

WIRRAL COUNCIL

TRANSFORMATION & RESOURCES POLICY AND PERFORMANCE COMMITTEE

15 JULY 2015

UNIVERSAL & INFRASTRUCTURE SERVICES

ASSET MANAGEMENT UPDATE

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to update the Committee on the current position of Asset Management in Wirral with particular focus on the strategic asset management policy and office accommodation.

2.0 BACKGROUND

2.1 Following work undertaken by Local Government Association (LGA) in partnership with the Council a report was taken to Cabinet in November 2013 outlining the intended strategy for Asset Management, the three key strands being:

- Asset Disposal
- Office Rationalisation
- Area Reviews

2.2 The need for a coherent Asset Strategy had also been highlighted in an Audit report in January 2013 and in response to this a new Council Asset Management Strategy was written in 2014 which is attached to this report and is available on the intranet.

2.3 It has been recognised that the Asset Strategy for Wirral Council must be mindful of similar strategies being produced by partner organisations such as health, police, fire authority etc. By way of example Vision 2018 is the plan to re-shape health services and social care in Wirral. Vision 2018 is directed by Cheshire and Wirral Partnership NHS Foundation Trust (CWP), NHS Wirral Clinical Commissioning Group (WCCG), Wirral Borough Council (WBC), Wirral Community NHS Trust (WCT) and Wirral University Teaching Hospital NHS Foundation Trust (WUTH). Likewise officers from Wirral Council have been and remain appraised in proposals by the fire authority to rationalise stations and with the police asset strategy.

3.0 PROGRESS SO FAR

3.1 Strategic Asset Management Plan 2014 - 2017

There are three distinct parts of the plan (i) context and arrangements (ii) strategies and (iii) key priorities and implementation plan. The third section is probably the most important as this identifies work strands which deliver Wirral's vision for managing its Assets; these include: efficiency savings, partnership working, capital receipts, performance and monitoring. Key to delivering the Strategic Asset Management Plan is the new Asset Management System which will bring all asset information together for the first time, directly linking to the project management system. The system will be integral to the repair and maintenance ordering and helpdesk facility, compliance records and schedules, has capacity to link into

energy management systems and other utilities charges connected to a given asset. The system is web-based so will be available 24/7, assets information contained within the system include all Council owned buildings and land including schools. In order for the system to be a success it is imperative that all departments embrace the system, this will be monitored via the Capital and Asset Working Party. The “go live” date for this system is the end of June for core data, other modules will be phased over the coming months.

3.2 Asset Disposals

The table below indicates the historically generated capital receipts as well as the anticipated capital receipts for future years.

Capital Receipts	
2012/13	£1.1m
2013/14	£2.3m
2014/15	£2.8m
Anticipated Receipts	
2015/16	£6.5m
2016/17	£9.55m
2017/18	£9.55m
2018/19	£2.0m

Capital receipts negate the need for borrowing to support capital programmes thus reducing the Councils revenue expenditure. Capital receipts therefore, play a key role in the Council’s financial stability.

Major disposal sites

Four major sites for disposal were highlighted in the November 2013 Cabinet report; these sites will provide a large percentage of the anticipated capital receipts. The progress of these disposals is as follows:

- Acre Lane - demolition is underway at Acre Lane after all services were relocated elsewhere in the Borough. A successful marketing process has been undertaken by property consultants Lambert Smith Hampton. A report will be presented to Cabinet for approval of the acceptance of the best offer.
- Land at Manor Drive/Upton Pony Club - the pony club has been relocated to Pasture Road, Leasowe. Approval to appropriate land has been given and Planning Permission for the permanent stables and grazing land was approved on 3 June. Marketing of the Manor Drive site for residential development has commenced.
- Rock Ferry High - a series of consultations with residents has been undertaken in addition to the on-line consultation, these responses will be included in the application for disposal as required by the Secretary of State. A report to Cabinet will be written to seek approval to make the application submission to the Secretary of State with recommendations on the sites future use and designation based on consultation.
- Bebington Complex - the Town Hall remains empty with the intention for a wider development opportunity to be explored by the strategic director for Regeneration and Environment. The annexe has been partially vacated with some services planned move to Pennant House.
- Other Recent Capital Receipts – (i) the lease of land and buildings at Solar Campus, Leasowe has resulted in a receipt of £500,000 (ii) New Hall Farm will

result in a receipt of £234,000 net. Other Capital receipts are received as and when sales, lease transfers etc are made.

3.3 Office Rationalisation

The table below indicates the current position of occupancy in the larger Council buildings. Service delivery including staffing levels going forward will be critical to the office rationalisation strategy; other factors to be considered include building efficiency, location, condition and suitability. Information is correct at the time of this report.

Wallasey Town Hall (capacity 200 + significant civic reception space)	Next phase of modernisation; works underway on 2 nd floor. Occupancy significantly increased
Birkenhead Town Hall (capacity 100 + training)	Fully functioning as training venue and Acre Lane decant. Occupancy significantly increased.
Cheshire Lines Building (capacity 550)	10 years lease remaining. All phases of office modernisation to maximise occupancy completed; finance municipal staff and transaction centre currently being relocated to the building.
South Annex (capacity 225)	New scheme to modernise and renovate (asbestos removal etc). One small team remaining in this building. Works to remove asbestos will commence this year.
North Annex (capacity 225)	Likely to be surplus to Council requirement – demolition to be considered.
Liscard Municipal (capacity 150)	Building at capacity, predominantly CYPD following Acre Lane decant. Preferred site for new IT hub.
Treasury Building	This building could be vacated completely; dependant on location of new data centre and as a result of other building considerations.
Conway Building	Now partial occupancy; awaiting IOM decision; surplus to Council requirements (OSS relocation required) intention to vacate.
Finance Municipal	Awaiting IOM decision; surplus to Council requirements. Only a small number of staff remaining in this building intention to vacate.
Hamilton Building (capacity 270)	This building is at maximum capacity, all CYPD staff with the exception of IT staff (40) in basement.
Solar Campus	EMAP Academy conversion (1 March); lease for rear building & fields to TRFC; front building to remain in use by YOS, building currently undergoing refurbishment.
Bebington Annex	Staff relocating to other premises including Pennant House; whole of Bebington Complex under consideration by Regeneration & Environment directorate.
Moreton MASH	Increasing demand for space by police; high level talks to be had regarding future requirements and costs.
41-43 Bebington Road (former Connexions Building)	Approx. 40 DASS staff located here, couple of years lease remaining, relocation to be considered ahead of lease expiry.
The Grange (Warren Golf Course)	DASS have located staff to top 2 floors. Some Community interest in this building.
Old Market House, Birkenhead (capacity 700)	Currently 200 staff located here (DASS, Public Health, CCG) lease to expire October 2015. (see notes below)

Old Market House has recently become an emerging issue after the Community Trust have announced a relocation to St Catherine's at short notice from this building and a notice to terminate the lease has been served. Old Market House is a 6/7

storey T shaped office block in Birkenhead, on the edge of the commercial centre, and is around 30 years old. It is a government building, owned by the Land Registry who vacated the building some years ago, the whole building was subsequently leased to the NHS. The building has a capacity of approaching 700, plus meeting rooms and ancillary spaces. The current council staff of 100 (Public Health and Adults) and CCG, 100 + CSU, 25 = 225. The only organisation in this group who could offer more staff occupancy would be the council. Around 4 years ago as part of the response to the difficulties in Adults, co-location was arranged with Adult Council staff and NHS, no formal lease was put in place with NHS. The building has had a new roof and windows and is in decent condition. However, the interior and services would benefit from refreshment/refurbishment and parking is very limited. The remaining partners and council staff are making a strong case to stay together and stay in Old Market House, for pragmatic and understandable reasons, with joint working, minimum disruptions and best placement for future developments being at the core of the arguments put forward. It is proposed that we seek a further lease period in the short term to allow a business case to be drawn up looking at the service requirements going forward and the availability of premises. The business case will have to consider efficiencies of buildings, capacity, life cycle costs, potential capital receipts etc.

3.4 Area Reviews

It was approved by Cabinet in November 2013 that a pilot study would be undertaken in Moreton. The study was to include consultations with members of the public, traders, partners etc to gather views on the rationalisation of buildings around the library/youth club area and the future requirements of the area to deliver services in the area. The LGA and Glasshouse (a community-led design company) were engaged in this exercise and the findings were generally positive in that Moreton was seen as an important hub of community services but its green spaces were often underutilised, need for more affordable housing, good youth work taking place, local people willing to travel to access good services but transport costs are often a barrier, a need for a centralised point to communicate local services and community offers (a lot is happening but hard to find out about it). Further work is required to pick up on this study but limited staffing resource is slowing this down currently. A number of former council buildings have been demolished from the area around the library, Oakenholt has been refurbished and now houses the adult centre for people with learning disabilities. The municipal building is the location for the Multi Agency Safeguarding Hub (MASH) and is at capacity, additional accommodation is being added. Development of the site will be dependent on a number of factors including capital resources, planning possibilities, retail interest, outcome of service plans i.e. youth service, cultural, learning etc. Outcomes of these discussions will be presented to members.

3.5 Sharing Accommodation with Partners

Whilst there has been limited experience previously with sharing accommodation with partner organisations, there is an increasing need for this to happen more, not only realising the benefits of reduced costs associated with office accommodation but the wider benefits of joint working, collaboration etc. The police strategy for example indicates a significant reduction in the number of police stations and creating community police stations, with a focus on co-location. Commissioned partners will be encouraged to share accommodation with Council staff in an attempt to share running costs and improve collaboration with a transparent recharge rate for facilities used.

3.6 The Council's asset team are in on-going discussions on a regular basis with the Police, Fire and Health partners. More formal meeting arrangements have recently been put in place for Health providers and the Council to explore opportunities of asset maximisation and joint locations. The team are also supporting the continuing transfer of assets to Voluntary and Community Groups, where schemes are viable and appropriate.

4.0 RELEVANT RISKS

4.1 Risks are recorded against individual schemes.

5.0 OTHER OPTIONS CONSIDERED

5.1 Each proposal is subject to an optional appraisal.

6.0 CONSULTATION

6.1 Relevant consultations, statutory and non-statutory are carried out as required on a scheme by scheme basis.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 The Council is committed to working with Voluntary, Community and Faith Groups to achieve outcomes to the benefit of Wirral residents. As appropriate, this commitment extends to the sharing and where possible transferring of assets.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 Financial

8.1.1 Disposal of assets brings capital receipts into the Council for reinvestment in remaining assets. This avoids the Council having to borrow Capital.

8.2 IT

8.2.1 None

8.3 Staffing

8.3.1 None specific to this report.

8.4 Assets

8.4.1 This report is about individual asset schemes and their combined contribution to the Authority.

9.0 LEGAL IMPLICATIONS

9.1 None

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes an impact review is attached – <https://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-april-2014/eias-chief-executives-d>

11.0 CARBON REDUCTION IMPLICATIONS

11.1 As the Council reduces the number of its buildings, this reduces the Carbon emissions by the Council.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 Planning requirements and implications are dealt with on a scheme by scheme basis.

13.0 RECOMMENDATIONS

13.1 That the Committee notes the contents of this report and advises any additional views for consideration by Cabinet.

Jeannette Royle
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