopment of assets to support the evening and weekend economy.**

**Review assets use across the district to support development of new housing**

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