



## **DRAFT ASSET MANAGEMENT PLAN 2016-21**

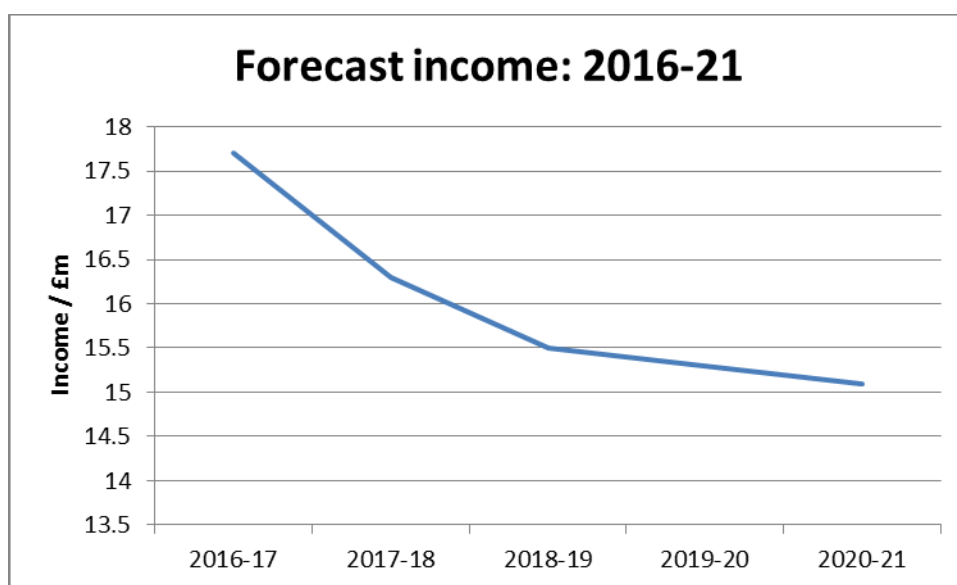
**ASSISTANT DIRECTOR ( ESTATES &REGENERATION)**



**Winchester**  
City Council

## 1 Introduction

- 1.1 The Assistant Director (Estates & Regeneration) is responsible for asset management, planning and general maintenance for the Councils operational and non-operational General Fund properties along with the non-operational HRA properties. The function is planned through the Asset Management Plan.
- 1.2 The Asset Management Plan is a very powerful tool which can assist the Council in the delivery of the Community Strategy. Property is an asset which can be used to facilitate public service provision either directly in the form of premises used to deliver a service or in pursuit of an objective such as economic development via the provision of industrial units, or indirectly as a source of income to help fund the provision of public services.
- 1.3 The Council is facing significant reductions to its overall income over the life of this Plan:



**Table 1: Financial resources 2016-21**

- 1.4 If services to the public are not to be reduced, the City Council has to find ways of generating further income. The first priority is to generate income to replace that lost through grant reductions, but also to generate new sources of income to minimise the need to increase the amount recovered through local direct taxation. This is consistent with the Council's Efficiency Plan, approved by Cabinet in September 2016.
- 1.5 The Plan is also informed by some of the overall economic factors impacting the District and the country. In May 2016 inflation was 1.0%, but this had risen to 2.0% by September 2016. The Bank of England is tasked with containing inflation at 2.0% and with the exchange rate fluctuations which have occurred

recently, there is the prospect that inflation will continue to rise as imported goods become more expensive in proportion to the fall in the value of the pound.

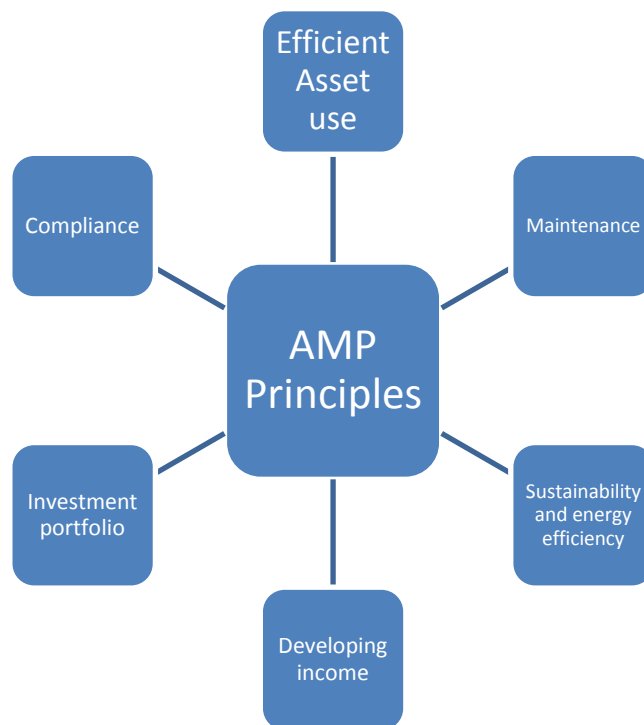
#### Winchester District Community Strategy 2010-2020

- 1.6 The Winchester District Community Strategy is the vision for the District and forms the foundation on which the Council's policy actions are built. The Community Strategy has direct relevance to the preparation of the Council's Asset Management Plan in that it sets out the way that the City Council and its partners would like the District to change over the next decade. The priority outcomes which are set by the Strategy are:

- Active Communities
- Prosperous Economy
- High Quality Environment
- An Efficient and Effective Council

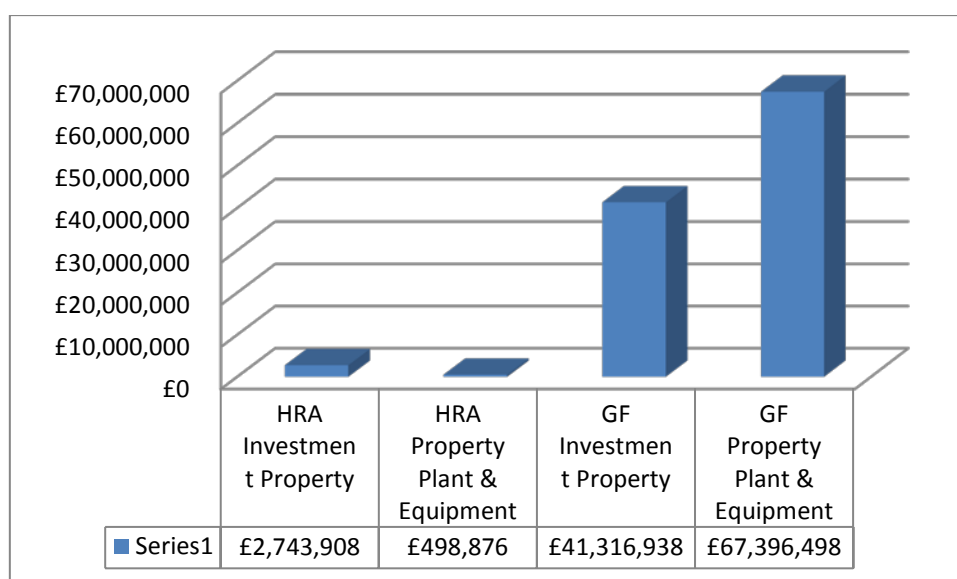
#### **Principles of the Asset Management Plan (AMP)**

- 1.7 The AMP focusses on key areas of work that ensure that the Council is maximising its use of resources whilst also ensuring compliance in the how the Council manages its assets.



## Property Resources

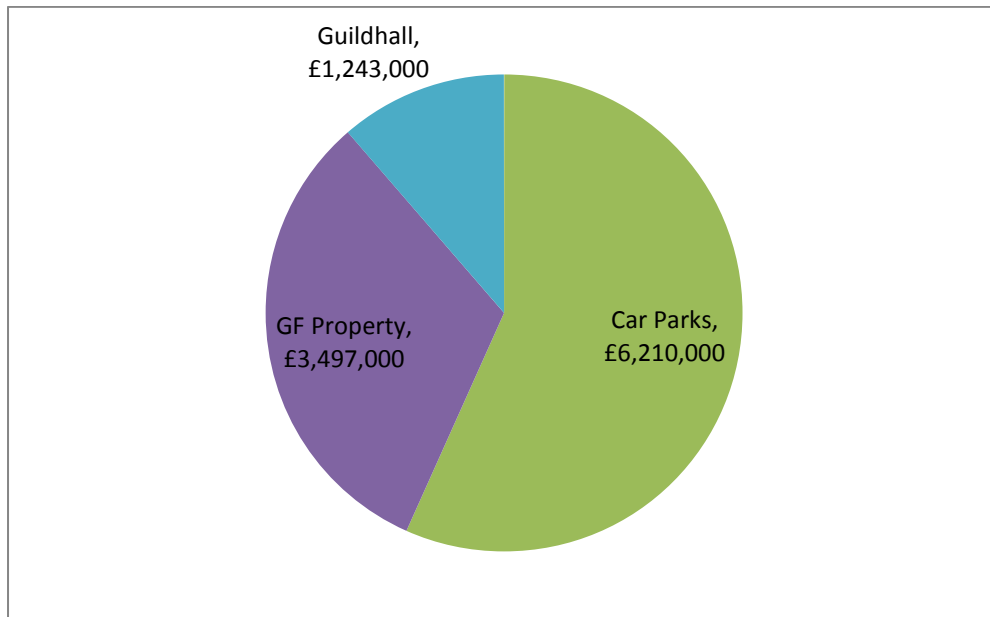
- 1.8 The Asset Management Plan forms part of the strategic policy framework which guides how the Council's priorities can be delivered. The Council's property portfolio is listed at Appendix A (Exempt) and the beneficial use of these assets has a significant impact on the ability to deliver the objectives set out in the Community Strategy. The portfolio was re-valued by external consultant valuers in March 2016 under the latest RICS Red Book and IFRS regulations. The asset base which was valued at £88,760,279 in £2010 had risen in value to £111,956,221, broken down as detailed below in Table 2:



**Table 2: Portfolio value by valuation class**

## Revenue Income

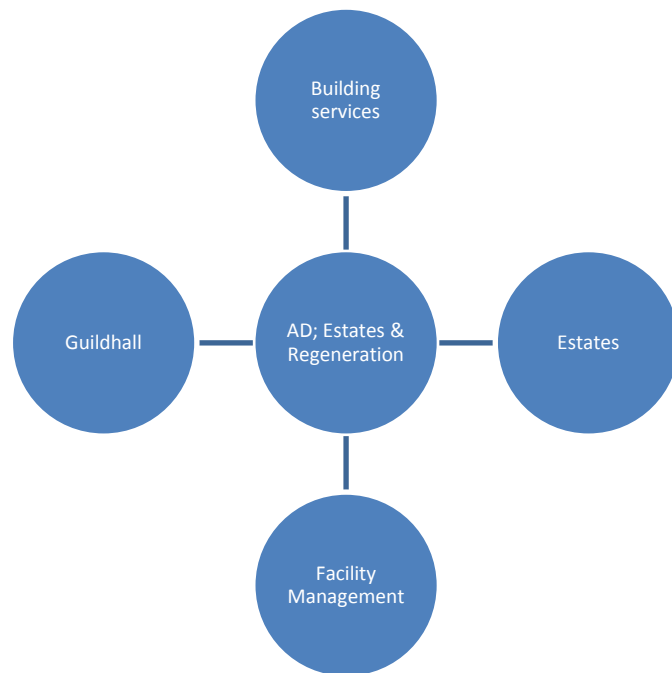
- 1.9 The principal sources of revenue income received by the Council flows from the General Fund investment properties, the Guildhall and Car Parks. The expected income projections for 2016-17 are £10,950,000, as set out in chart at Table 3. The corresponding figure for 2011/12 was £9,378,000. The Estates figure includes all operational and non-operational General Fund (GF) rents and Markets and the Guildhall figures include internal charges for room hire. The Car Parks income includes On and Off Street income, PCN's and Residents Permit charges.



**Table 3 Estimated GF Income 2016/17**

### Staffing Resources

- 1.10 The staffing resources available within Estates and Regeneration Department for managing the Council's non housing property portfolio are detailed in Appendix B and can be summarised per the below



:

**Diagram 1**

### Supplementary Resources

- 1.11 The Estates and Property Services teams liaise over the implementation of contracts for property based service provision such as lift maintenance, fire alarm, electrical services etc., to ensure that the Council receives value for money when awarding these contracts.
- 1.12 Additional staffing resources are engaged directly by the Assistant Director (Estates & Regeneration) to manage the delivery of development projects. Typically this involves the appointment of teams of private consultants including: Project and Construction Managers, Structural and M&E Engineers, Architects, CDM Co-ordinators, Quantity Surveyors, soils and contamination specialists, noise and traffic consultants.
- 1.13 The consultants are usually appointed in accordance with the Council's Contract Procedure rules, but occasionally it is necessary to make direct appointments (with appropriate exemptions being obtained) for certain specialist tasks.
- 1.14 The Council employ Agents to manage the Town Centre Markets. The contract will be put out to tender during 2017.
- 1.15 The Estates team work closely with the Finance and Legal teams and the rate at which each works is significantly dependent upon the ability of the other teams to provide the necessary staffing resources.

### Administrative Structure

- 1.16 The Estates teams report directly to the Chief Executive. The Estates teams have close working relationships with the other units, confirming that the divisional structure is the correct one for the delivery of the service.
- 1.17 The Assistant Director (Estates & Regeneration) acts as the Council's Corporate Property Officer (CPO) and is supported in this role by the other Service Heads
- 1.18 Good practice in the management of the Council's property assets requires there to be clearly defined roles and responsibilities allocated to officers and Members. The current arrangement of responsibilities is identified at Table 4:

Responsibility		Person
Cabinet Member	Major Schemes	Leader
	Overall	Portfolio Holder for Economy & Estates
Corporate Property Officer		AD (Estates & Regeneration)
Capital Programme co-ordination		Head of Finance

<b>Responsibility</b>	<b>Person</b>
Strategic Asset Management	AD (Estates & Regeneration)
Day to day property management Housing Revenue Account	AD (Housing) Landlord Services
Day to day management operational property (client)	Relevant Head of Team
Technical support repair and maintenance	Corporate Property Surveyor

Table 4

1.19 The client officer for each of the operational groups of property is detailed in Table 5;

<b>Property Group</b>	<b>Client Officer</b>
Non-Operational Property	AD(Estates & Regeneration)
City Offices / Guildhall	AD(Estates & Regeneration)
Car Parks	Head of Parking Services and CCTV
Leisure Centres	Head of Sport & Physical Activities
Museums	Hampshire Cultural Trust
Public Conveniences	Head of Parking Services and CCTV
Cemeteries / Parks	Head of Landscapes & Open Spaces
Abbey House	Democratic Services Manager
Monuments	Head of Development Management

Table 5 Client Responsibility

1.20 The Council's property assets and property budgets are held corporately. In practice, the Assistant Director (Estates & Regeneration) has overall control of the operational corporate, as well as the investment, property portfolios. Service Heads are responsible for the day to day management of the properties.

### Project Prioritisation

- 1.21 Decisions on future capital investment involve a process that follows the route identified below:
- a). A proposal for major capital expenditure comes forward and is considered by the Capital Strategy Board. The proposal will be considered against other calls on the Capital Programme and how it delivers the Community Strategy and associated Efficiency Plan. The prioritisation of capital resources is also considered by the Capital Strategy Board and the Programme Management Group. This group comprises service heads and CMT.
  - b). The proposal may be considered by the Leader's Board. Alternatively it may be discussed with the relevant Portfolio Holder.
  - c). A report is prepared for Cabinet, full Council or Portfolio Holder Decision Notice depending on the type of project. If the expenditure required is not in the Capital Programme, the matter may have to be referred for scrutiny by The Overview & Scrutiny Committee.
  - d). Schemes involving significant capital expenditure which are classed as Major Projects are subject to monthly Highlight Reports which feed into a monitoring process to the Performance Management Team chaired by the Chief Executive.
  - e). The highlight reports are reviewed by a Cabinet Member monthly
- 1.22 Capital schemes are prioritised for inclusion within the Capital Programme and for ongoing monitoring by Performance Management Team (PMT). Schemes have to demonstrate:





**Diagram 2**

Business Cases are required for all Major Projects and templates are available to support this. The City Council uses the Green Book's 5 Case model to guide the business case process. All business cases will consider the strategic case, economic case, commercial case, financial case and management case.

- 1.23 Where appropriate, significant projects will require a Business Justification Case, an Outline Business Case once options for delivery have been narrowed down and then a Full Business Case to commence the project following any procurement.
- 1.24 Once PMT has agreed a new project, a Project Manager will be appointed and as part of the project initiation processes other appropriate roles and responsibilities will be agreed. In some cases and/or at certain stages of a project, a specialist Project Manager will be required. This will be identified as part of the project planning process and resourced according.
- 1.25 Depending upon the nature and value of the project it may be appropriate to set up a Project Board and a Project Team. In all cases a Project Sponsor will be appointed.
- 1.26 The Direct involvement of the Leader and Portfolio Lead in the asset management process demonstrates the importance attached to property by the Council. There is recognition by members of all parties that an entrepreneurial use of the Council's asset base can have a direct and long term impact on the Council's finances and its ability to deliver a number of its priority outcomes.

## **The Asset Management Plan Principles**

### Compliance

- 1.27 Local authorities have a responsibility to protect both employees and the general public who use their facilities or buildings. Over recent years, the requirements to comply with a range of statutes and regulations relating to premises have increased significantly. Failure to do so adequately can give rise to risk of prosecution, possible claims for compensation and adverse publicity.
- 1.28 In dealing with a large portfolio, it is recognised that a balance must be struck between addressing the ongoing work of property management and ensuring that the demands of regulation and compliance are met. This implies the need for adequate systems to centrally record and monitor all areas of compliance across the entire portfolio, to ensure that there is a defensible and rigorous process in place that applies common standards across all buildings. Without a comprehensive approach, there is a significant risk of compliance issues being inadequately met or inconsistently updated and applied.
- 1.29 Compliance is a broad and in some areas specialist activity covering a wide range of areas including:
- Asbestos Register
  - Air conditioning inspections
  - Contractor accreditation/insurance checking
  - DDA compliance
  - Energy management
  - Energy Performance Certificates
  - Fire Risk
  - Fire appliance servicing/alarm testing
  - Fixed wiring inspection testing
  - Gas appliance servicing
  - Health & Safety
  - Heat Network Registration
  - Lift inspections
  - Legionella/water hygiene management

- Portable Appliance Testing
- Window maintenance

- 1.30 Business disruption through poor Health & Safety practices or non-compliant maintenance regimes can impact on service delivery and financial efficiency which can lead to claims for compensation. It is therefore essential to have the processes relating to the monitoring and enforcement of compliance managed by those with the necessary up to date specialist knowledge to minimise these risks.

#### Corporate Manslaughter

- 1.31 The Corporate Manslaughter and Corporate Homicide Act 2007 created the new statutory offence "corporate manslaughter" under which companies and government bodies face prosecution if they were found to have caused a person's death due to their corporate health and safety failings.
- 1.32 Until this law came into being, previous law linked an organisation's guilt to the gross negligence of an individual who was said to be the embodiment of the organisation. Under this regime, it proved very difficult to prosecute large organisations, and the only successful prosecutions were against small companies where the director and company were essentially one and the same. The new Act addressed this difficulty by focusing on the way in which the organisations activities were managed, and it was no longer reliant on one individual being found guilty of gross negligence manslaughter. The courts were now able to consider the wider corporate picture, looking collectively at the actions, or the failings, of the company's senior management.
- 1.33 Senior management is defined in the Act as those persons who play a significant role in the decision-making process about how the organisation's activities are managed and organised. It is therefore now more essential than ever before to ensure that the organisational arrangements for areas such as the management of buildings and the procurement of works are defensible, and reflect best practice.

#### Property Information

- 1.34 The Head of Finance holds the corporate property information that is used to measure the performance of the Council's assets and to inform investments and decision making. The core information is held on the Council's Asset Register, which holds up to date details of all the Council's property holdings in accordance with accounting requirements. This is supported by a comprehensive property register, held by Estates, which provides details of location, size, ownership, occupation, use, income and relevant cost information. The ownership details are recorded on the GIS mapping system which is updated regularly by IMT.
- 1.35 Another important aspect of property related information is energy usage. Buildings make a significant contribution to CO<sub>2</sub> emissions, and with rising fuel

prices it makes sense to minimise the use of energy wherever possible. This is an important aspect of the Council's commitment to sustainability. The Council measures CO<sub>2</sub> emissions and all types of energy usage for all its buildings, to enable informed decision to be made on investment and improvements that can reduce energy consumption and running costs. Energy usage data is co-ordinated by the Energy Manager and is used to assess the CO<sub>2</sub> emissions which flow from this usage. This information has to be published annually on the Council's website.

1.36 Asset Management Planning requires effective controls to be in place in order to mitigate risk to the Council and its staff. To achieve this, the following framework of risk management, control and governance is necessary to assist the achievement of management objectives:

- Roles and responsibilities for property maintenance are clearly identified with effective reporting arrangements;
- Property work plans are established based on the identified and prioritised property needs, to ensure a safe and appropriate standard of properties is maintained within the budget provision;
- Records for each property's repair and maintenance history are maintained centrally enabling more effective use of resources to be made;
- Repairs are logged, prioritised and tracked for completion.

Currently, the Uniform System is being developed to hold the property information held for individual properties; one of the objectives of the project is the implementation of a performance management system for property repairs.

#### Strategic Objectives for Use and Management of the Council's Assets

1.37 This section of the Plan sets out the strategic priorities for use and management of the Council's assets for the Plan period, and how they will contribute to the overall achievement of Community Strategy objectives.

1.38 The key drivers for the use of Council Assets are derived from the Community Strategy and the three stated priorities for action, together with the fourth theme of Efficient & Effective Council.

#### Operational Estate

1.39 The overall strategy for the Council's operational buildings, i.e. those that it uses to deliver direct services to the public is to take action to ensure that these are:

- Fit for purpose and sustainable (20% Carbon reduction in key business areas)
- Contributing to a positive image of the Council and its services

- Maintained to an appropriate and defined standard
- Provide good financial return at an acceptable level of risk
- Managed and owned corporately
- Used efficiently
- Funded adequately
- Reviewed regularly
- Held only where supported by an informed business case for doing so.

### Investment Portfolio

1.40 The investment portfolio provides valuable income to the Council which underpins its revenue budget. The portfolio is actively managed to maximise this income, and to ensure future rental growth. Properties are also held for regeneration purposes, where they can act as a catalyst to lever in additional private sector investment. The overall strategy for the use, ownership and acquisition of income producing investment/regeneration properties is that these should:

- Provide good financial return at an acceptable level of risk
- Provide a cost effective contribution to achieving community or Council priorities, such as supporting local businesses, economic development, safeguarding the historic estate or regeneration
- Provide longer term financial or strategic benefits that justify retention
- Be re-used to meet the Council's or partners accommodation needs at an acceptable financial return

### Community Land and Buildings

1.41 The Council's Community Land and Buildings should:

- Support the delivery of local voluntary services
- Be adequately used and properly maintained
- Be sustainable
- Wherever possible and practicable be transferred to the local Parish Council for ongoing management.

The tenants of the Community buildings are generally responsible for works to their premises, but if the resources were available they would benefit from support and advice in achieving them.

1.42 There are many Parish Councils within the District and the City Council has over many years had a policy of transferring open space and recreation land in the parishes to the local parish councils for direct local management.

1.43 The Council has a good record of using its property to support the Community sector. Premises are usually let at the market rent and if appropriate a grant has

been awarded to the Community Group to meet the costs of occupying the buildings.

- 1.44 The Localism Act 2011 introduced the right to bid for assets of community value. The purpose of the provisions was to ensure that when important local amenities and buildings such as community centres, town halls, village shops or pubs came up for sale, communities had extra time to prepare a bid to take them over, making it easier to keep much loved assets in public use and part of public life.
- 1.45 It is the responsibility of the Local Authority to maintain a list of land of community value, but the public have the right to nominate property for inclusion on the list. The owners of community assets are unable to dispose of them by way of freehold or long lease, unless and until they have notified the local authority of the intention to do so and the local authority or owner has not (within the requisite period) received a request from a community group to be treated as a potential bidder.
- 1.46 The Council seeks to support the community and where it is able to assist a community objective by letting land to it, it will endeavour to do so. The Draft Community Asset Transfer policy is included at Appendix C.

## PLANNING ISSUES

### Sustainability and Energy Efficiency

- 1.47 Local Authorities are advised to follow the UK guidance on how to measure and report greenhouse gas emissions which is aligned to international guidance on greenhouse gas reporting – the GHG Protocol. Reporting of Scope 1 and Scope 2 emissions is recommended, Scope 3 emission reporting is discretionary. Producing a GHG report is not a statutory requirement, but it does form part of the DCLG single data list which sets out all of the data requirements that central government has of local government and so is expected to be reported.
- 1.48 Set out below is the City Council's Carbon footprint assessment for 2014/15

Scope	Activity	Tonnes CO2e
Scope 1		
	Site gas consumption	874.30
	Site gas oil consumption	82.51
	Council-owned car travel	38.19
	Site petrol	25.42
	Refrigeration & A/C	0.31

Scope	Activity	Tonnes CO2e
<b>Scope 1 Sub Total</b>		<b>1,020.74</b>
<b>Scope 2</b>	Electricity generation	2,020.44
<b>Scope 2 Sub total</b>		<b>2,020.44</b>
Scope 3	Depot contract lorry travel	876.66
	Electricity transmission distribution	176.67
	Business car travel 1	62.18
	Depot contract van travel	57.78
	Park & Ride travel	38.31
	Water (and wastewater)	5.29
	Business rail travel	4.27
Scope 3 Sub Total		1,221.18
<b>Total tonnes of CO2e</b>		<b>4,262.35</b>
<b>Tonnes of CO2e per employee</b>		<b>8.44</b>
<b>Tonnes of CO2e per capita 2</b>		<b>0.036</b>

Table 6 Carbon footprint assessment for Winchester City Council by Scope, business unit and source activity

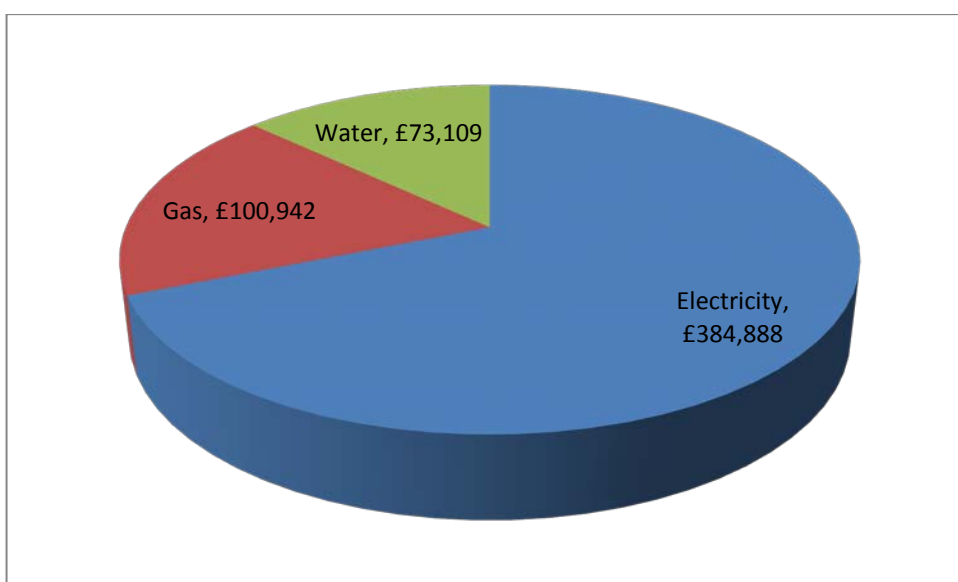
- 1.49 The Community Strategy recognises the impact that buildings have on the environment and links directly to the Council's Asset Management plan in helping to identify investments that can be made in Council properties to reduce emissions and improve overall efficiency. The Council have declared the intention to reduce CO<sub>2</sub> emissions by 20% from 2016 levels by 2020.
- 1.50 A detailed report on Energy Management work undertaken during the Plan period is set out at Appendix D. (Projects for the new plan period are set out in Appendix E.)
- 1.51 The Council has a planning policy aspiration that all new build commercial property is constructed to BREEAM Outstanding standard if viable and achievable. This policy requires an assessor to be appointed to consider development schemes and to review the development proposals against the BREEAM standards and then to monitor their implementation through to the completion of the project.

- 1.52 The Council is required to display certificates in the larger public buildings identifying their energy ratings. The table below identifies the latest ratings on the principal council buildings:

Site	Rating	Use
City Offices	(2011-121 = E)  2016 – 67 = C	Offices
Guildhall	(2011- 42) 2016 - 33 = B	Offices and even space
West Wing	(2011-86) 2016 - 93= D	Offices
Meadowside Leisure Centre	(2011 – 57) 2016 - 53 = C	Leisure Centre
River Park Leisure Centre	(2011 – 71 = C) 2016 - 46 = B	Leisure Centre

**Table 7: Display Energy Certificates for Principal Corporate Properties**

The most efficient building is the Guildhall which was refurbished in 2010/11. Further investment has been made in the building to improve its energy efficiency. This has involved lagging pipes and valves, the installation of additional insulation in roof spaces, the introduction of LED light bulbs and draft proofing windows. The least efficient building is currently the West Wing Offices. This is because the server room was transferred to this building and the EPC was produced before separate metering arrangements were introduced. A new certificate will be provided during December 2016. Further investment should be made in reducing energy consumption. The Council spent £558,939 on utility costs on its corporate General Fund operational properties in 2015/16.



**Table 8: Utility Consumption WCC operational Property 2015/16**



- 1.53 Consequently, if even a 10% reduction was made in utility costs, it would yield a saving of £55,894 a year. The ability to make savings opens up the option of capital investment where the individual proposals produced sufficient savings to warrant consideration of financing options.
- 1.54 The Council has set a target of reducing carbon emissions by 20% by 2020. In terms of property the emissions from operational property has declined considerably as demonstrated in the bar chart below. Emissions fell 6.8% between 2008/9 and 2010/11. Between 2011/12 and 2015/16 emissions fell a further 9.7%.

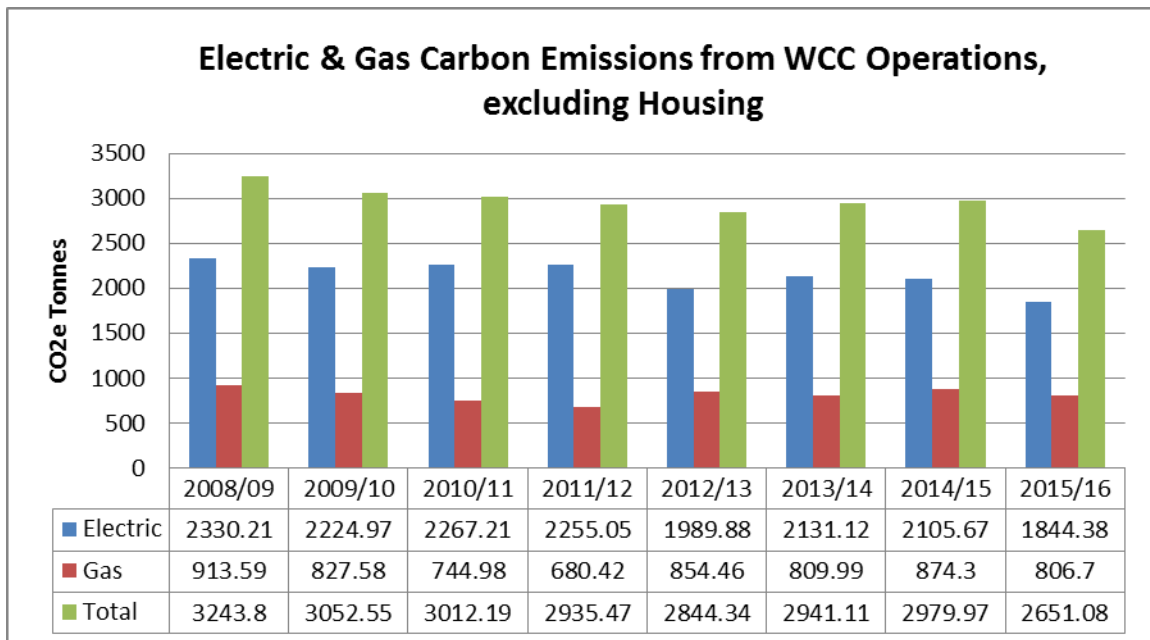


Table 9

- 1.55 If the Council is to achieve a 20% reduction in emissions from 2016 levels for the buildings it occupies, this will require a reduction of 530.2 tonnes. During the last four years reductions of 284.4 tonnes have been achieved as a result of extensive works. To achieve reductions of 20% over the next four years will require a very significant increase in works and additional staffing resources will be required to achieve this.
- 1.56 To date, the Council has required there to be a business case demonstrating that works are self-financing within a reasonable period of time. The period will vary but an average of a five year payback has been delivered. Longer payback periods are required for products with high capital costs, but this is acceptable where the payback period is shorter than the life of the product.
- 1.57 If the objective is to be delivered without impacting on existing work programmes, this might be achieved by modifying the Energy Manager's role by removing the data analysis work to allow him to concentrate on the delivery of projects. This could be achieved by employing an additional (0.5fte) admin

assistant to deal with data entry and analysis. This post would be either a grade 3 or 4 and the cost of a 0.5 fte would be between £10,300 and £13,700 a year.

- 1.58 Legislation which impacts on energy efficiency in buildings continues to be developed. The Energy Efficiency Regulations 2015 require owners to achieve a minimum level of energy efficiency for private rented properties. The minimum level is an energy performance indicator of band E as evidenced by an Energy performance Certificate.(EPC) From 1 April 2018 the Regulations will apply upon the granting of:
- A lease to a new tenant (domestic & non-domestic).
  - A lease to an existing tenant (domestic & non-domestic).
  - A lease extension or renewal of an existing lease (domestic & non-domestic)
- 1.59 From 1 April 2020 the Regulations will apply to all domestic privately rented properties that are in scope of the Regulations, including where a lease is already in place and a property is occupied by a tenant. This will apply to all non-domestic properties from 1 April 2023.
- 1.60 The Regulations will include a number of restrictions on making improvements to ensure that only permissible, appropriate and cost effective improvements are required. The City Council will be eligible for an exemption from reaching the minimum E standard where it can provide evidence to support that one of the following applies:
- The measures do not payback within 7 years. This must be supported by 3 quotations for the cost of purchasing and installing.
  - The measures identified as a recommended improvement for the property in a “Green Deal” report; a recommendation report or a report by a surveyor does not fall within the definition of a “relevant energy efficiency improvement”.
  - Despite reasonable efforts, the Council cannot obtain the necessary consents from the tenant to install the required energy efficiency improvements.
  - A relevant suitably qualified expert provides written advice that the measures will reduce a property’s value by 5% or more.
  - A relevant person advises that the energy improvement is not appropriate due to its potential negative impact on the fabric or structure of the property.
- 1.61 Listed buildings are not included within the scope of the Regulations, but the Regulations do affect a number of Council-owned commercial properties which will have to be improved if they are to be let in the future.
- 1.62 The Heat Network (Metering & Billing) Regulations 2014 & Amendment 2015 requires that owners give notification of properties at which it is the heat, cooling and/or hot water supplier. Once the Government tool for assessing the cost effectiveness of an installation has been redesigned, viability assessments must be carried out for the installation of individual heat meters or for heat cost allocators with hot water meters in buildings with more than one final customer

### Property Maintenance – Major Issues

- 1.63 The last plan period has seen significant investment in the Council's property; a new depot was built at Barfield Close, while following refurbishment Hyde House, Abbey Mill and Avalon House were let on full repairing leases to commercial tenants.
- 1.64 The River Park Leisure Centre (RPLC) is the principal public leisure facility in the City, yet achieves under half the number of visits that the similar sized facility in a neighbouring district does. While part of the reason for the difference in performance is the less accessible location, it must in part be that the Centre facilities are outdated and would benefit from being upgraded.
- 1.65 At RPLC, the main entrance would benefit from being enlarged, the roof to the pool hall and the 15 Air handling Units (AHU's) require replacement or refurbishment, the pool and changing facilities need upgrading and the general décor and feel should to be brought up to modern standards. Significant work needs to be carried out to the mechanical and electrical services. The building needs to be refurbished extensively and the cost is estimated as being in the region of £4 million to keep the building fit for continued use and £7 million to improve the quality of the facility.
- 1.66 Extensive refurbishment works will need to be undertaken if a new facility is not built and if these works are undertaken it will make it very much more difficult to fund a new development. Members have concluded that a new facility should be built, but repair works will need to be undertaken to keep the existing premises in use until a replacement centre is available.
- 1.67 The City Offices were basic offices erected in two stages in the 1960's and 70's. The buildings have half brick thick external walls to the ground floor, very limited insulation, a heating system comprising finned hot water pipes with no effective zonal temperature control, poor decoration, threadbare carpets and lighting, poor containment of IT cabling, high solar gain, a roof at the end of its life and toilets in need of refurbishment. In addition the building has only one small lift which has recently had a minor refurbishment.
- 1.68 The heating and hot water plant in the City Offices was replaced with high efficiency condensing boilers. However, much of the potential efficiency gains realised by this investment cannot be achieved because the windows are single glazed and there is very little insulation in the building, allowing much of the heat to be dissipated. The shape of the building does not enable the floorspace to be used to the optimum advantage. The building will need extensive refurbishment during the Plan period if it is to continue to provide office space for the foreseeable future, or alternatively new build accommodation could be developed as an extension to the West Wing. If new build accommodation were provided, the opportunity would be taken to develop additional space for partner organisations such as the NHS or other government services.
- 1.69 Properties acquired for the Silver Hill development were largely built in the 1970's. Following the termination of the Silver Hill Development Agreement, the

Council concluded that it wished to retain the properties. The Council will need to maintain the properties pending a new development being brought forward. It is anticipated that it will be up to five years before a new scheme could be implemented. In the meantime it will be necessary for the Council to maintain the condition of the properties in Kings Walk and Middle Brook Street in a condition suitable for letting.

- 1.70 The example of Friarsgate Car Park demonstrates that if property maintenance is delayed, the life of property assets is significantly diminished. Major repair works were put off in the 1990's and this resulted in significant decay in the condition of the structure which eventually resulted in closure. The Council is now having to demolish the structure.

### Financing the AMP

#### Maintenance Strategy

- 1.71 The Council needs to operate a five year planned maintenance strategy to enable larger maintenance projects to be funded which cannot be met through existing revenue budgets. Maintenance budgets are held centrally to ensure that a comprehensive maintenance strategy can be developed for the General Fund operational estate.
- 1.72 It is recognised that appropriate maintenance is critical to ensuring that the Council's assets are fit for purpose, efficient to run and in assessing their value for money. The Maintenance Strategy involves:
- Categorising operational assets into short (<7 yrs), medium (7-15 yrs) and long (>15yrs) term life
  - Defining a maintenance standard for each category
  - Prioritising investment towards long term assets
  - Reporting annually on the progress made in improving maintenance standards
- 1.73 During the Plan period, the value for money strategy will continue to be implemented to reflect the future useful life of each property to the Council, to set defined maintenance standards accordingly, while ensuring that investment is prioritised towards those assets the Council is planning to keep for the long term. A detailed exercise has been undertaken identify the maintenance and new build works required within the estate and this is set out at Appendix E.
- 1.74 The details included in Appendix E identify the property maintenance and development works which should be dealt with in the Plan period. Not all of the items have been costed; however, budget figures have been included and the total so far identified amounts to £122,265,880. The resources currently available to deal with these issues are set out in Tables 10 and 11.

#### Revenue Budget

- 1.75 The current year's revenue budget for property maintenance is set out below:

Team	Cost Centre name	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Democratic Services	Abbey House	7,340	7,340	7,340	7,340	7,340	36,700
Estates	GF Property	127,780	127,780	127,780	127,780	127,780	638,900
	Market	4,000	4,000	4,000£*	4,000	4,000	20,000
	Guildhall	92,192	92,192	92,192	92,192	92,192	460,960
	Offices	133,670	133,670	133,670	133,670	133,670	668,350
	GF Property	100,000	100,000	100,000	100,000	100,000	500,000
	Bridges Town	5,000	5,000	5,000	5,000	5,000	25,000
	District	5,000	5,000	5,000	5,000	5,000	25,000
Sport	RPLC	24,000	24,000	24,000	24,000	24,000	120,000
	Meadowside	14,700	14,700	14,700	14,700	14,700	73,500
	Sports	7,000	7,000	7,000	7,000	7,000	35,000
	Pitches Town						
Parking	Car Parks	122,380	122,380	122,380	122,380	122,380	611,900
	Public Toilets	33,000	33,000	33,000	33,000	33,000	33,000
Landscapes	Cemetery's						
	Magdalen Hill	9,250	9,250	9,250	9,250	9,250	46,250
	Westhill	1,500	1,500	1,500	1,500	1,500	7,500
	Disused Churchyards	3,500	3,500	3,500	3,500	3,500	17,500
	Abbey Gardens	10,540	10,540	10,540	10,540	10,540	52,700
Development Management	Monuments	6,540	6,540	6,540	6,540	6,540	32,700
HCT	City Museum	2,780	2,780	2,780	2,780	2,780	13,900
	Westgate	5,590	5,590	5,590	5,590	5,590	27,950
Total		715,792	715,792	715,792	715,792	715,792	3,578,960

Table 10 Revenue Budget Projections 2016/17 – 2020/21

- 1.76 The value of the GF Corporate operational property estate is £67,394,498, while the recurring revenue budget for the maintenance of this asset is £715,792 during 2016/17 which represents approximately 1.06% of its value.

### Capital Budget

- 1.77 The Capital budget includes the following funding for works:

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000	£000
<b><i>Active Communities</i></b>						
New Leisure Centre	-	-	5,682	17,045	11,363	-
Purchase of Land	2,300	-	-	-	-	-
River Park Leisure Centre - essential repairs	190	410	-	-	-	-
<b>Total Active Communities</b>	<b>2,490</b>	<b>410</b>	<b>5,682</b>	<b>17,045</b>	<b>11,363</b>	<b>-</b>
<b><i>Prosperous Economy</i></b>						
Enterprise Centre Managed Workspace	754	740	-	-	-	-
<b>Total Prosperous Economy</b>	<b>754</b>	<b>740</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><i>High Quality Environment</i></b>						
Car Parks	240	157	180	180	180	180
Chesil Multi Storey car park	200	800	-	-	-	-
Magdalen Hill Cemetery - Extension	13	-	-	-	-	-
Market Lane Toilet Works	-	44	-	-	-	-
Open Spaces and Recreational Facilities	80	-	-	-	-	-
River Itchen Maintenance	82	-	-	-	-	-
South Winchester Coach Park	-	200	-	-	-	-
Station Approach - Public Realm Works	-	-	2,500	2,500	-	-
Surface Car Park at Friarsgate	800	-	-	-	-	-
<b>Total High Quality Environment</b>	<b>1,415</b>	<b>1,201</b>	<b>2,680</b>	<b>2,680</b>	<b>180</b>	<b>180</b>
<b><i>Efficient and Effective</i></b>						
<b>Asset Management</b>						
153 High Street	-	400	-	-	-	-
2-3 Bridge St	-	100	-	-	-	-
Abbey House	-	150	50	50	-	-
Abbey Mill - hydro	-	149	-	-	-	-
Asset Management Plan	228	149	150	150	200	200
Casson Block	150	-	-	-	-	-
City Offices & Annexe Works	-	640	-	-	-	-
Depot	61	-	-	-	-	-
Flood Prevention Works	288	-	-	-	-	-
Guildhall Heating System	111	-	-	-	-	-
Matley's Yard	290	290	-	-	-	-
New Special Maintenance Depot	210	-	-	-	-	-
Old Chesil Rectory	30	-	-	-	-	-
Property Acquisition & Development	4,000	-	-	-	-	-
Redevelopment of Old Bar End Depot Site	-	250	2,375	2,375	-	-
St Clement's Surgery Replacement	790	3,486	-	-	-	-
Station Approach - Carfax	-	8,910	18,630	18,630	18,630	-
Station Approach - Cattlemarket	-	-	-	-	8,900	23,700
<b>Total Efficient and Effective</b>	<b>6,158</b>	<b>14,524</b>	<b>21,205</b>	<b>21,205</b>	<b>27,730</b>	<b>23,900</b>
<b>TOTAL</b>	<b>10,817</b>	<b>16,875</b>	<b>29,567</b>	<b>40,930</b>	<b>39,273</b>	<b>24,080</b>

Table 11 Capital budget Projections 2016/17 -2020/21

- 1.78 The £4 million for Property Acquisition and Development is to be used for either purchasing property where there is an established income stream, or for the development of property to create an income stream in connection with the better planning of the District. A separate paper is due to Cabinet in December 2016 on a proposed governance arrangement for asset acquisitions and a revised funding amount.
- 1.79 The Capital budget appears to be substantial; however, the £4 million Property Acquisitions and Development budget requires prudential borrowing and consequently the policy is that it can only be used to fund or develop new income streams, so has to be excluded as a source of funding for the works listed in Appendix E. Set out below is the analysis of the cost of the maintenance and development programme over the next five years:

Year	2016/17	2017/18	2018/19	2019/20	2020/21
	3,055,804	24,743,850	42,333,417	33,015,000	19,393,500
Total					122,541,571

Table 12: Analysis of annual maintenance and capital programme over next five years

- 1.80 The funding required for the full delivery of the programme of works is significant. While the combination of revenue budgets and capital provision exceeds the anticipated costs of the property work during the five year programme, not all of the budget provision is funded. The funding can be addressed in a number of ways and the purpose of this next section of the report is to identify how this might be achieved.

### Financial Policy

- 1.81 Resources for the management and development of the Council's property assets come from:
- Capital receipts
  - Developing new income streams
  - Revenue budgets
  - Under spends at year end
  - Local Taxation
  - Developers contributions
  - Grants

### Capital Receipts

1.82 Asset prices are high in Winchester but it does not generally make sense to dispose of income-generating assets. Non-operational properties will be reviewed against the following tests before disposal is considered.

- A financial test - Does the return on capital invested represent good value for money to the Council? The return from each property shall be compared to that which could be received from the Capital Receipt if invested in the money markets.
- Contribution to Corporate Goals – If a property failed the financial test, it would then be considered against the Council's Corporate objectives. If a property were held for a specific purpose and contributed toward the delivery of a specific objective; a judgement would be made as to whether reinvestment of the capital value of the asset would offer a better contribution to the objective than the retention of the property.
- Strategic Test – If the first two tests were failed, the strategic test would then be considered to establish if there were any other reasons why the property should not be disposed of:
  - ❖ The potential for an alternative use for the Council or a partner organisation
  - ❖ A ransom situation
  - ❖ Development value in conjunction with other property
  - ❖ Strategic control over a future development area
  - ❖ Strategic contribution to a regeneration opportunity
  - ❖ Benefits from or underpins a restrictive covenant over other land
  - ❖ The property had a restrictive covenant or title defect which would detrimentally affect the sale price
  - ❖ The market was depressed

If a non – operational property failed these tests, then it should be considered for disposal and the proceeds invested into the remaining portfolio.

### Developing New Income

#### Direct Development of Assets

1.83 Additional revenue resources can be developed from within the existing estate. One example is the successful development of assets that are currently underused. Property development can create income streams, thus unlocking



the potential to access prudential borrowing. The £4.0 million included in the Capital Programme for Property Acquisition & Development utilises the Prudential Code, but the capital would only become available if the scheme it was to be invested in were affordable, sustainable and prudent. This effectively means that it generates sufficient income to pay back the borrowing cost, that the income stream will last during the term of the loan and it is not an ill-considered investment. These funds would therefore only be available to invest in projects which generated new income streams and met the Council's wider corporate objectives. A good example of this was the development and letting of the new Depot at Barfield Close.

#### Property Acquisition

- 1.84 Income streams can also be generated through the acquisition of well let commercial property. With interest rates at record lows, there is a difference between the yields at which commercial property is sold and the rates money can be borrowed over the long term. This situation allows the Council to make use of internal borrowing or if need be to borrow from the Public Works Loan Board money to acquire investment property. The difference between the rate at which money is borrowed and the yield on property is such that with a careful investment strategy, it will be possible to buy assets, fund the loan and secure net income to be used for other purposes.
- 1.85 Property is a useful vehicle for delivering income and with interest rates at record lows consideration should be given to investing in the acquisition of commercial property and land. This source of funding has to be considered against an appropriate Investment Strategy.

#### Revenue Budgets

- 1.86 The revenue budget can be grown or liabilities reduced, through the implementation of a careful asset management strategy. One example of this is the growth in income which has been achieved through the development of City Centre markets. Another example is the gradual reduction in expenditure by carrying out targeted repairs to property to enable them to be let on full repairing and insuring terms when the leases are renewed, where these liabilities are transferred to the tenants. Additional income is also secured when rents are reviewed.

#### Underspends

- 1.87 Underspends at the year-end on revenue budgets have often been the source of funding for revenue projects. Underspends are fed into reserve accounts and the Asset Management Reserve had a balance of £3.7 million at the start of 2016/17. The Car Parks Property Reserve had an opening balance of £1.5 million at the same time.

### Local Taxation

- 1.88 Traditionally, additional revenue requirements were met by raising the Council Tax. While policy on local taxation may change in future to reflect the development of the localism agenda, this is unlikely to be a source of funding in the short term. Certain items of expenditure may be met from within the Town Account, such as local bridge maintenance, and leisure premises in the City. The Council had a long term position of not increasing Council Tax and the continuing desire is to keep any increases as low as is possible.

### Community Infrastructure Levy

- 1.89 The final opportunity for funding is from the Community Infrastructure Levy and it is suggested that specific contributions should be sought from all residential developments toward sport & recreational projects. While limited in scope there is the potential to secure more funding for the development of new sport and recreation facilities at the Leisure Centre.

### Grants

- 1.90 Government Grants are available from the Local Economic Partnership (LEP) to facilitate the development of key Government economic priorities such as bringing forward employment space to help develop economic growth. The Council has applied for grants totalling £7.7 million from the Enterprise M3 LEP to assist in bringing forward the development of modern offices at Station Approach. If a local authority is able to demonstrate the delivery of Government objectives, it is considerably more likely to be able to secure further grant aid.

### Investment Strategy

- 1.91 As highlighted above, a key part of the Efficiency Plan is the best utilisation of assets and finding additional income.
- 1.92 There are obvious limits to a property investment strategy; the number, class and value of properties needs to be carefully considered alongside the risk. Property has always been an important refuge for long term investment because it can offer:
- A secure and stable cash flow
  - Good long term performance
  - Low volatility (the level of return relative to the risk of holding)
  - Diversification (many different classes of property)
  - Tangible asset (buildings and land are likely to maintain a value, while other asset classes can become substantially impaired)
- 1.93 Investment strategy dictates that risks should be minimised and consequently different classes of investment are required to minimise risk for an investor. A property investment strategy should seek to minimise risk by holding properties that perform within different cycles of the market and at different levels of risk. So it might be appropriate to hold a limited percentage of an investment fund in

a portfolio where high returns might be expected, a greater percentage in a well secured and average performing grouping and a small amount in a portfolio where redevelopment might be a possibility offering capital gains.

1.94 The Council holds a portfolio of properties ranging from garage blocks, shops, industrial units, ground leases on industrial units and a shopping centre, multi and single let office buildings, restaurants and a depot. The risk within the portfolio is widely spread, but is lacking in top quality covenants in large properties.

1.95 Property specific risks include:-

- The location of the building (Prime, Secondary, Tertiary)
- The physical characteristics of the building (shape, size, ceiling height, frontage). Will it continue to serve the needs of occupiers?
- The creditworthiness of the tenants. Will they be able to pay the rent?
- The length of lease. This determines how long the income is guaranteed.
- The lease terms. This can affect the rent at review.

Having established that property is an asset which is a useful vehicle for delivering income and the wider corporate objectives, consideration has to be given to how achieve this.

1.96 The Council should seek to secure lettings of its prime assets to major companies and government bodies. As tenants, this grouping is viewed by the market as being the least risky and the yields on properties let to such tenants are very low. Conversely, a property which attracts a low initial income yield will have a high capital value as the Years Purchase which is used to capitalise rental values is calculated by the formula  $1/i$  where  $i$  = the interest rate. A letting to a local business might attract a  $7\frac{1}{2}\%$  yield where a blue chip tenant might offer a 5% yield. Comparatively speaking, with the local company as a tenant on a rent of £100,000, the property would be worth £1,333,333, while with the more secure company on otherwise the same lease terms, the property would be worth £2,000,000, or 50% more.

1.97 Risk determines that the Council's property investment should not all be invested in one class of property. By holding a range of property sizes and types, the risk of failure can be minimised. For example, if the Council limited all of its investment in property to large well-let offices, or industrial units, it would one day face problems of block obsolescence and a sudden loss of income when leases expired. Accordingly, the portfolio should contain properties let to a range of tenants from the local business to the multi-national corporation.

### Future Opportunities

1.98 In order to develop a balanced and growing income stream, it is necessary to use the Council's existing resources to the greatest advantage. This will mean identifying areas where the City is under-represented in property and either selling or letting sites for development in those categories, or of carrying out development directly on the back of a development agreement and lease.

1.99 The Council owns a number of prime sites which it should either refurbish for letting or develop itself. The potential opportunities are listed below:

- Car Park at Upper Brook Street – Potential for Doctors Surgery.
- Former Goods Shed and Yard, Barfield Close, Winchester – Potential Enterprise Centre
- St Peter's Car Park – Potential for Hotel or University Development in the airspace above the car park
- Gladstone St/ Carfax Site – Mixed Housing, office, retail and car park scheme.
- Cattlemarket Car Park – Mixed Housing, office, retail and car park scheme
- Depot Site Bar End Road – Potential for commercial or educational development
- Bishops Waltham Depot –small industrial development
- Matleys Yard, Winchester –light industrial/Storage development
- Middle Brook St/Tanners Lane – mixed use development

1.100 If over time development was achieved on all of these sites and good quality tenants secured for them, the Council's income will increase significantly.

#### Operational Properties

1.101 The Council is analysing proposals for the redevelopment of the City Office site. Given current financial constraints, this process has considered a number of options and sought to identify smarter ways of working to reduce the requirement for floorspace. Only modest levels of investment have been made in the building during the last ten years, as the structure is very basic and the layout does not allow for significant improvements to be made to it without needing to relocate the staff.

1.102 The Council has made very efficient use of the office estate, having closed the outlying offices at Avalon House, Abbey Mill and Middle Brook Street and consolidated the staff within City Offices, West Wing and the Guildhall. The more intensive use being made of the City Offices requires a degree of investment to be made in the buildings to keep them safe and suitable for use during the next five years. It is suggested that a programme of redecoration, carpet replacement, insulation, upgrading lighting, lift refurbishment and improvements to the control of the heating system will be required to be completed.

1.103 With continuing efficiencies in the way the Council works resulting in reductions in the numbers of staff, it may be possible to further reduce the floor space

occupied by the Council. Discussions have been held with a wide range of public bodies about sharing the accommodation but the poor quality has put off most parties to date. However, the NHS have moved into the Colebrook Suite and it is hoped that this will be the start of a long-term arrangement.

- 1.104 Work will be undertaken during the course of the Plan period to secure partners to share accommodation with the Council, thus improving access to services for the public. This will necessitate the construction of new accommodation and this must be proportionate, cost effective, flexible and capable of shared use with other public services.
- 1.105 The RPLC requires refurbishment likely to cost a minimum of £3-4 million to keep it operational. Due to the age and condition of the building, planning on the development of a new centre has been identified as a priority. The public will need to be consulted over the future of the Centre and resources identified. Consideration of the options has resulted in a decision to site a new Centre at Bar End, where it would be accessible to a larger proportion of residents in the District. Having regard to the views of local residents, terms have been agreed for the purchase of the Garrison Ground, with a view to the potential of its suitability as a site for a new facility to be tested.
- 1.106 During 2016, the lighting in the Chesil MSCP was replaced with intelligent LED lights and the lower two floors were treated with new coloured surfaces. The work demonstrates that the quality of the car park can be significantly improved and it is now proposed to gradually improve the three multi-level car parks to this standard over the term of the plan.

#### Performance Measures

- 1.107 The principal performance measures will be the delivery of the projects identified in the Plan. Appendix F includes the programme for the Plan period and it is against the delivery of this that the success of the Asset Management Plan will be measured. Details of the projects which have been completed since 2012 are collated but are too extensive to attach to the report.
- 1.108 Other performance measures used include void property and rent arrears measurements. The performance against these targets is reported quarterly to The Overview and Scrutiny Committee. In addition to the delivery of strategic objectives and outcomes it may be useful to develop further key indicators including:
- Gross operational property costs as a percentage of the gross revenue budget
  - Gross property costs per sq m GIA

- The number of properties for which an access audit has been undertaken
- Total floor space per member of staff/per head of population
- Total carbon output per sq m of GF operational property

1.109 The Council also undertakes a full valuation of its portfolio, which is updated in accordance with RICS and IFRS standards once every five years. The portfolio was valued externally for 2016 by Wilkes Head Eve. As actions such as improvements and disposals take place, the Council's valuation and asset register information is updated. These valuations can be used to determine the variations in value which have taken place over the plan period.

1.110 Detailed condition surveys of the Council's operational properties are carried out over a five year cycle. The information provided by these surveys should ideally be updated with annual inspections, ensuring that general condition and potential maintenance cost and building quality information can be used to inform decision making and strategic planning. The schedule of inspections is set out at Appendix G.

1.111 Work is at an advanced stage to develop the Uniform System to hold information on the condition of council property and to monitor works undertaken to it. Standards are being developed for maintenance responses and these are proposed as follows

- Priority 1- Within 4 hours
- Priority 2 – Within 1 working day
- Priority 3 – Within 3 working days
- Priority 4 – Within 30 working days
- Planned Maintenance – Within 90 working days or as appropriate

1.112 The system is being developed at present and should be implemented for Estates, Building Services and FM teams by February 2017 with the performance management elements being introduced at the end of April 2017. Full implementation of the system will require the acquisition of handheld devices and is subject to the full transfer of data.

1.113 The condition assessments are based on the categorisation of condition and the prioritisation of works required, as set out in table 13 below. This categorisation enables capital expenditure to be prioritised to address those areas of need which are likely to have the greatest impact on service delivery.

<b>Definition of Condition Categories:</b>
A: Good – Performing as intended and operating efficiently.
B: Satisfactory – Performing as intended but showing minor deterioration.
C: Poor – Showing major defects and/or not operating as intended.
D: Bad – Life expired and/or serious risk of imminent failure.

Priority:
<p>1. Urgent works that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation.</p> <p>2. Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health &amp; safety of the occupants and/or a minor breach of the legislation.</p> <p>3. Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health &amp; safety of the occupants and/or a minor breach of the legislation.</p>

Table 13. Property Condition Assessment Criteria

### Conclusions

- 1.114 The Council's property portfolio has the potential to be developed over time to release income streams which will help underpin the financial independence of the Council. The Plan identifies a range of actions which the Council should undertake to enhance the efficiency of the organisation.
- 1.115 Opportunities to purchase high quality assets using prudential borrowing should be explored to expand the asset base and increase the income stream.
- 1.116 The Council has a considerable portfolio of operational and non-operational property which needs to be run in a considered and planned way to maximise value and minimise cost in the long term. The operational property needs to be managed as efficiently as possible to reduce occupancy costs and to release space for letting or redevelopment.
- 1.117 The budgets for operational property should continue to be held corporately and the planned maintenance regime for delivery should be developed outlining the work to be undertaken and the resources to be made available.
- 1.118 Adequate financial resources will have to be made available during the Plan period to enable the operational estate and the investment portfolio to be brought up to an appropriate standard of repair.
- 1.119 The property portfolio will have to be scrutinised using the criteria set out in the Plan, for sites which might be disposed of when the market conditions justify this. This search will be the subject of further reports to Cabinet in due course.

- 1.120 The last Plan period saw a significant improvement in the quality of the corporate estate with the refurbishment of the Guildhall, development of a new depot and the implementation of a strategy to reduce energy costs and carbon emissions. The new Plan will aim to improve the quality of the public estate by developing consistent standards and to introduce improvements as finance can be made available.
- 1.121 The plan identifies that works will be necessary to maintain both the RPLC and the City Offices in a condition suitable for continued use.
- 1.122 The Plan highlights the importance of maintaining high quality, up to date information about the extent of and condition of the Council's property holdings.
- 1.123 The Plan proposes further direct property development. While the risks of this are not to be underestimated, it could assist the Council considerably in the delivery of the objectives identified in the Community Strategy and will be of direct benefit to the local economy. While the Council can access funding at beneficial rates under the Prudential Code it also makes considerable sense to undertake major capital projects as construction costs are stable. As a by-product of new development, buildings are constructed to higher environmental standards which should lead to significant further reductions in carbon emissions.
- 1.124 The Plan identifies that the Council has set itself an ambitious target for the reduction of carbon emissions and this will only be achieved by progressing the development of the schemes identified in the report by the energy manager. Significant further work will have to be undertaken in the Plan period to meet the Council's target for carbon reduction and this will necessitate further staffing to achieve this.
- 1.125 While Prudential borrowing is available at very low rates of interest, the opportunity should be taken to undertake development throughout the District where this will deliver improvements to the local economy and maintain the sustainability of the market towns.

#### RESOURCE IMPLICATIONS:

- 2 The Council has a very modest staff resource dedicated to the management, development and servicing of its property estate. Reliance therefore has to be placed in the appointment of external consultants to assist in the delivery of major schemes such as the replacement Surgery, replacement Leisure Centre Enterprise Centre and the Station Approach scheme.



- 2.1 If further larger housing developments are to be undertaken on any scale by the Council, it will be necessary to develop staff resources accordingly. A property review has identified a reasonable number of sites on which small scale residential development could be undertaken and it might be financial prudent to appoint a local Architect to progress designs through to planning permission.
- 2.2 The scale of the works identified in Appendix F will require the Estate Manager's post (which has been held vacant) to be filled.
- 2.3 During the Plan period, there will be an increased call on the services the team provide to the HRA. There may be a need to employ additional staff to assist with the disposal of assets required under proposed legislation.

#### BACKGROUND DOCUMENTS:

Various Condition Surveys, Winchester District Community Strategy

#### APPENDICES:

Appendix A – General Fund Operational and Non Operational Property [List of properties with occupancy details]

Appendix B – Staffing Summary

Appendix C – Community Asset Transfer Policy

Appendix D - Energy Saving Report

Appendix E- New Build and Maintenance Work

Appendix F – Projects for Completion in the Plan Period (Exempt)

Appendix G – Schedule of Inspections

Appendix A – General Fund Operational and Non Operational Property [List of properties with occupancy details]

*Available separately for Members only on request*

## CAB2870 - Appendix B – Staffing summary of the service

- Assistant Director Estates & Regeneration
- Estates Manager (Vacant)
- City Development Manager (Vacant)
- Estates –Senior Estates Surveyor, Senior Surveyor, Estates Surveyor (0.6 fte), Estates Surveyor (0.4 fte) (vacant), Estates Assistant, Estates Technician (0.5 fte), 0.5fte Energy Manager.
- Facilities Management – Facilities Manager, Facilities Assistant, Maintenance Assistant, 0.81 fte Canteen Assistant, Administrator (2x 0.5fte posts)
- Building Services – Corporate Property Surveyor, Corporate Building Surveyor, Building Surveyor Major Schemes, Degree Apprentice Building Surveyor
- Guildhall – Guildhall Manager, 20.9 fte managers and staff and an apprentice, of which 4 Guildhall & Facilities Assistants assist FM when required.

2.4 The 0.5fte Energy Manager's post is combined with the 0.5fte of the Estates Technician post. The Estates Manager post is being recruited and the City Development Manager post is currently vacant

### Estates

3 The role of the Estates team is to manage the corporate operational and non operational property portfolio within the framework of the Community Strategy and Change plans. The objective are:-

- The maximisation of revenue and capital income
- Undertake land and asset reviews
- To review and minimise the rate payments for the operational properties and those commercial properties where the Council is liable for the rates payments,
- The provision of professional valuation advice to the Head of Finance in connection with Asset and fire insurance valuations for both HRA and GF property, including Impairment Reviews.
- Managing database for the ownership and disposal of the Councils property interests,
- The provision of professional valuation advice to service units,
- Liaison with the Corporate Building Surveyors to arrange for the maintenance and inspection of commercial properties held on an internal repairing lease.
- Management of City Centre markets

- The negotiation of leases, acquisitions and disposals of property.
- The management of the Council's commercial portfolio to include rent reviews, lease renewals, and maintenance of internal repairing leasehold properties.
- To liaise with the Council's Insurance and Risk Officer in the declaration of the Council's insurable properties for the annual insurance premium and regularly update with any changes throughout the year.
- To retain a register of void properties and maintain a record of regular empty property inspections.
- The maintenance of the Asbestos register.
- The management of rent arrears.
- The acquisition and disposal of property
- Negotiating easements, wayleaves and restrictive covenants.
- Undertake at a minimum interval of five years, the inspection of the condition of all properties held on FRI basis.
- Management of Estates budgets.
- Undertake the RTB valuations of Council houses for Housing within the agreed timescales
- Work with the planning team to assess Planning Appraisals to determine the extent of Affordable Housing contribution.
- Work with New Homes Team to provide valuations, deal with any encroachments, advising on boundaries and negotiation easements or land exchanges for sites being brought forward for development.
- Ensuring service charges on common areas accurately assessed and produced within target timescales.
- The management of energy purchase for the Council operational properties.
- The management of an energy database to assess the Council's consumption of gas, electricity and water.
- The monitoring of energy consumption and investigations and research into energy savings projects to reduce the Council's energy consumption, costs and carbon footprint.
- To identify all energy consumption under the Council's operational control
- To produce the Council's Carbon Footprint report and Government return by collating and assessing information both in-house and external.
- Encouraging other organisations, both public and business, to reduce their carbon footprint and shift from fossil fuels to renewable sources of energy.
- Working with the Assistant Director (Economies & Communities) to show how the statutory national target of a reduction in greenhouse gas emissions might be achieved and the Council's own 12-point action plan to meet its own carbon reduction targets. This will include the buying of the most energy-efficient equipment and fittings for the Council's buildings, installing solar panels on the Council's estate and facilitating the introduction of renewable energy initiatives including solar and hydro-power, whether council owned or as community projects.

## Facilities Management

### 3.1 The FM team are responsible for:-

- The day to day management of the Council's GF operational office premises including City Offices, West Wing, Offices and TIC within the Guildhall, F2, CCTV offices, Abbey House, The Colebrook Centre and 68 St Georges Street.
- The procurement and management of contracts for cleaning, the management of confidential waste, sanitary disposal, fire and burglar alarms, caretaking, security and key holding for buildings, window cleaning and with the Corporate Building Surveyor day to day and long term building maintenance.
- Maintaining building security and the management of contractors on site.
- Management of the staff canteen,
- On site Health and Safety compliance,
- On site caretaking provision
- Management of the Courier service
- Management of the storage of records at F2
- Overview of the Guildhall business activities and staff
- Planning, managing and implementing office moves
- Space planning
- Control of office CCTV system
- Purchasing of office furniture
- The preparation and updating of fire risk assessments fire management plans and ensuring compliance
- Updating accommodation plans for corporate charging
- Control of master keys for the security of the buildings
- Water coolers and boilers

FM is a small team and the age and condition of the City offices are placing increasing demands on their time. In order to keep the premises operating at their full capacity

there is an argument for employing a further person to undertake general building maintenance works such as plumbing, decorating, managing plant and Health & Safety reporting. The post would make some savings by undertaking some works currently carried out by contractors.

### Building Services

The Building Services team currently comprises of: one Building Services Team Leader, two Building Surveyors and one recently appointed Degree Apprentice Building Surveyor. The purpose of the team is to:-

- Provide a day to day service for the reactive and planned maintenance of the Councils corporate operational and non-operational properties;
- Undertake regular reviews of the condition of property and plant;
- Regularly review lease documents for all investment property to identify liability for repair and redecoration. Manage the implementation of the Council's obligations;
- Carry out a five-yearly regime for inspecting corporate property and investment let on internal repairing terms;
- Develop a planned maintenance programme for the operational properties;
- Ensure that work undertaken by contractors complies with the specification and current legislation;
- Manage contractors costs, quality and programme;
- Procure and manage the appointment of external consultants to assist Estates and Regeneration as necessary to carry out their function;
- Management of the maintenance budget;
- Manage (with the Assistant Director of Estates and Regeneration) new build and refurbishment projects;
- Work with Heads of Service, the FM and Estates teams to continuously review the operational property to improve its effectiveness and reduce occupational running costs;
- Prepare reports and provide professional advice to internal/external Clients and members;
- Provide technical support to the Council's New Homes Team in the development of new building housing. Assist with the identification of sites for development in line Housing needs.

If new homes development continues to grow, there will be a need for additional staffing resources.

### The Guildhall

- 3.2 The Guildhall staff primary function is to run the building as a business and to contribute surpluses to the GF to support the ongoing maintenance of the building, the improvement of service standards and to support the Council's budget. Within the staff, four employees are titled Guildhall & Facilities assistants and part of their job requires them to support the FM team. These staff will also undertake simple maintenance and decoration tasks within the Guildhall.

## **APPENDIX C**

### **Draft Community Asset Transfer Policy**

#### **Introduction:**

Winchester City Council is committed to supporting Community Asset Transfer (CAT), appreciating the benefits it brings to the community and the Council. The third sector plays an integral role in the Winchester District and helps to deliver the Council's priorities as outlined in the Community Strategy 2010-2020. The Council values this contribution and aims to support community organisations through CAT. Transfer of an asset to a community group provides security for the organisation, empowering it to provide local services that meet the needs of the community.

This policy outlines what is meant by Community Asset Transfer, the benefits it can bring and the process for transfer of assets. It will be reviewed every two years to ensure it remains responsive to the needs of the community and consistent with local and national policy.

#### **What is Community Asset Transfer?**

Community Asset Transfer is the transfer of the lease or freehold of an asset from a local authority to a community based organisation. The General Disposal Consent (2003) gives Councils the right to dispose of land/buildings at less than market value where it can be demonstrated that doing so will result in improvements to social, economic or environmental wellbeing. Community Asset Transfer is not new, but it has had a renewed focus recently due to the Government's 'empowering communities' agenda, that also includes Community Right to Bid. Unlike Community Right to Bid which is a legal right held by communities, Community Asset Transfer is something Councils may enter into voluntarily and on their own terms.

Assets available for transfer tend to be community buildings such as libraries, swimming pools or sports centres and community halls where a council can no longer afford to run a service. Transferring the asset to the community can enable continued provision of the service without the cost for the council. The community benefits from greater empowerment and local control.

Community Asset Transfer extends from the belief that community organisations are often best placed to manage local facilities. Use of volunteers, local knowledge and direct management can result in lower overheads and better value for money; often this can enable continued provision of a service the council may otherwise be forced to close due to budget pressures.

The Council aims to achieve the following outcomes from CAT:



- Communities empowered to deliver their own services according to local need during a time of austerity when public services may otherwise be reducing.
- Communities with greater capacity and improved skills, knowledge and experience.
- Achieving maximum public value from Council-owned assets.
- Increased partnership working between the Council and the community.
- Stronger community organisations that are less dependent on grant aid, and able to access funding not available to the Council, providing longer term financial stability and independence.

Community Asset Transfer supports the Council in achieving the following outcomes from the Community Strategy:

- It will help create Active Communities, empowered to offer locally driven services that promote community cohesion, provide accessible sport and recreation and ensure the community is healthy and safe.
- Transferring assets to a community organisation under specified terms will ensure that the asset is maintained and enhanced, helping to maintain a high quality environment.
- CAT contributes to the Council's effective asset management strategy, creating benefits for the council and community.

### **Identification of assets for Community Asset Transfer:**

The Council owns and manages a variety of property assets; on occasion it may decide that an asset has become surplus to its requirements, e.g. where there is no clear rationale for the retention to continue due to cost of maintenance, condition of the building or low levels of usage. Before disposing of a surplus asset the Council will consider whether it may have community value. This may be if the land and/or building has been used by the community previously, or has potential to do so. In this case the Council will advertise the asset on its website for six months as available for community asset transfer. If during this time no expressions of interest have been received, the Council will dispose of the asset as normal.

If a community organisation identifies an opportunity where they may benefit from transfer of the lease of a council-owned asset that is not formally available for Community Asset Transfer, then they should contact the council to discuss this.

### **Type of Transfer:**

Community Asset Transfer will take the form of transfer of a lease to the community organisation. The length and terms of the lease will depend on what is considered most suitable for the nature of the asset and the community organisation involved. For example, the Council may offer a shorter lease to an organisation that is relatively new due to the higher risk involved.

In any case, the terms of the transfer should provide sufficient security for the community organisation to form a long term business plan. The Council will also take into account the conditions of any grant funding the organisation may receive.

The assets will be offered at less than market value.

### **Eligibility:**

Only not-for-profit groups, community organisations and registered charities are eligible for Community Asset Transfer. They should be able to demonstrate that they meet the following criteria (please see appendix A for further details):

- Their primary purpose is to generate social, economic or environmental benefits which directly benefit the people of Winchester.
- They should be non-profit making. Some business element is permitted e.g. a community café. But this should not be the primary purpose and any profit should be used to deliver its core community aims and objectives.
- Benefit as wide and diverse range of local people as possible.
- Have robust systems, governance and policies in place that meet the requirements in Appendix A of this policy.
- They should demonstrate the necessary skills, experience and capacity to manage the asset and deliver benefits to the community.
- Contribute towards the Council's corporate and strategic objectives.

### **Application procedure:**

Community groups may contact the council for advice and support in completing their application at any stage in the process. To preserve the fairness of the process, the same officer may not provide advice and sit on the panel that judges applications.

#### **Stage 1:**

In the first stage of application, the community group should submit an expression of interest demonstrating:

- How the asset will be used, and what benefits it will bring
- How the benefits to the community would justify the transfer
- That there is sufficient demand, and that it does not duplicate any services or facilities already provided in the community
- How services and activities will join up with other organisations
- How the transfer would contribute to the Council's priorities
- Any liabilities and how these will be addressed
- Evidence of previous record in delivering services and/or managing property

These will be shortlisted by a panel of officers including representatives from estates and other officers with expertise relevant to the asset/community group in question. Any applications with sufficient potential will be asked to progress to stage 2.

In some circumstances the Council may believe two individual applications could be strengthened if the organisations were to work together (e.g. to enable full time use of the asset). It will help facilitate this in such a way as to enable the organisations to retain their independent structures, whilst optimising use of the asset.

#### Stage 2:

As the second stage, the organisation should provide a full business case and business plan. These should include all the information provided in stage 1, as well as:

- A financial plan (including cash flow forecasts, projected income and expenditure)
- CVs of those involved in governing the organisation, showing relevant skills and experience
- A SWOT analysis
- A risk assessment

These submissions will be reviewed by a panel that includes representatives from Estates, Legal, Policy and Economy and Communities. The panel may also include a representative from the department most relevant to the asset for example, Sports, Health and Wellbeing or Housing. If the panel decides the application for transfer is successful, officers will work with the organisation to negotiate the terms of the lease.

The proposed transfer of lease will then be approved by the Assistant Director (Estates & Regeneration) using delegated powers or presented to the Portfolio Holder for Estates for final approval to proceed through a Portfolio Holder Decision Notice.

Any unsuccessful applicants may appeal the decision, and this will be heard by the Director of Operations.

#### **What happens after CAT has been completed?**

Once the transfer is complete, the Council will provide ongoing support to the community organisation. Should any problems arise it is best that the Council is able to help with these at the earliest opportunity.

Depending on the terms of the lease, the Council may set targets for the Community Organisation and meet with them to review these annually.

#### **Other Considerations:**

Land or buildings that are privately owned may be nominated as assets of community value through the Community Right to Bid process. This allows the community time to put together a bid for the asset if the owner decides to sell. For more information please see: <http://www.winchester.gov.uk/community/community-right-to-bid/>

## **Appendix A – Application Criteria**

In order to be eligible for consideration, applications must comply with the following criteria:

1. Groups and organisations will only be considered if their activities are of direct benefit to the residents of the Winchester District. Priority is given to those organisations who are based within the District and whose area of benefit is primarily the Winchester District.
2. Applications are only accepted from not-for-profit groups, community organisations and registered charities. Please note:
  - every group and organisation should have a constitution which includes a formal decision making process, and aims that are acceptable to the City Council.
  - in the case of registered charities they must comply with the standards laid down by the Charity Commission.
  - non-registered charities / organisations / groups will need to demonstrate organisational and constitutional practices meeting auditable standards.
3. Applicants must be able to demonstrate financial sustainability for the period of the lease. Any significant budget deficit must be accounted for. The City Council has the right to withdraw any offer of the lease if, on scrutiny, it becomes apparent that the organisation is not sustainable.
4. Organisations that are providing legal advice services must have obtained the Community Legal Services (CLS) quality mark.
5. All applicants must provide clear evidence that they have adequate Third Party Public Liability and Employers' Liability Insurance.
6. Organisations working with children, young people or vulnerable adults must have a robust protection policy in place and ensure that all active staff and volunteers have undertaken a DBS check. If your organisation does not have the appropriate policies in place, support is available to develop these from Community First in Winchester District <http://www.cfheh.org.uk/services/winchester/>.

The organisation must demonstrate that their work contributes to one or more of the [Community Strategy Outcomes](#):

### **People - Active Communities**

- Provide housing to meet community needs
- Promote community cohesion
- Provide accessible sport and recreation
- Ensure our communities are healthy and safe

### **Place - High Quality Environment**

- Work towards a lower carbon District
- Effective traffic management and support for transport provision
- Ensure that the quality of the place we enjoy is maintained and enhanced

### **Prosperity - Prosperous Economy**

- Support the local economy
- Promote education and training
- Promote tourism and the cultural assets of the District

## APPENDIX D\_ ENERGY SAVING REPORT

Prepared by Paul Cooke

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Introduction & Degree Day Analysis	City Offices – Gas
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Guildhall – Gas	Current Projects

## Introduction

The data presented in this report tracks energy consumption following the introduction of energy saving technologies and behaviours.

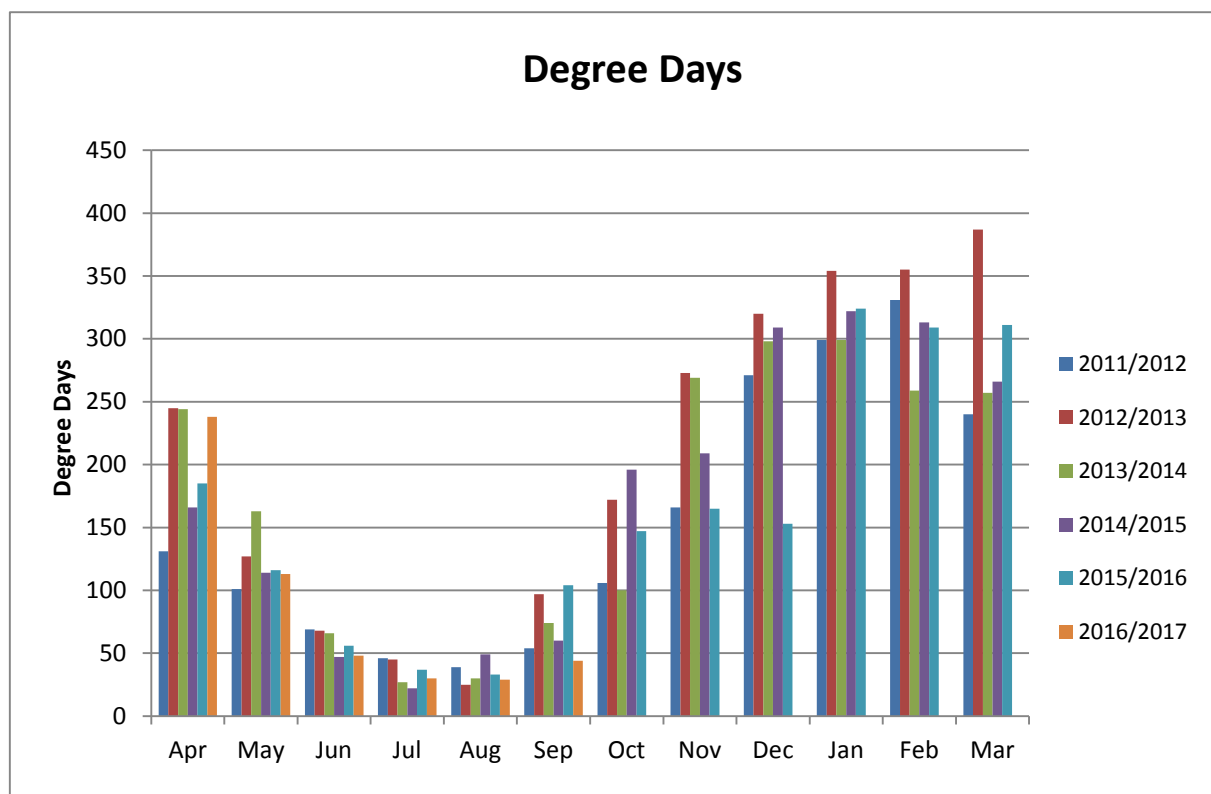
The report describes works undertaken in each property. Alongside this, there are graphs and tables demonstrating the reduction in electric, gas and water consumption.

## Gas

Gas consumption has been adjusted using degree day data. This is to allow a fair comparison of the gas consumed during different periods during different weather conditions. It allows the energy consumption data to be adjusted to factor out variations in outside air temperature.

The graph below shows that the base year of 2011 was relatively mild during the spring, autumn and winter months.

Colder outside temperatures during other periods mean that more gas was needed to heat the spaces to the same ambient temperatures. Therefore, to enable a like for like analysis to be undertaken, gas consumption has been degree day adjusted.



## **Guildhall**

### **Electric**

#### **Lighting**

In 2012, 324 50watt halogen spot lights were replaced with 5watt LED spotlights.

The areas concerned were the Guildhall corridors, the lobby's, the Walton Room, Walton Room stairwell, the Wintonian Room, the old Courtyard Café, reception and eighteen71 Café.

Low wattage LED lights were also specified and installed when undertaking the Artists Room refurbishment in 2013 and the ground floor male and female toilets in 2014. The upgrade in the toilets delivered a 30% energy saving.

In September 2016 new 3.5watt LED spotlights replaced 5watt failing LED spotlights in the ground and first floor corridors. Furthermore, 20, 50watt halogen spotlights and 27, 11 watt Megaman spotlights in the Tourist Information Centre were replaced with new 3.5watt LED spotlights.

#### **Heating & Cooling**

In 2013 the Fan Coil Units which supplied heat to the King Charles Hall were upgraded. The new heaters were installed with high efficiency fan motors which typically save between 29 – 81% (depending on mode) when compared to standard motors.

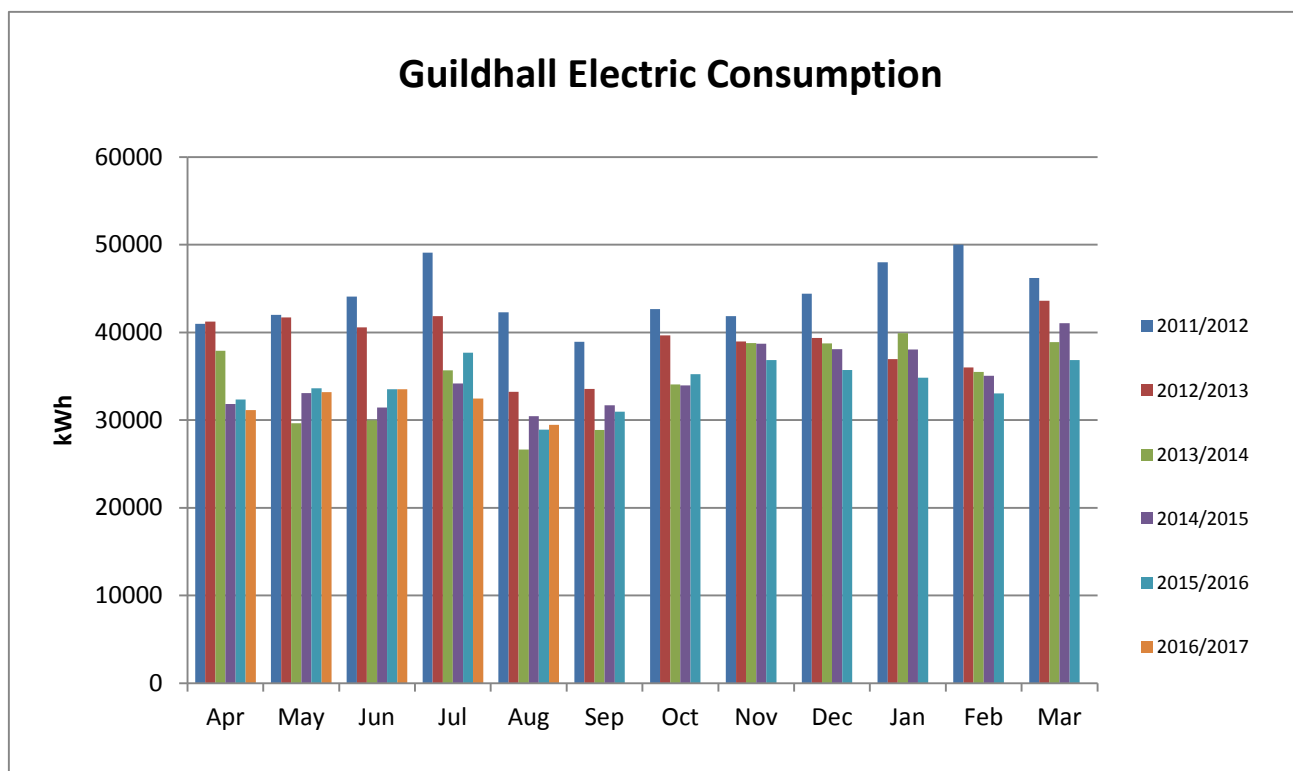
Furthermore, in February 2016, 4 air conditioners in the Walton Room were replaced with new energy efficient 'A' rated Samsung units. Alongside this, each conditioner had a hard wired controller installed that meant that the temperature parameters could be restricted to prevent excessive cooling or heating. In addition, the air conditioners were linked to absence detection control so that they did not operate if no one was in the room.

Electricity consumption has been further reduced by encouraging Guildhall staff to switch off lights and equipment when rooms were not in use. Most notable savings have come from switching off the Air Handling Units in the Bapsy Hall and Conference Chamber.

The changes have led to a reduction in electricity consumption as follows:

- 2012/2013 vs 2011/2012 saw a decrease in consumption of 12%. Carbon saving: 29.32 tonnes
- 2013/2014 vs 2012/2013 saw a further reduction of 11%. Carbon saving: 23.23 tonnes
- 2014/2015 vs 2013/2014 saw an increase of 0.73%, due to an increase in business of 5%. Carbon increase: 1.5 tonnes
- 2015/2016 vs 2014/2015 saw a reduction of 2%. Carbon saving: 3.71 tonnes
- 2016/2017 vs 2015/2016 to date has seen a carbon saving of: 2.62 tonnes





## **City Offices**

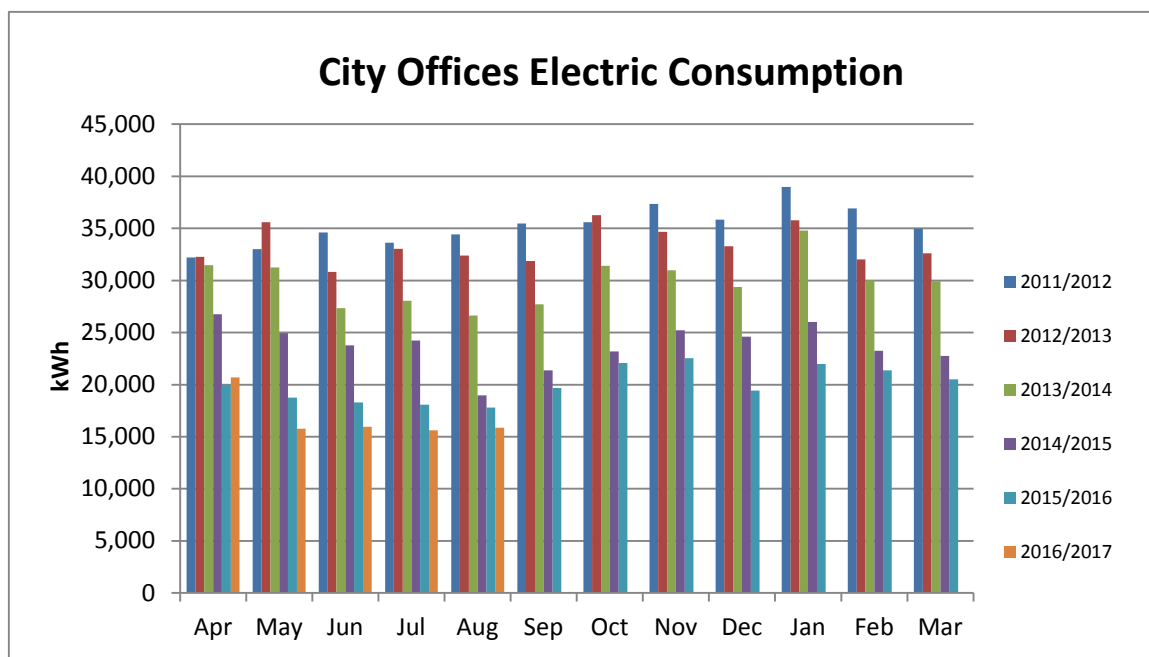
### **Electric**

Electricity consumption has reduced steadily since 2012 as demonstrated by the graph below. The introduction of sixteen new gas boiler fed radiators throughout City Offices in 2012 and a further two in late 2013 has made for a reduced reliance on electric heaters. Further monitoring and adjustments to the operation of the heating system were also made during 2015/2016 to improve staff comfort levels in the morning. By utilising the optimum start and stop functionality, further consumption savings were achieved.

The reduction in electricity consumption at City Offices was also attributable to I.T. server equipment being moved from City Offices to West Wing. The move began in November 2012.

This has resulted in an improving trend in the reduction of electric consumption:

- 2012/2013 vs 2011/2012 saw a decrease in consumption of 5.29%. Carbon saving: 10.30 tonnes
- 2013/2014 vs 2012/2013 saw a reduction of 10.41%. Carbon saving: 18.57 tonnes
- 2014/2015 vs 2013/2014 saw a reduction of 20.57%. Carbon saving: 36.5 tonnes
- 2015/2016 vs 2014/2015 saw a further reduction of 15.65%. Carbon saving: 20.62 tonnes
- 2016/2017 vs 2015/2016 to date has seen a carbon saving of: 3.71 tonnes



## **West Wing Offices**

### **Electric**

The temperature of the air conditioning in West Wing was increased to 24c in July 2012. Previously the office temperature had been set between 19 – 21c.

In November 2012 I.T. server equipment started to be migrated from City Offices to West Wing. This has accounted for the substantial increase in electricity consumption.

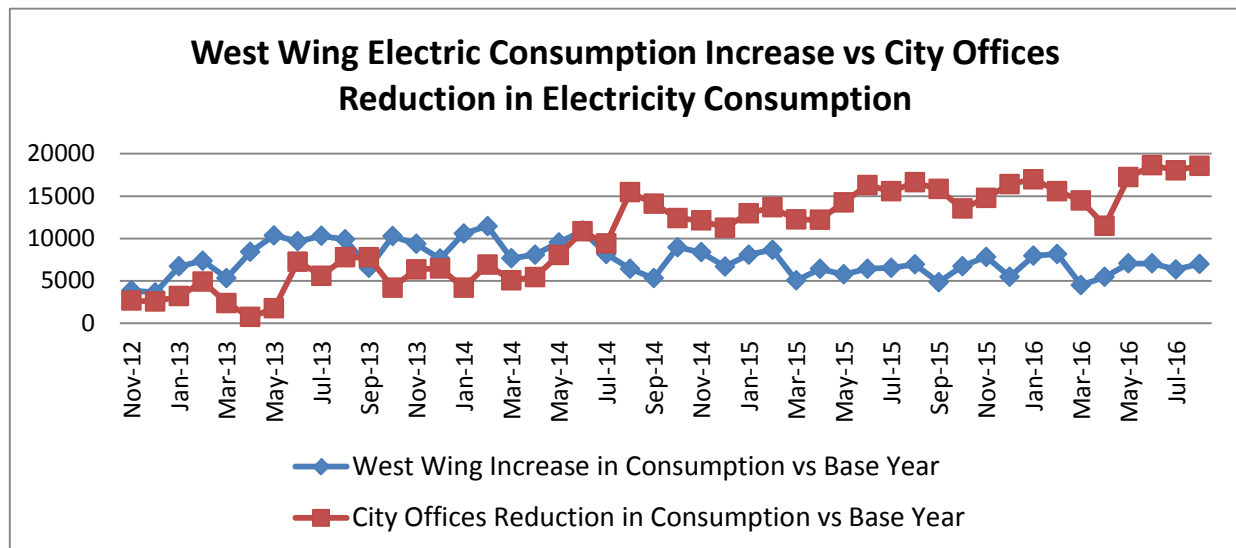
The graph below shows the increase in consumption in West Wing compared to the previous base year as more I.T hardware migrated to West Wing from City Offices.

The graph also shows decreased consumption as I.T. hardware is moved out of City Offices.

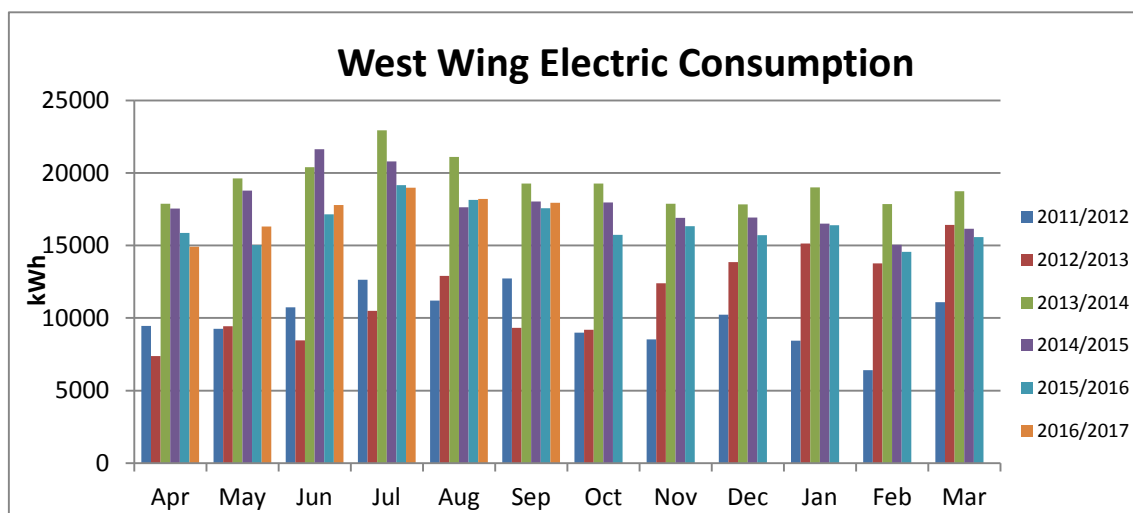
What can be seen is that the increased consumption in West Wing is not equalled by the reduction in consumption in City Offices until July 2014.

In July 2014 a new air conditioner was installed in the West Wing server room. The new air conditioner is specifically designed for locations such as server rooms because it offers 'sensible cooling'. This means that the air conditioner concentrates on reducing the temperature of the air, rather than also trying to reduce the moisture content of the air as well. The new modern unit is also more energy efficient because it has an inverter compressor. An external variable frequency drive varies the speed of the compressor motor to modulate cooling output.

The graph shows that from July 2014 energy savings in City Offices out weighed the energy increases in West Wing.



The graph below demonstrates the increase in consumption in West Wing. The positive effect of the new air conditioner can be seen from July 2014



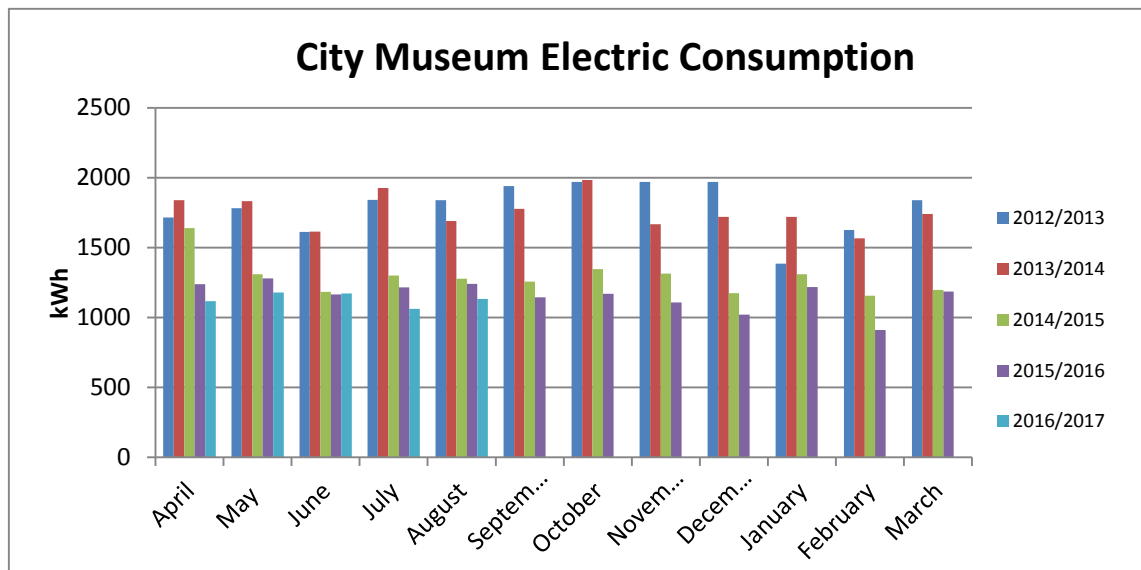
- 2012/2013 vs 2011/2012 saw an increase in consumption of 16% as the I.T. server equipment began to migrate from City Offices to West Wing. Carbon increase: 8.77 tonnes
- 2013/2014 vs 2012/2013 saw an increase of 67% as I.T. server equipment continued to migrate from City Offices to West Wing. Carbon increase: 41.45 tonnes
- 2014/2015 vs 2013/2014 saw a reduction of 7.7% due to the introduction of the new energy efficient air conditioner in the server room. Carbon saving: 8.83 tonnes.
- 2015/2016 vs 2014/2015 saw a reduction of 7.8%. Carbon saving: 7.72 tonnes.
- 2016/2017 vs 2015/2016 to date has seen a carbon increase of 0.51 tonnes

## City Museum

### Electric

In April 2014 all of the 50watt halogen spotlights in the City Museum were upgraded to 5watt LED spotlights. This involved new track lighting throughout and new fittings in particular displays. Furthermore, an additional 12 fittings were installed to brighten particularly dull areas. A total of 86 new LED fittings were installed.

The reduction in consumption can be seen in the graph below



- 2013/2014 vs 2012/2013 saw a reduction in consumption of 1.89%. Carbon Saving: 0.18 tonnes
- 2014/2015 vs 2013/2014 saw a reduction in consumption of 26.64%. Carbon Saving: 2.78 tonnes
- 2015/2016 vs 2014/2015 saw a reduction in consumption of 10.15%. Carbon Saving: 0.73 tonnes
- 2016/2017 vs 2015/2016 to date has seen a carbon saving of: 0.2 tonnes

## **Chesil Street Multi Storey Car Park**

### **Electric**

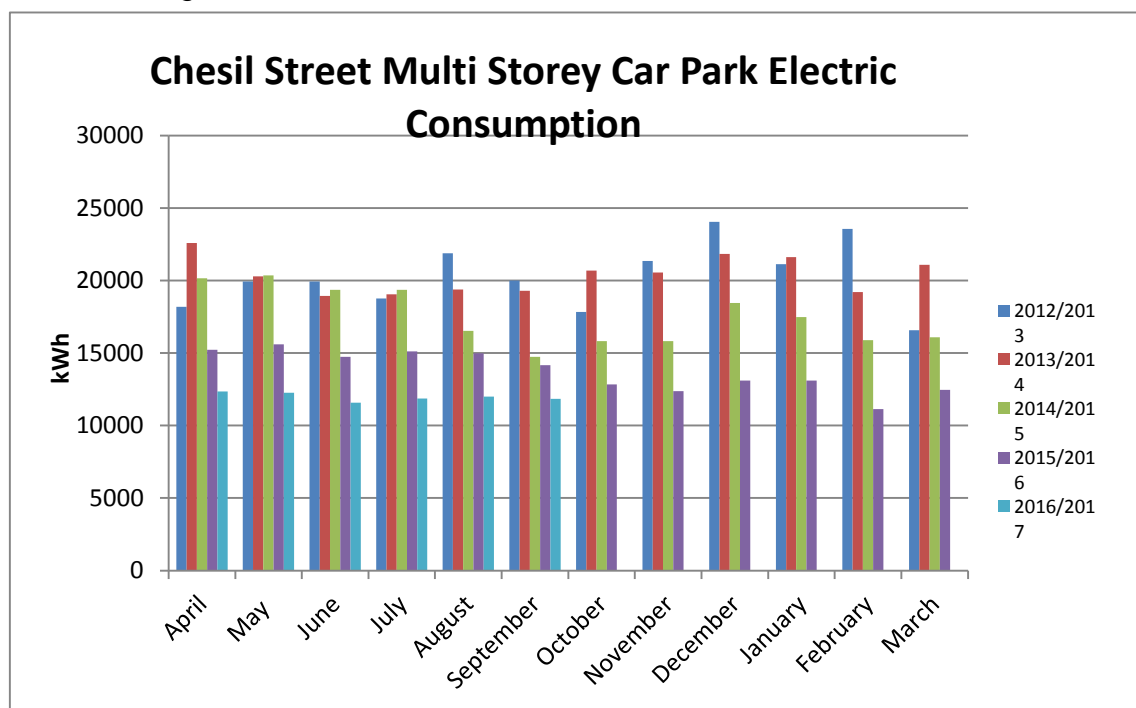
In August 2014 work began to upgrade 271 fluorescent light fittings throughout the parking levels in Chesil Street multi storey car park.

Following the trial of low energy lighting in Chesil Street multi storey car park the chosen fittings were made by a company called Trilux and were the most suitable of all seven low energy lighting options considered because of their light output. They also offered the greatest life expectancy and best value for money.

Furthermore, the chosen LED fittings provided energy and maintenance savings. Each old fluorescent light fitting in the car park consumed 116watts (parking bays) and 58watts (ramps). Each of the new LED fittings consume 60watts (parking bays) and 45watts (ramps).

During September and October 2015, 75 LED light fittings replaced sodium and fluorescent light fittings found on the open top deck, external facades, stairwells and toilets. The new LED fittings in the toilets were equipped with presence detection and the lights on the top deck and facades linked to existing light sensors to further reduce energy consumption. The new fittings represent an anticipated consumption saving of 54% when compared to the old fittings.

The deck lighting was also completed in October 2015 following the successful trial of the newly manufactured Trilux lights with presence detection. The external rows on floors 5-8 were fitted with new 60watt LED fittings with presence detection, replacing twin fluorescent 116watt fittings.



- 2013/2014 vs 2012/2013, saw an increase in consumption of 1%. Carbon increase: 0.60 tonnes
- 2014/2015 vs 2013/2014 saw a reduction in consumption of 14.09%. Carbon Saving: 17.02 tonnes
- 2015/2016 vs 2014/2015 saw a reduction in consumption of 21.55%. Carbon Saving: 20.93 tonnes
- 2016/2017 vs 2015/2016 to date has seen a carbon saving of 7.39 tonnes

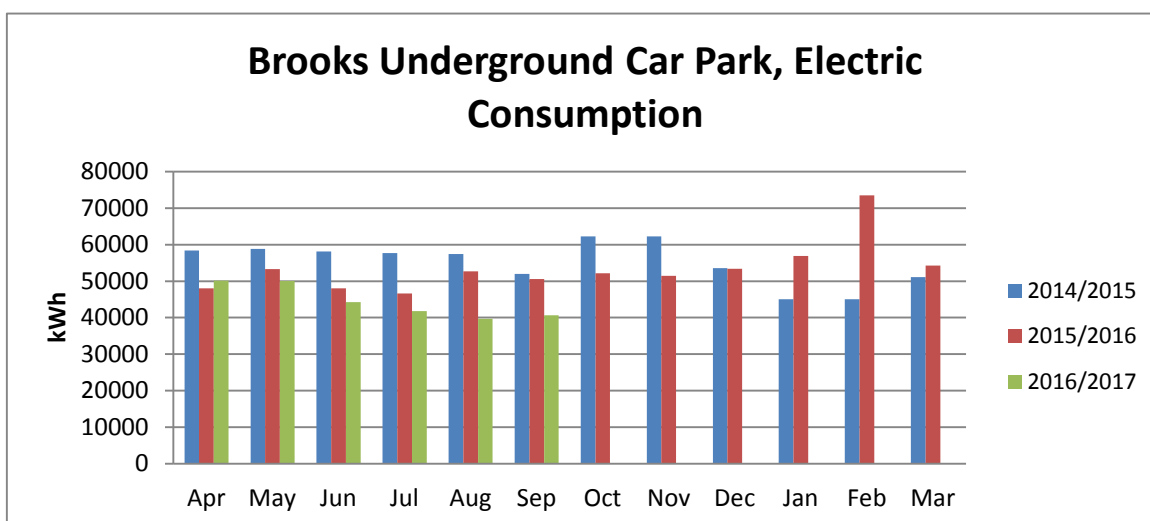
## **Brooks Shopping Centre Underground Car Park**

### **Electric**

In preparation for the project that aimed to save electricity through the installation of Carbon Monoxide sensors and inverters linked to the car park's Air Handling Unit (AHU) a considerable amount of testing and maintenance work has been undertaken to ensure that the system operates in a reliable, effective and efficient manner.

The AHU is made up of 4 extract cores/chimneys which house 8 fans and motors. Plus, 2 supply cores/chimneys which house 4 fans and motors. All of the isolators/contactors and overloads have been replaced that are connected to the supply and extract system. This work has been particularly challenging because of the location of the extract motors which are either at the top chimneys found on top of the Brooks Shopping Centre roof or are awkwardly located in emergency exit stairwells that requires access via scaffolding and necessitates agreement from shop leaseholders. The supply and extract grilles located in the car park have also been cleaned and the Building Management System adjusted following the above works. Furthermore, there is now a monthly maintenance programme in place. The result has led to a significant saving in energy consumption as can be seen from the below graph. The cumulative effect of the above work is evident from June 2016.

For example if one compares the consumption between 1<sup>st</sup> June – 30<sup>th</sup> September 2016 to the same period the previous year, there has been a 31,570 kWh reduction. This equates to a 15.95% reduction and a carbon saving of 13 tonnes in 4 months.



There remains work to be completed in order to bring the AHU up to standard and this represents the most logistically difficult work to date. Motor 1, core 2 that needs to be removed, have its bearings replaced, reinstalled and commissioned. Motor 2, core 2 needs to be removed, rewound, reinstalled and commissioned.

## **Guildhall**

### **Gas**

#### **Boiler House Improvements**

There have been a number of actions that have contributed toward the reduction in gas consumption at the Guildhall.

The first action was to install bespoke insulation jackets designed to dramatically reduce heat loss from exposed flanges and valves to therefore, save gas. These were installed in late February 2012.

In July 2016 a new energy efficient secondary return pump was installed on the hot water system to replace the existing faulty pump. The new pump automatically adjusts to the optimum speed rather than operating at a fixed speed.

In September 2016 essential maintenance work required to improve the reliability and robustness of the heating system that serves much of the Guildhall began. Ad hoc boiler, pump and control replacement over the years had resulted in a heating system that did not provide heat effectively or efficiently. There were a number of hydraulic issues and these were compounded by the installation of incorrect or broken valves.

MKP Consultants LTD were commissioned to produce a detailed design and specification to ensure that the existing problems were remedied. Due consideration was given to system optimisation so that it can run in an energy-efficient manner. The work and modifications that are being undertaken are as follows:

- Extensive system flush and clean to remove debris and improve flow rates.
- Modification of pipework within the boiler room to provide separation between the flow and return to create separate flow and return headers.
- Installation of new variable speed pumps with energy efficient EC motors.
- Installation of valves, strainers, double regulating valves, pressure and temperature sensors and commissioning stations.
- Thermally insulated pipes and valves.
- Installation of tamperproof Thermostatic Radiator Valves (TRV's).
- Existing controls and panel removed and replaced with new. The new Building Management System (BMS) will have:
  - o Weather compensation to calculate required flow set point.
  - o Optimised start/stop.
  - o Fabric frost protection.
  - o Hard wired remote field devices in multiple locations to provide control and monitoring facilities.
  - o Automatic control and monitoring of the heating system, hot water system, gas supply and boiler room ventilation.
  - o Sequenced control to enable the boilers to share duty and meet demand.

- A PC-based control panel with full graphics showing the condition of all digital and analogue inputs and outputs.
- Remote button to extend plant operation time.

Furthermore, due consideration is being given to the refurbishment or replacement of boiler 3 which has broken down.

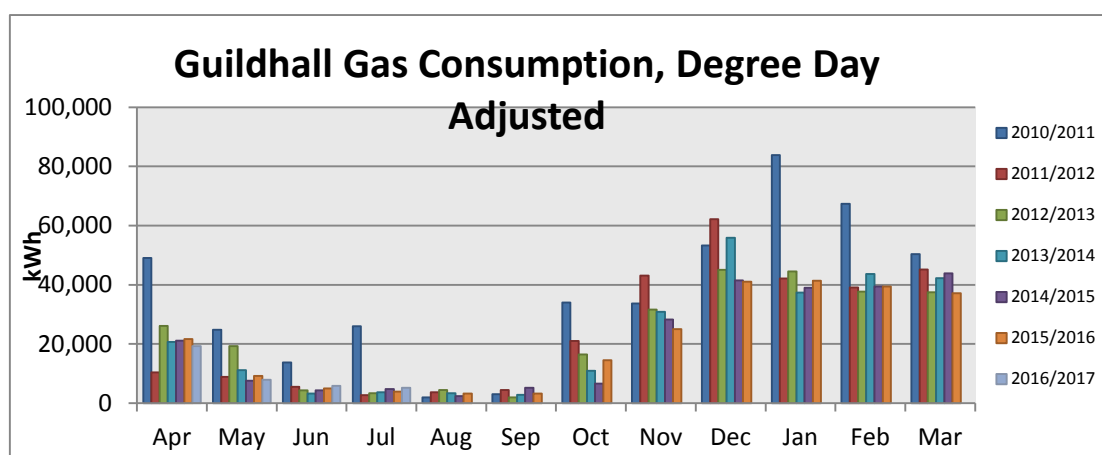
### Building Fabric Improvements

The thermal performance of the Guildhall has been improved. The windows were upgraded in October 2012. A unique gasket sealing system was chosen to draught proof many of the windows and doors in the Guildhall.

The areas draught proofed were; the, Wintonian Room, Bapsy Hall, Print Room, Solutions Office, Estates Office, the Carpenter Turner Suite, Kingsgate Room and Eversley Room.

Through the reduction of heat that escaped and reduction of the movement of cold air it was possible to save energy through quicker warm up times and heat retention. Furthermore, it has enabled thermostats to be turned down, weather compensation curves to be adjusted and has improved the comfort levels of staff and visitors.

The first floor main entrance draught lobby was also made operational by fixing the inner doors and installing draught proofing. Additionally, insulation above the Mayors Parlour (2012) and King Charles Hall (2013) was installed.



- 2011/2012 vs 2010/2011, August 2011 onwards, saw a decrease in consumption of 20.43%. Carbon saving: 12.33 tonnes
- 2012/2013 vs 2011/2012 saw a decrease in consumption of 4.88%. Carbon saving: 2.63 tonnes
- 2013/2014 vs 2012/2013 saw a reduction of 3.54%. Carbon saving: 1.80 tonnes
- 2014/2015 vs 2013/2014 saw a reduction of 8.91%. Carbon saving: 4.4 tonnes
- 2015/2016 vs 2014/2015 saw an increase of 1.94%. Carbon increase: 0.87 tonnes
- 2016/2017 vs 2015/2016 to date has seen a carbon saving of: 0.28 tonnes



## City Offices

### Gas

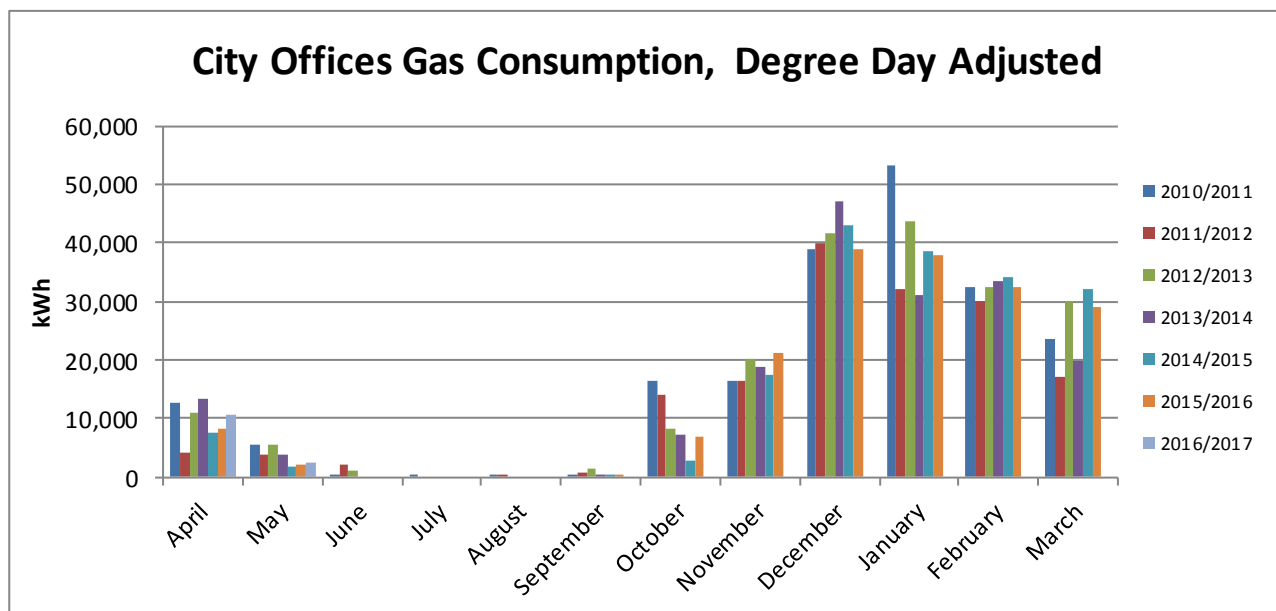
Bespoke insulation jackets designed to reduce heat loss from exposed flanges and valves in City Offices were installed in February 2012.

The graph below highlights that the jackets continued to aid gas consumption reduction. However, it can also be seen that consumption began to increase from November 2012 onwards.

The increase in November 2012 was due to the colder weather boosting demand for heat in the building and the continued breakdown of the way in which the City Offices heating system distributed heat throughout the building. During November 2012, the Facilities Team received complaints from members of staff in City Offices that they were cold. Inspection of the system identified that there were many areas throughout the building where no heat was being delivered. To combat this in the short term, the internal temperature of the building was increased.

During November and December 2012 sixteen, 2.5 kW radiators were introduced throughout City Offices into areas where there was no heat being previously distributed. This meant gas consumption increased.

Following the installation of the additional radiators, the boiler optimisation controls and staff comfort levels were monitored closely. This culminated in a reduction of consumption during 2013/2014. Although there was a small increase in consumption in the following years, the improvement in staff comfort levels resulted in the reduction in use of electric heaters which in terms of carbon emissions had a higher carbon saving.



- 2011/2012 vs 2010/2011, August 2011 onwards, saw a decrease in consumption of 17.14%. Carbon saving: 5.72 tonnes
- 2012/2013 vs 2011/2012 saw an increase in consumption of 21.21%. Carbon increase: 6.32 tonnes

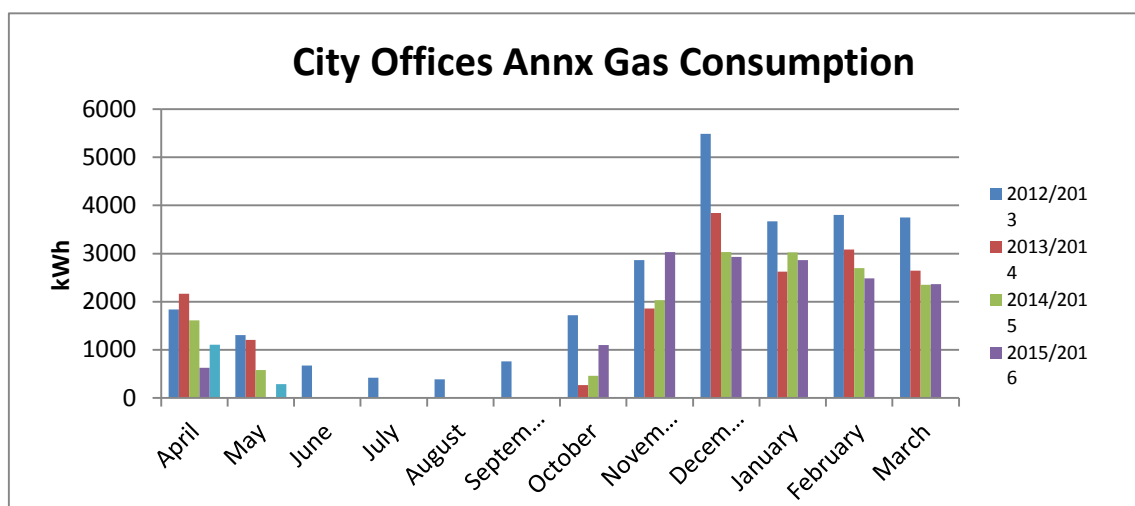
- 2013/2014 vs 2012/2013 saw a decrease in consumption of 10.04%. Carbon saving: 3.6 tonnes
- 2014/2015 vs 2013/2014 saw an increase of 1.04%. Carbon increase: 0.34 tonnes
- 2015/2016 vs 2014/2015 saw a decrease in consumption of 0.01%. Carbon saving: 0.004 tonnes.
- 2016/2017 vs 2015/2016 has to date seen an increase in consumption, resulting in a carbon increase of 0.51 tonnes.

## **City Offices – Annex**

### **Gas**

In October 2013 a new Worcester Greenstar condensing boiler was installed in the Annex along with a new 7 day programmer to provide increased boiler efficiency and improved control.

The new boiler was selected from a list of products endorsed by the Energy Saving Trust.



- 2013/2014 vs 2012/2013, saw a decrease in consumption of 33.72%. Carbon saving: 1.65 tonnes
- 2014/2015 vs 2013/2014 saw a decrease in consumption of 10.68%. Carbon saving: 0.35 tonnes
- 2015/2016 vs 2014/2015 saw a decrease in consumption 2.52%. Carbon saving: 0.07 tonnes
- 2016/2017 vs 2015/2016 has to date seen an increase in consumption which has resulted in a carbon increase of 0.14 tonnes.

## West Wing Offices

### Gas

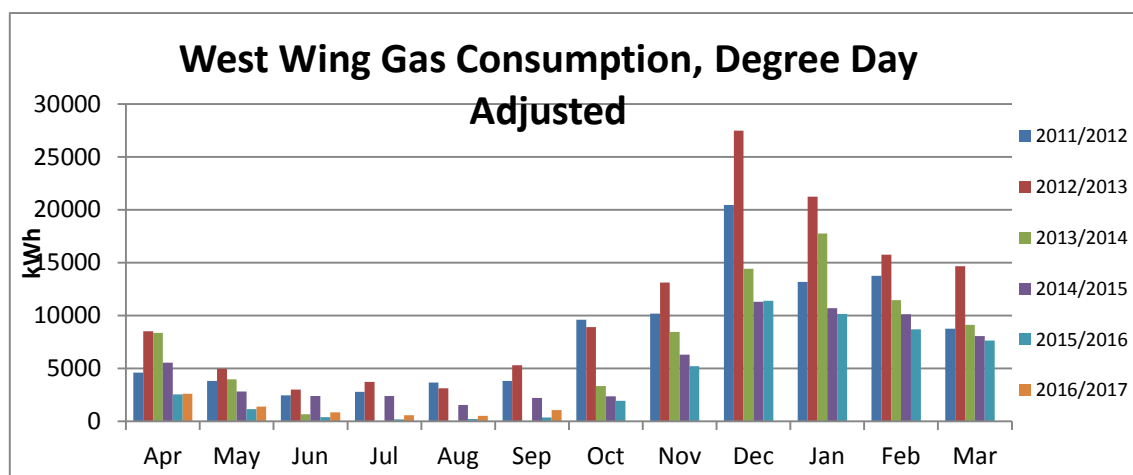
#### Boiler room & heating improvements

Bespoke insulation jackets designed to reduce heat loss from exposed flanges and valves in West Wing were installed in late February 2012.

In February 2013 the project to install new boiler controls, weather compensation, monitoring software, new pumps, new hot water cylinder, variable speed pumps and pipe insulation throughout the building was completed.

The installation of monitoring software and ability to adjust the temperatures on individual floors and wings has allowed for continued adjustments to be made. It has meant that gas consumption has improved steadily since April 2013 with only a small increase in consumption during 2016 when compared to 2015.

- 2012/2013 vs 2011/2012 saw an increase in consumption of 33.6%. Carbon increase: 6.05 tonnes
- 2013/2014 vs 2012/2013 saw a reduction of 40.22%. Carbon saving: 9.52 tonnes
- 2014/2015 vs 2013/2014 saw a reduction of 15.10%. Carbon saving: 2.17 tonnes
- 2015/2016 vs 2014/2015 saw a reduction of 24.08%. Carbon saving: 2.93 tonnes
- 2016/2017 vs 2015/2016 has to date seen an increase in consumption which has resulted in a carbon increase of 0.4 tonnes.



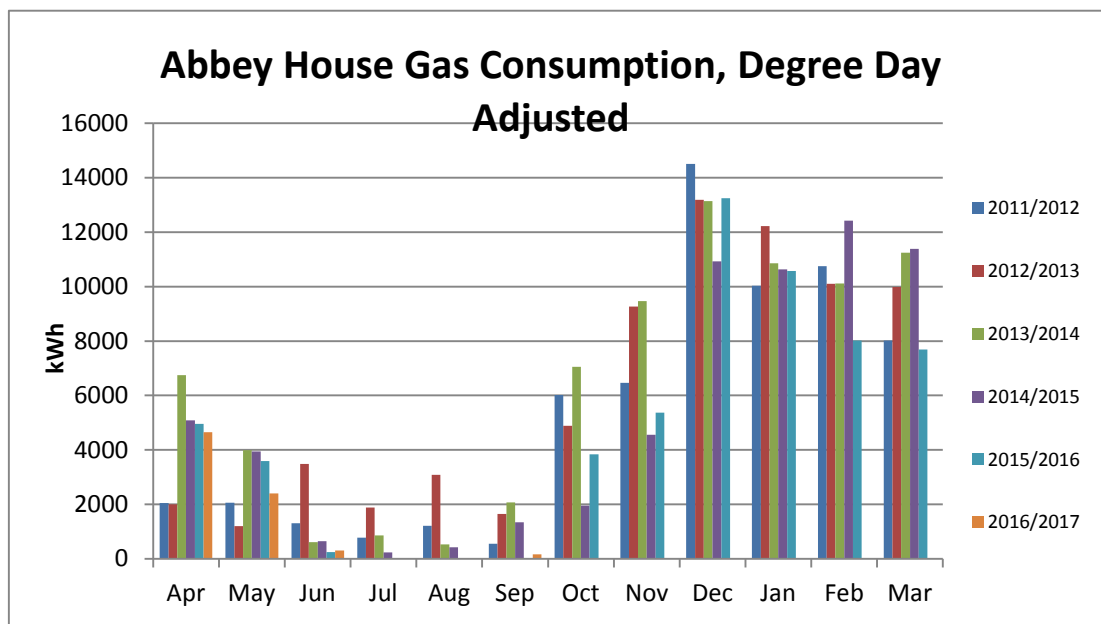
## Abbey House

### Gas

In May 2012 the fibre boards lining the loft space were removed and gang ways installed so that all areas of the roof could be insulated with 300mm of rock wool, which was laid over the ceiling joists. The insulation was estimated to reduce gas consumption by 19% a year. Boiler timers were also adjusted in December 2012 to save 2.5 hours of energy each day.

In January 2014 timber windows and external doors at Abbey House were renovated and draught proofed. Substantial repairs to rotten wood work and ill fitting casements was undertaken to improve the historic fabric of the building. It was proposed that the works would allow for a modest energy saving, as much as 10%.

In October 2015 limit stops were installed on the thermostats to prevent overheating.



- 2012/2013 vs 2011/2012 saw an increase in consumption of 14.46%. Carbon increase: 1.7 tonnes.
- 2013/2014 vs 2012/2013 saw an increase of 5.24%. Carbon increase: 0.7 tonnes.
- 2014/2015 vs 2013/2014 saw a reduction of 17.13%. Carbon saving: 2.43 tonnes
- 2015/2016 vs 2014/2015 saw a reduction of 9.58%. Carbon saving 1.12 tonnes
- 2016/2017 vs 2015/2016 has to date seen a reduction in consumption resulting in a carbon reduction of 0.25 tonnes.

## **Guildhall**

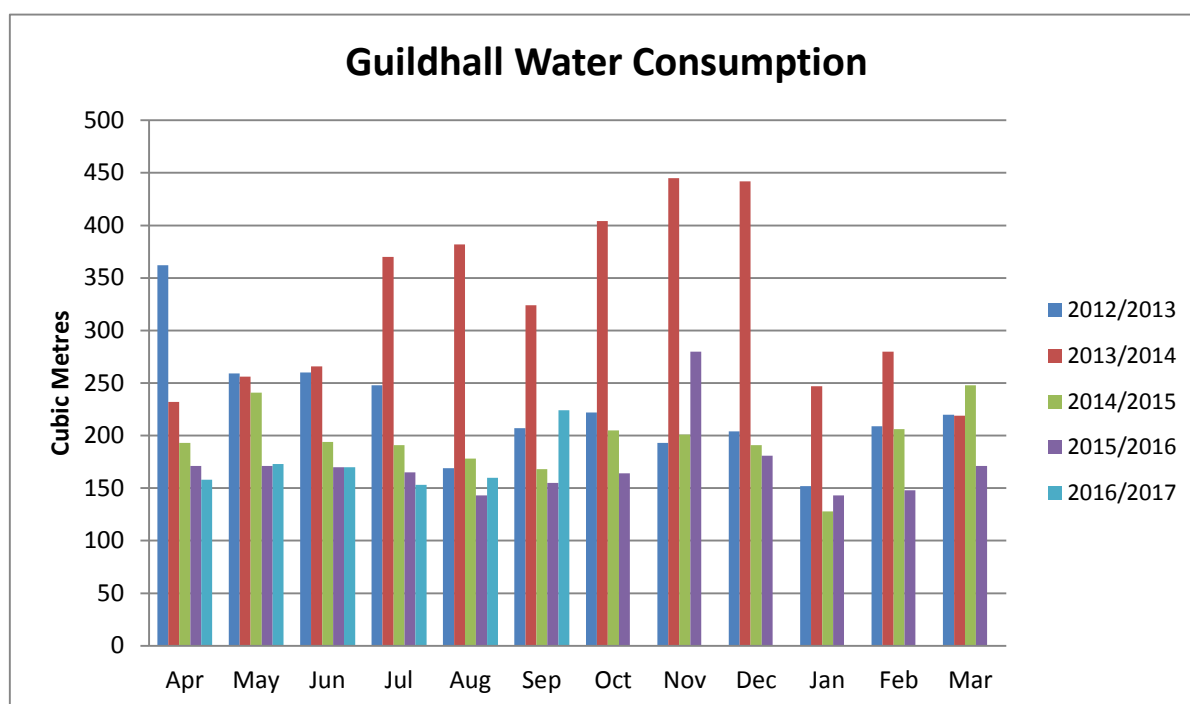
### **Water**

In August 2012 water displacement bags were installed in every toilet cistern following a successful trial in the West Wing Offices. However, blockages began to occur in the ladies toilets which meant that the bags were removed from the ladies cisterns in mid October 2012. The 'save a flush' bags saved one litre of water every time a toilet is flushed.

A further water saving product was also trialled and then rolled out to the Guildhall in late October 2012. By using 'Bio Balls', a biological block that contains billions of friendly bacteria and locating it in each urinal, the male urinals were made waterless. However, by July 2013, it was decided to remove the bio ball due to concern over unpleasant smells.

In April 2014 works to refurbish the ground floor toilets began. As part of this project 8 new Propelair water efficient toilets were installed in the ladies toilets. The new toilets reduce water consumption by 81%.

In May 2015 flow restrictors were installed on the taps located in the ground floor men's toilets. It was estimated that the new 3 litres per minute flow restrictors would reduce the taps water consumption by 67%. The installation would also save electricity by reducing the demand on the under sink water heaters.



- 2013/2014 vs 2012/2013 saw an increase of 42.96% due to the removal of the waterless urinal product and a water leak.
- 2014/2015 vs 2013/2014 saw a reduction of 39.38%.
- 2015/2016 vs 2014/2015 saw a reduction of 12.03%.
- 2016/2017 vs 2015/2016 has to date seen an increase of 6.46% when compared to the same period the previous year. This was due to a faulty urinal controller.

## City Offices

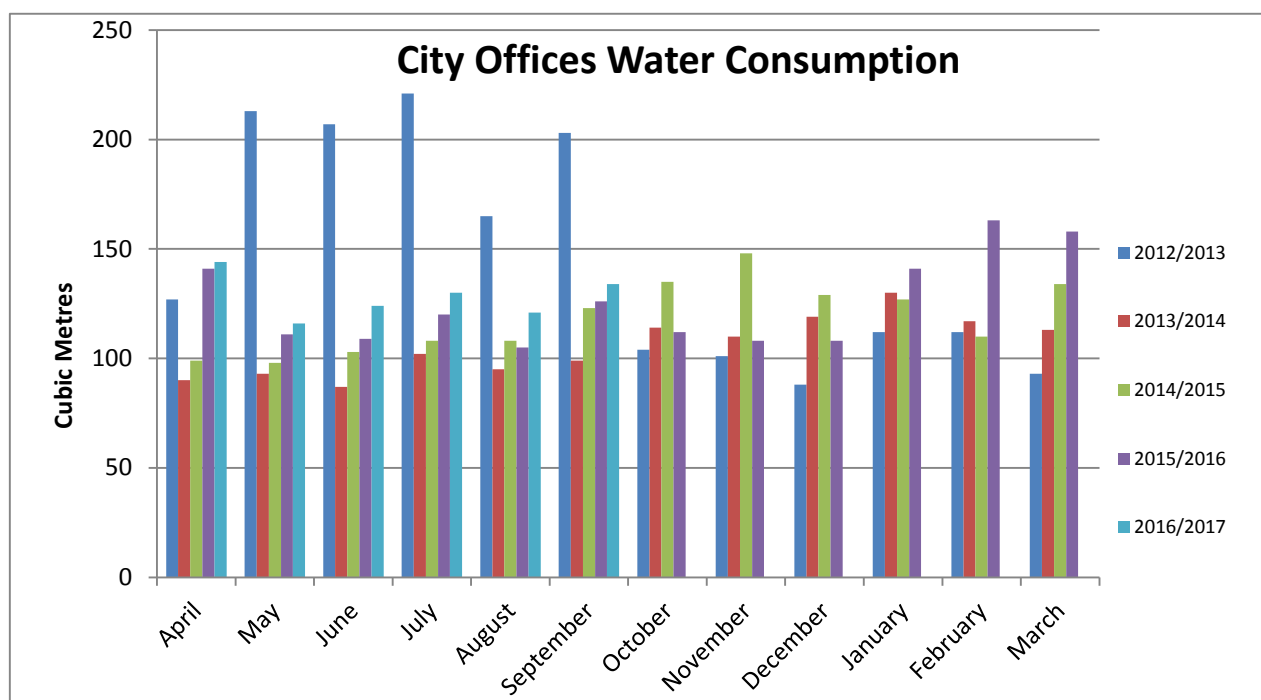
### Water

In July 2012 water displacement bags were installed in every toilet cistern. However, later problems with blockages in the ladies toilets meant that the bags were removed from the ladies toilets in mid October 2012. The 'save a flush' bags save one litre of water every time a toilet is flushed.

A further water saving product was trialled in the West Wing Offices in mid July and subsequently rolled out to the Guildhall and City Offices in late October 2012. By using 'Bio Balls', a biological block that contains billions of friendly bacteria and locating it in each urinal, the male urinals were made waterless. However, after one year in situ, it was decided to remove the bio ball due to the growing number of staff complaints regarding unpleasant smells.

Nonetheless, water consumption has been significantly reduced and kept low by the installation of flow restrictors on the taps in each toilet. The flow restrictors reduce the water flow from 15 litres per minute to 3 litres per minute.

The graph below demonstrates the reduction in water consumption.



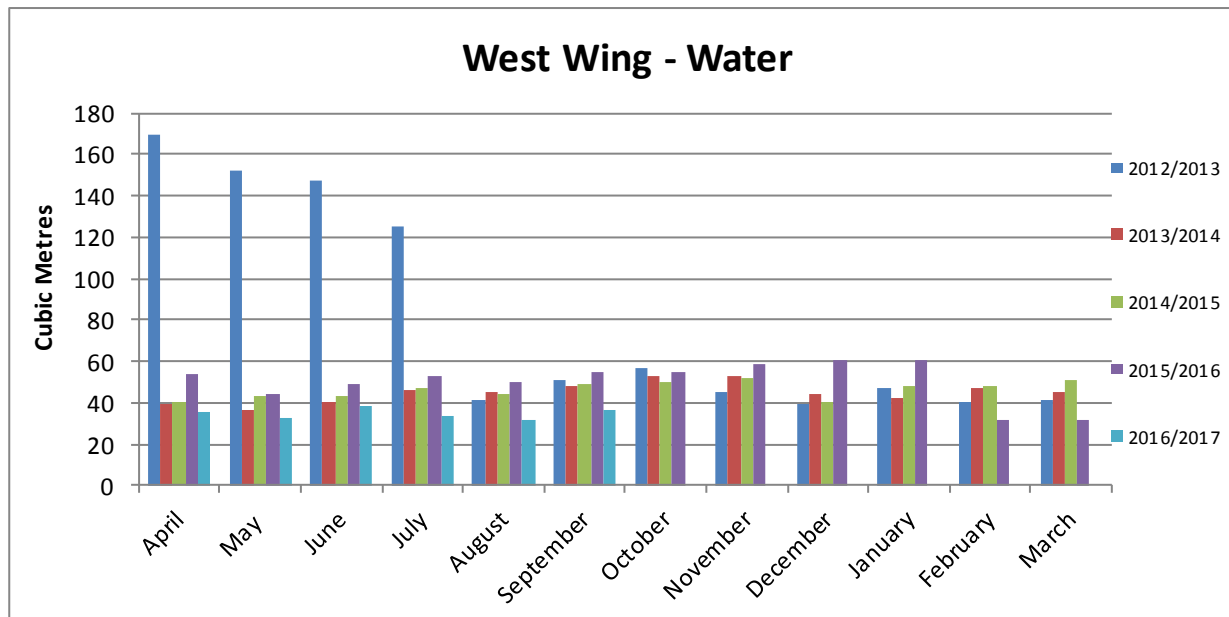
- 2013/2014 vs 2012/2013 saw a reduction in consumption of 27.32%.
- 2014/2015 vs 2013/2014 saw an increase of 12.06%.
- 2015/2016 vs 2014/2015 saw an increase of 6%.
- 2016/2017 vs 2015/2016 has to date seen an increase of 8.01% when compared to the same period the previous year.

## **West Wing Offices**

### **Water**

The Bio Ball was first trialled in the West Wing Office Men's toilets in late July 2012. However, the product was replaced in August 2015 with 4 Ecoprod Urimat urinals. The Ecoprod Urimat urinal is a purpose built waterless urinal, rather than a retrofit product such as the Bio Ball which ultimately proved ineffective.

The graph and table below demonstrate how successful the water reduction initiatives have been.



- 2013/2014 vs 2012/2013 saw a reduction in consumption of 43.66%.
- 2014/2015 vs 2013/2014 saw an increase of 3.16%.
- 2015/2016 vs 2014/2015 saw an increase of 9.01%.
- 2016/2017 vs 2015/2016 has to date seen a decrease of 31.80% when compared to the same period the previous year.

## **Administration Savings**

Financial savings achieved by scrutinising energy bills:

- Incorrect admin charges - £1,412.52
- Incorrect Climate Change Levy Charges - £6,218.93
- Incorrect charges on faulty gas meter, 5-6 The Square - £2,082
- Duplicate water charges, Tower Street Public Convenience - £241
- Abbey Mill error in water charges meant for Abbey Mill House - £511
- Bar End depot water leak refund - £21,847
- Incorrect day & night rate charges, Tower Street multi storey car park - £12,059
- Removing duplicate street lights from Hampshire County Council street lighting inventory – An annual saving of approximately £2,091

## **Current Projects**

### **Tower Street multi storey car park – LED lighting upgrade**

This project will upgrade the current light fittings at Tower Street multi storey car park. There are currently 362, 77watt fluorescent light fittings. The proposed lighting design will utilise 316, 36watt light fittings. In addition time clocks will be installed to switch off 4 rows of lights at night time. Furthermore, light fittings with presence detection will be installed above 2 rows of car parking spaces.

It is anticipated that the lighting upgrade will achieve a carbon saving of 66.11 tonnes per annum.

### **Guildhall – Second floor toilet refurbishment.**

As part of the proposed works to refurbish the second floor toilets in the Guildhall, energy and water saving technology will be installed. This includes LED lighting throughout with presence detection so that lights are not left turned on unnecessarily. Energy efficient flat panelled radiators that have a low water content and heat up a room quicker than a traditional radiator. Push taps that utilise low flow aerators. Extract fans that are linked to presence detection sensors. Propelair toilets that save 81% water compared to a traditional toilet and Ecoprod Urimat waterless urinals.

It is anticipated that the carbon savings will be 1.7 tonnes per annum and 196 cubic metres of water per annum.

### **Abbey House – Heating control**

This project will install a 7 day heating programmer, plant extension button and insulation jackets on the plant room valves and flanges.

The current inbuilt boiler programmer does not have the functionality to enable the heating system to run for a limited number of days a week. As a consequence the system unnecessarily heats the house when it is unoccupied and wastes gas. The installation of the 7 day programmer will allow the heating system to run during Abbey House's normal office hours, which is typically only for a few days a week. Outside of the normal working hours occupants will be able to push the plant extension button which will in turn bring the heating on for a limited number of hours.

It is anticipated that this project will save 3.87 tonnes of carbon per annum.

### **City Offices – Main staff entrance stairwell**

This project will update and replace the current fluorescent light fittings found throughout the main stairwell in City Offices. The current 72watt recessed fittings will be replaced with 22.5watt recessed light panels and the current 28watt circular surface mount fittings will be replaced with 16.2watt circular surface mount fittings. The new scheme will improve light levels and incorporate lighting controls such as presence detection and daylight sensing.



### Brooks Shopping Centre Underground car park

Once both extract motors in core 2 have been repaired the energy saving project to install Carbon Monoxide sensors and inverters linked to the car park's Air Handling Unit (AHU) in order to reduce its electricity consumption can be progressed.

Following a feasibility study undertaken by Hudson Dick Associates; a Mechanical and Electrical Consultancy firm, it was established that the AHU in the underground Brooks Shopping Centre car park could be updated to save money and reduce carbon emissions.

The AHU was designed to supply fresh air to the car park as well as extracting car fumes. The AHU runs continuously for 69 hours per week, to closely mirror the opening times of the Brooks Shopping Centre.

The feasibility study identified that the AHU could be linked to Carbon Monoxide sensors that would vary the speed of the AHU fans, thus saving significant energy and money. The proposal stated that the fans would always operate at 20% of their full capability resulting in a 90% energy saving. If the Carbon Monoxide sensors identified that the fan speed should be increased to sustain air quality, the inverters linked to the fans would slowly increase their speed.

It is proposed that once the remaining maintenance works have been completed that the feasibility study be updated.

### The Energy Efficiency (Private Rented Property) Regulations 2015

This piece of legislation requires that Winchester City Council (WCC) achieve a minimum level of energy efficiency for private rented properties. The minimum level is an energy performance indicator of band E that is evidenced on an Energy Performance Certificate (EPC).

From 1 April 2018 the regulations will apply upon the granting of:

- A lease to a new tenant (domestic & non-domestic).
- A lease to an existing tenant (domestic & non-domestic).
- A lease extension or renewal of an existing lease (domestic & non-domestic)

From 1 April 2020 the regulations will apply to all domestic privately rented properties that are in scope of the regulations, including where a lease is already in place and a property is occupied by a tenant. This will apply to all non-domestic properties from 1 April 2023.

The regulations will include a number of restrictions on making improvements to ensure that only permissible, appropriate and cost effective improvements are required. WCC will be eligible for an exemption from reaching the minimum E standard where it can provide evidence to support that one of the following applies:

- The measures do not payback within 7 years. This must be supported by 3 quotations for the cost of purchasing and installing.
- The measures identified as a recommended improvement for the property in a green deal report, a recommendation report or a report by a surveyor does not fall within the definition of a "relevant energy efficiency improvement".
- Despite reasonable efforts, WCC cannot obtain the necessary consents from the tenant to install the required energy efficiency improvements.

- A relevant suitably qualified expert provides written advice that the measures will reduce a property's value by 5% or more.
- A relevant person advises that the energy improvement is not appropriate due to its potential negative impact on the fabric or structure of the property.

Listed buildings are not included within the scope of the regulations.

From 1 April 2016 WCC must not unreasonably refuse to consent to a tenant of a privately rented property (*that is, a property let on an assured tenancy for the purposes of the Housing Act 1988, a property let on a regulated tenancy for the purposes of the Rent Act 1977 or a property let on a tenancy prescribed by the Energy Efficiency (Domestic Private Rented Property) Order 2015*) the tenant's request to implement relevant energy efficiency improvements.

#### Heat Network (Metering & Billing) Regulations 2014 & Amendment 2015

This piece of legislation requires that Winchester City Council (WCC) notifies Regulatory Delivery of relevant properties at which it is the heat, cooling and/or hot water supplier. Once the Government tool for assessing the cost effectiveness of an installation has been redesigned, viability assessments must be carried out for the installation of individual heat meters or for heat cost allocators with hot water meters in buildings with more than one final customer.

Appendix F		PROJECTS FOR THE PLAN PERIOD:		
Project	Actions	Outcomes	Linkage to corporate themes	Timescale For Delivery
Recruit staff	<ul style="list-style-type: none"> <li>Recruit Estate Manager</li> <li>Recruit City Development Manager</li> <li>Review requirement for additional FM resource</li> <li>Consider additional degree apprentice posts</li> </ul>	<p>Improved efficiency</p> <p>Reduced risk of impact of building failures/lack of compliance</p> <p>Improved establishment of asset management within business processes</p>	Overall objectives of value for money, efficiency and service excellence.	<p>By end March 2017</p> <p>When Silver Hill progresses to development</p>
Implementation of the Value for Money Maintenance Strategy	<ul style="list-style-type: none"> <li>Renewal of condition surveys for all operational buildings for which the Council has repairing liability</li> <li>Categorisation of all such assets into               <ul style="list-style-type: none"> <li>Short Term (0-7yrs useful life)</li> <li>Medium Term (7-15 yrs useful life)</li> <li>Core (15+ years useful life)</li> </ul> </li> <li>Definition of maintenance standards for each category based on the principle of maintaining service delivery:               <ul style="list-style-type: none"> <li>Standard 1 for short term property – compliance with legal and regulatory requirements only</li> </ul> </li> </ul>	<p>Improved value for money from maintenance budgets</p> <p>Targeting expenditure where most benefit will be secured</p> <p>Sustainability of core estate</p> <p>Development of a realistic refurbishment and replacement programme for shorter term buildings</p> <p>Developing improved standards for Corporate Property rather than maintaining the status quo</p>	Environment Community safety, efficient and effective Council	Throughout the plan period

	<ul style="list-style-type: none"> <li>○ Standard 2 (medium term), compliance plus works to maintain acceptable level of service delivery</li> <li>○ Standard 3 (core) to ensure sustainability and quality to a level that reflects the Council's image and service delivery standards</li> <li>● Budget allocation and development of planned maintenance programmes according to appropriate category and standard</li> </ul>			
Manage property held for the Silver Hill/Central Winchester redevelopment scheme	<ul style="list-style-type: none"> <li>● Demolish former Friarsgate Multi-Storey Car Park</li> <li>● Develop temporary Friarsgate car park</li> <li>● Let vacant shops on Middle Brook St pending redevelopment</li> <li>● Redecorate exterior of Middle Brook St /Kingswalk property.</li> <li>● Investigate letting potential of former PO offices</li> <li>● Remove asbestos from former Kingswalk offices</li> <li>● Market Coitbury House/ Former</li> </ul>	<ul style="list-style-type: none"> <li>● Secure Income</li> <li>● Minimise outgoings</li> <li>● Maintain the quality of the built environment</li> <li>● Deliver new parking spaces</li> <li>● Provide employment opportunities for small businesses</li> </ul>	Active Communities, Prosperous Economy, High Quality Environment and Efficient & Effective Council	February 2017 and ongoing until required for development

	PO offices			
Seek to acquire property to facilitate a comprehensive redevelopment of the Silver Hill/Central Winchester area	<ul style="list-style-type: none"> <li>• Negotiate the purchase of :</li> <li>• St Clements Surgery</li> <li>• Friarsgate Medical Centre</li> <li>• Bus Station</li> </ul>	<ul style="list-style-type: none"> <li>• Secure sufficient land by agreement to facilitate the comprehensive development of the area</li> </ul>	Prosperous Economy, High Quality Environment and Efficient & Effective Council	During the plan period
Station Approach Carfax	<ul style="list-style-type: none"> <li>• Procure Architects</li> <li>• Seek LEP grant funding</li> <li>• Undertake public consultation on design</li> <li>• Investigate options for development</li> <li>• Maintain dialogue with prospective Tenants</li> <li>• Develop design to include cost, viability and economic assessments</li> <li>• Report to Cabinet with final design proposals, cost valuation and economic assessments</li> <li>• Submit planning</li> <li>• Market property</li> <li>• Conclude delivery mechanism (Sale, partnership, or direct development)</li> <li>• Enter into agreement for leases</li> </ul>	<ul style="list-style-type: none"> <li>• Secure LEP grant funding</li> <li>• Comprehensive development of a gateway site with high quality scheme</li> <li>• Provide Grade A office accommodation to BCO standards</li> <li>• Provide new public parking</li> <li>• Provide housing</li> <li>• Deliver a secure income stream for the Council</li> <li>• Deliver economic benefits to the local economy</li> <li>• Energy efficient development</li> <li>• Improved public realm</li> </ul>	Prosperous Economy, Efficient and Effective Council	Complete by end 2021

	<ul style="list-style-type: none"> <li>with commercial tenants</li> <li>• Seek residential partner</li> <li>• Review viability of affordable housing</li> <li>• Seek approval to fund development</li> <li>• Secure development team</li> <li>• Procure contractors</li> <li>• Manage development</li> <li>• Complete leases</li> <li>• Handover property to tenants</li> </ul>			
Replacement Dr Surgery, Upper Brook St, Winchester	<ul style="list-style-type: none"> <li>• Agree terms for the lease of the Surgery with the practise</li> <li>• Agree terms for the lease of the Pharmacy</li> <li>• Appoint Architect to develop design to tender stage</li> <li>• Procure and appoint Client consultant team</li> <li>• Procure construction contract</li> <li>• Manage construction programme</li> <li>• Hand over building to tenants</li> </ul>	Secure the structural integrity of the rear part of the building to allow the building to be saved and an alternative long term use developed	Prosperous Economy, High Quality Environment	By end of April 2018
Winchester Markets	<ul style="list-style-type: none"> <li>• Tender market management</li> <li>• Maintain high quality markets in Winchester City Centre</li> </ul>	Help secure the vitality and viability of the City Centre retail offer. Give opportunities to local businesses. Offer local artists the opportunity to develop a showcase for the	Active Communities, Prosperous Economy, High Quality Environment	By May 2017

		sale of their work.	Value for Money and service efficiency	
Development of new Enterprise Centre/Depot Barfield Close	<ul style="list-style-type: none"> <li>• Work with Architect to develop a design for an Enterprise Centre</li> <li>• Submit planning application</li> <li>• Ensure cost effective scheme is developed</li> <li>• Consult with neighbours</li> <li>• Submit Planning Application</li> <li>• Seek Cabinet Approval for scheme</li> <li>• Tender consultants and works packages</li> <li>• Manage construction programme</li> <li>• Enter into lease agreement with Artists/Tenants</li> <li>• Build depot</li> <li>• Build Enterprise Centre</li> <li>• Market Enterprise Centre space</li> </ul>	Improved service delivery, efficiency of use of resources, generation of income through shared use	Active Communities, Prosperous Economy, High Quality Environment Value for Money and service efficiency	By end June 2018
Former Depot Bishops Waltham	<ul style="list-style-type: none"> <li>• Industrial development opportunity</li> <li>• Possible public service option</li> <li>• Prepare design</li> <li>• Consider development viability</li> <li>• Seek planning permission</li> </ul>	The provision of accommodation for local businesses. The development of an income stream	Prosperous Economy Efficient and effective Council	2018/19

	<ul style="list-style-type: none"> <li>• Seek funding approval</li> <li>• Negotiate agreements for lease</li> <li>• Appoint Consultant team</li> <li>• Appoint contractor</li> <li>• Manage development</li> <li>• Let units</li> </ul>			
Revaluation of all property assets in accordance with CIPFA requirements	All assets to be valued in accordance with RICS/ IFRS/CIPFA guidelines	Improved information and compliance with accounting requirements	Service Efficiency	By end March each year
Review of the future of the City Offices	<ul style="list-style-type: none"> <li>• Options assessment and feasibility study into the future office requirements for the Council               <ul style="list-style-type: none"> <li>○ Report on works needed to maintain the offices for continued use</li> <li>○ Undertake works</li> <li>○ Assessment of existing space utilisation, including storage and archiving options</li> <li>○ Assessment of land use and value</li> <li>○ Analysis of working patterns and opportunities to extend new ways of</li> </ul> </li> </ul>	<p>Improved fitness for purpose and efficiency. Meeting Carbon reduction targets Linkage with enabling town centre and other economic developments – catalyst for levering in investment Challenging best use of land</p>	Active Communities, Prosperous Economy, High Quality Environment Value for Money and service efficiency	<p>Works to be completed by April 2018</p> <p>Project to be progressed during the plan period</p>



	<ul style="list-style-type: none"> <li>working</li> <li>○ Assessment of likely future space requirements</li> <li>○ Consideration of options for provision – including new build, refurbishment, acquisition of alternative existing building</li> <li>○ Consideration of locational requirements, and linkage with other plans and strategies</li> <li>○ Analysis of comparative costs, risks and timescales for delivery taking into account alternative use value of site</li> <li>○ Development of an office accommodation plan</li> <li>○ Identification of partners to share building</li> </ul>			
Review of Mechanical and Electrical plant for the Corporate Estate including a specific detailed energy audit	<ul style="list-style-type: none"> <li>● Assessment of older parts of the building for energy and plan efficiency</li> <li>● Development of an action plan for maintenance and improvement to ensure ongoing service delivery</li> </ul>	Sustainability Increased efficiency Reduced carbon emissions	Prosperous Economy, High Quality Environment	In accordance with survey cycle)

Replacement Leisure Centre	<ul style="list-style-type: none"> <li>• Identify suitable location</li> <li>• Assemble site</li> <li>• Appoint QS and PM</li> <li>• Appoint Architects</li> <li>• Public consultation</li> <li>• Planning Application</li> <li>• Enter into agreements with partners</li> <li>• Procure a management contractor</li> <li>• Undertake Business case assessment</li> <li>• Seek approval to development</li> <li>• Appoint Contractor</li> <li>• Manage construction</li> <li>• Open new facility and close RPLC</li> </ul>	The assembly of a suitable site, the preparation of a detailed design, public satisfaction with the proposal, formation of a development partnership with co-funders, development of the new building, appointment of a management contractor and completion of the project.	Active Communities, Prosperous Economy, High Quality Environment, Efficient and effective Council	2020/2021
Former Bar End Depot	<ul style="list-style-type: none"> <li>• Secure vacant possession of site</li> <li>• Market site</li> <li>• Identify development</li> <li>• Progress development of site</li> </ul>	Relocation of Archaeology store, Special Maintenance Team and Pest Control Development of site to secure an income stream for the Council. Employment opportunity Potential site for local shop within the development.	Prosperous Economy, High Quality Environment, Efficient and effective Council	2019/20
Review of all Investment assets	<ul style="list-style-type: none"> <li>• All assets to be assessed against a target range of acceptable</li> </ul>	Ongoing challenge to ownership of property	All objectives through	Annual consideration

	<p>financial return, reflecting at the lower end the opportunity cost of the capital employed, and at the upper end a reasonable assessment of risk</p> <ul style="list-style-type: none"> <li>Those assets for which return does not fall within target range are then assessed against <ul style="list-style-type: none"> <li>Contribution to corporate objectives/influence on key Corporate projects</li> <li>Strategic reasons for retention</li> </ul> </li> <li>If no contribution or strategic reason established, properties to be put forward for disposal</li> </ul>	<p>Efficient use of resources Identification of opportunities for rationalisation to provide capital to contribute to the delivery of the CIP</p>	<p>contribution to capital funding, Value for Money and service efficiency</p>	<p>of a proportion of the stock</p>
<p>Review of WCC land ownership to identify disposal and development opportunities</p>	<ul style="list-style-type: none"> <li>Review of all Council ownerships</li> <li>Specific review of usage and quality of Council car parks</li> <li>Identification of strategic opportunities to enable improvement to: <ul style="list-style-type: none"> <li>Retail offer</li> <li>Environmental Quality</li> <li>Accessibility</li> <li>Economy</li> <li>Mix of uses</li> <li>Ownership and control</li> </ul> </li> </ul>	<p>Increased control over key town centre Improved role as an enabler Plan for economic and environmental improvement Linkage with LDF Area Action Plan policies</p>	<p>Community Safety Environment Employment</p>	<p>10% of the portfolio to be reviewed each year.</p>

	<ul style="list-style-type: none"> <li>○ Links to existing and emerging employment areas/regeneration opportunities</li> <li>● Identification of strategic purchases/interventions for consideration</li> </ul>			
Property Acquisition	<ul style="list-style-type: none"> <li>● Review market for potential investment acquisitions</li> <li>● Engage Agents to identify suitable property</li> </ul>	Secure the purchase of investment quality property to develop income streams.	Efficient and Effective Council	Throughout the term of the plan
River Park and Meadowside Leisure Centres	<ul style="list-style-type: none"> <li>● Undertake repairs to RPLC to keep in operation until the new centre is completed and to maintain the condition of Meadowside</li> <li>● Regular maintenance inspections to ensure contractor is complying with terms of contract</li> </ul>	To enable the property to be kept in a safe condition for public use until a new centre is completed	Active Communities, Prosperous Economy, High Quality Environment Value for Money	Until end 2020
Review of public conveniences	<ul style="list-style-type: none"> <li>● Assess utilisation</li> <li>● Assess condition and ongoing capital investment need</li> <li>● Assess revenue costs</li> <li>● Establish relative need</li> <li>● Consider alternative options for provision</li> <li>● Consider alternative site/land</li> </ul>	Improved service delivery, and better use of resources	High Quality Environment	By end 2017

	<p>uses and opportunity cost</p> <ul style="list-style-type: none"> <li>Identify options for maximising community value and value for money</li> </ul>			
Review of buildings to explore opportunities to expand CHP energy provision, to consider the potential for Hydro Power if viable and to improve energy and water procurement	<p>Assessment of use of core buildings and capability of being linked to CHP</p> <p>Financial analysis</p> <p>Cost benefit analysis</p> <p>Link to Climate Change Action Plan and Strategy</p> <p>Review of existing procurement arrangements</p> <p>Review of collection and collation of performance data and linkage with asset management</p>	<p>Improved sustainability</p> <p>Reduced emissions</p> <p>Energy cost savings over time</p>	<p>Prosperous Economy,</p> <p>High Quality Environment</p>	Ongoing
Work to Develop Winchester area Asset Management Forum	<ul style="list-style-type: none"> <li>Work with HCC, Universities, Police, PCT, NHS, Civil Service and Fire and Rescue service to consider strategic asset management issues</li> <li>Reporting back outcomes through CMT</li> </ul>	<p>Increased strategic approach to area based asset management,</p> <p>Leading to improved use of resources on a cross agency basis</p>	<p>Value for Money and more strategic approach to overall delivery of objectives.</p>	Ongoing

**APPENDIX G - SCHEDULE OF INSPECTIONS**

PROPERTY	SUB- LOCATION	DATE OF INSPECTION	PURPOSE	COMMENTS	NEXT INSPECTION DUE
Abbey Gardens Wall		18/10/2013	Assess condition		
		19/09/2014	Wall repairs	Wall rebuilt	01/09/2019
	Railings	19/08/2016	Visual inspection	Repairs required	19/08/2017
Abbey Mill		05/11/2009	Structural inspection	Building refurbished	Tenant now responsible
	Culvert	01/02/2011	Condition of culvert below	Tenant now responsible	
	Trial Pits	13/05/2011	Ground conditions		
Abbey House	Main Building	01/11/2008		Five year capital programme	Annual Inspection
		09/04/2014			09/04/2017
Antiques Market	Whole Building	04/11/2016	Full Building Condition Survey including M&E	Highlight repairs required	04/11/2021
Bar End Depot		16/09/2010	Condition Survey	Redevelopment proposed	
Barfield Close Depot		New Build			01/04/2017
Bishops Waltham Depot	Whole site	21/06/2013	Digital Survey	Measure site survey	Potential Development Site
	Buildings	28/08/2016	Visual inspection	End of tenancy	
	Whole site	28/10/2016	Tree Survey	Assessment of condition	
	Various whole site	04/11/2016	Soil Investigation - trial holes	Understand ground conditions	
Bridges	Chesil Tunnel South	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Chesil Tunnel South	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Chesil Tunnel North	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Chesil Tunnel North	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Chesil Street (The Stoke)	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Chesil Street (The Stoke)	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	The Weirs	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	The Weirs	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Eastgate Street	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Eastgate Street	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Duttons Bridge 1	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Duttons Bridge 1	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Duttons Bridge 2	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Duttons Bridge 2	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Banna Bridge	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Banna Bridge	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	North Walls Tennis Court	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	North Walls Tennis Court	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Monks Road	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Monk Road	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Nuns Road	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Nuns Road	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Cripstead Lane	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Cripstead Lane	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	White Bridge	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	White Bridge	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017

	Durngate	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Durngate	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	King Alfred Place (W120/1)	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	King Alfred Place (W120/1)	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	King Alfred Place (W120/2)	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	King Alfred Place (W120/2)	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	North Pond Footbridge	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	North Pond Footbridge	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Green Acres Drive	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Green Acres Drive	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	North Walls Car Park	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	North Walls Car Park	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Hockley Viaduct	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Hockley Viaduct	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Five Bridges Road Bridge	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Five Bridges Road Bridge	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Hockley Canal Bridge	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Hockley Canal Bridge	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Hockley Bridleway Bridge	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Hockley Bridleway Bridge	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Abbey House Bridge	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Abbey House Bridge	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Abbey Gnds. (Adj. Gents)	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Abbey Gnds. (Adj. Gents)	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017
	Abbey Gnds. (Adj. Gnd Store)	18/07/2013	Structural inspection by HCC	Provides recommendations for repairs	18/07/2018
	Abbey Gnds. (Adj. Gnd Store)	24/10/2016	Visual inspection	Highlighting hazards	24/10/2017

Brooks Car Park			Review M&E	Refurbishment programme	
				Being implemented	
Chesil Rectory		24/11/2010	Structural Loading	Repairs Completed	Annual Inspection
Chesil MSCP		18/04/2013	Structural condition report	Capital programme	Annual engineering
		31/10/2013	Preliminary Cost Assessment	£200,000 a year	inspection
				Major repairs completed	
City Offices		01/11/2009	Cost report	Report to Council	Annual Inspection
		01/09/2009	Building services report		
		01/09/2009	Building Survey		
		22/02/2012	Condition assessment		
F2, Bar End		11/09/2014	External condition report		01/09/2019
Friarsgate MSCP		04/09/2013	Condition Survey	Demolition underway	Inspect temporary car
		14/11/2013	Advice		Park Annually
		29/11/2013	Report update		
		29/10/2014	Condition Survey		
		30/03/2015	Condition Survey		
Guildhall		01/09/2007		Building refurbished	Annual Inspection
		01/08/2009			Full Survey 16/4/2018
		29/07/2011			
		16/04/2013			
Kings Walk		01/10/2013	Condition Survey	Asbestos removal	Monitor condition
Kings Walk	Offices	20/09/2016	Asbestos Survey		annually 1/10/2017
Matleys Yard		17/01/2014	Survey of cliff face	Redevelopment proposed	
Meadowside Leisure Centre					
Monuments	King Alfred Statue	04/05/2016	Visual inspection	Commision structural report	04/05/2019
	Fountain at Oramas Arbour	04/05/2016	Visual inspection	Commision structural report	04/05/2019
	Buttercross	04/05/2016	Visual inspection	Commision structural report	04/05/2019
	Hyde Gate	04/05/2016	Visual inspection	Commision structural report	04/05/2019
	Westgate Water Fountain	04/05/2016	Visual inspection	Commision structural report	04/05/2019
	Kings Gate Arch	04/05/2016	Visual inspection	Commision structural report	04/05/2019
	St Maurices Covert	04/05/2016	Visual inspection	Commision structural report	04/05/2019
	Jubilee Gardens	04/05/2016	Visual inspection	Commision structural report	04/05/2019
Old Post Office, MB St		01/10/2013	Condition Survey		
RPLC		14/03/2013	Condition Survey		
		04/10/2016	Electrical condition report	Assit with remedial works required	
Tower St MSCP		20/04/2010	Condition Survey		
		15/02/2016	Condition Survey		
Tunnel		13/06/2013	Abutment Inspection		13/06/2018



West Wing		01/09/2007	Condition Survey		09/11/2017
		09/11/2012	Server room loading		
City Museum		01/09/2016	Lift works		01/05/2017
Westgate					01/07/2017