

# Corporate Property Strategy 2024-2029

Ensuring our property portfolio is optimised and managed to create a safe, efficient, fit for purpose property estate



## Foreword

We are delighted to introduce Lincolnshire County Council's Corporate Property Strategy, 2024-2029.

Our updated Corporate Property Strategy will ensure Lincolnshire County Council's extensive property portfolio is fully optimised and managed to create a safe, efficient, fit for purpose property estate.

The Council, in its adoption and further development of its Corporate Landlord approach, will enable service areas to focus on valuable service delivery whilst the Corporate Property Department, acting as custodians for our property assets (land and buildings), ensure service areas are equipped with fit for purpose accommodation in optimum locations.

Looking ahead, there are significant challenges, including demographic pressures and the impact of climate change, with uncertainty over future funding levels and the ability to meet growing demand for the services provided. Our Corporate Property Strategy is central to this, underpinning the 'One Council' approach to assist in ensuring all services are working towards shared goals, to ensure the best possible outcomes for our communities, partners, and colleagues, and is a key contributor to our ambitions.

Our Corporate Property Strategy, together with its associated Property Commitments will provide an overarching framework under which our property services are delivered. It aims to ensure that the council's focus is on actions and outcomes that will effectively facilitate improved service delivery, customer satisfaction and a property estate we can all be proud of.



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# 1. Our Property Portfolio

Lincolnshire County Council is responsible for an extensive and diverse portfolio of land and property assets across the County (including historic monuments, museums, schools, offices, youth centres and day centres). The Council currently owns or operates from over 1,000 physical buildings and owns 6,675 hectares of County farmland, equivalent to over 10,000 football pitches. Our property portfolio costs circa £30m per annum to operate.

Our properties serve a diverse population of almost 800,000 and the rural nature of England's second largest county can present challenges around transport and service accessibility.

Lincolnshire's age profile is somewhat unique with children and young people under-represented and the proportion of older people (65+) far outweighing national averages. Historically this has been due to both the migration of younger people out of the county for work and study and the movement in of those seeking a retirement destination. The demographics of Lincolnshire have started to shift in recent years due to international migration, particularly to the south-east of the county, and we continue to grow more diverse each year.

The movement towards integrated care services helps LCC and its partners to better support our population and focus on our more vulnerable groups. Corporate Property can facilitate this objective by providing a well-located, safe, and fit for purpose estate to meet the needs of our communities.

Our portfolio is divided into three distinct segments; schools, farms, and service properties (those required for service delivery). Within the service estate we manage almost 500 assets and around 250,000sqm of floor space, which is shown by service use below (Figure One). LCC own the freehold of over 75% of its portfolio, and our leasehold arrangements tend to be with District or other public sector partners.

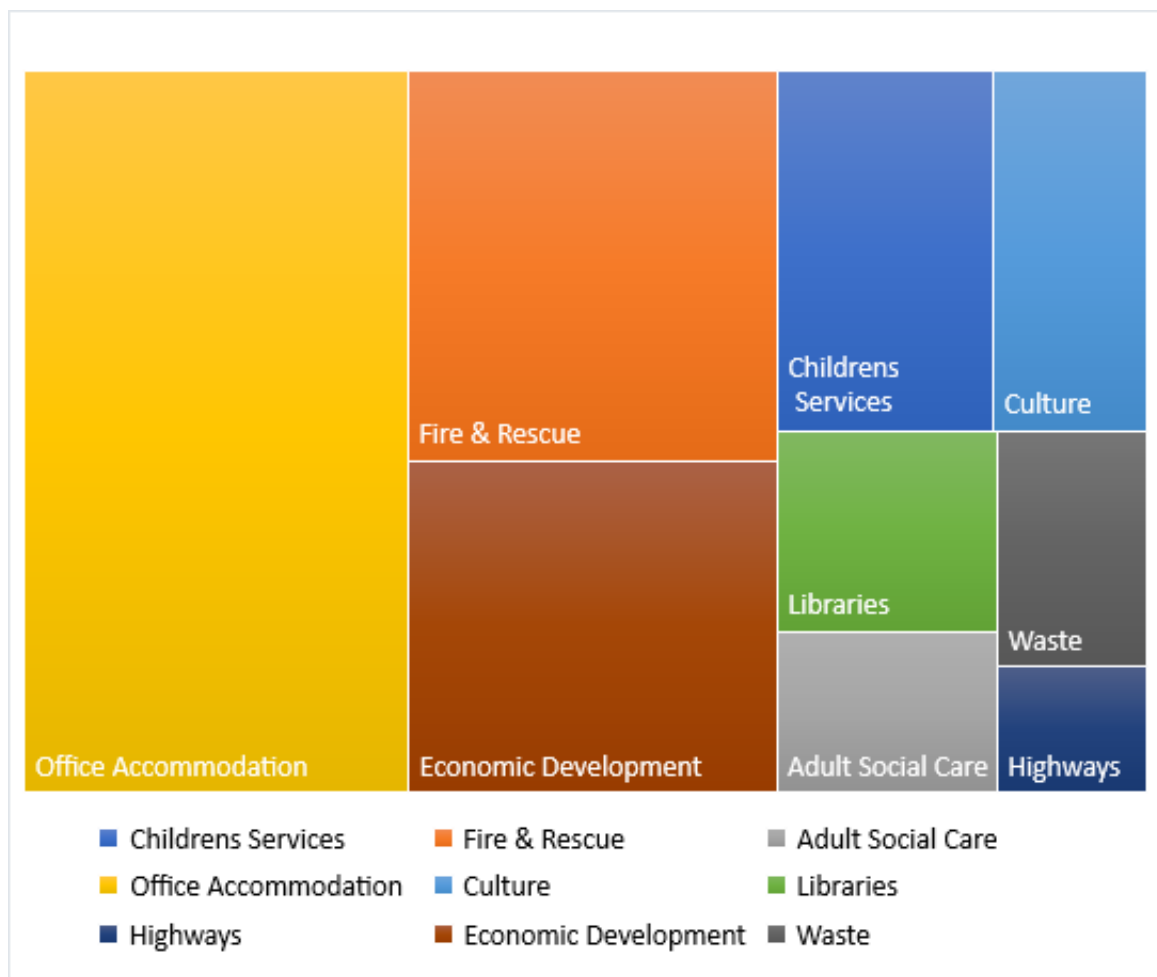


Figure One; LCC service assets broken down by category (excluding schools and county farm segments)

## 2.0 Our Corporate Property Strategy – Overview

Our new Corporate Property Strategy ensures our extensive property portfolio is optimised and managed to create a safe, efficient, and fit for purpose property estate. It will: -

- Provide transparency, consistency, and coherence to our property decisions.
- Influence the property decisions we make.
- Help identify opportunities and influence the strategic direction of our land and property assets.
- Enables us to prioritise demand based on need and drive improved performance of our land and buildings.

## 2.1 Who is the Corporate Property Strategy aimed at?

Our property portfolio is a cross cutting, centralised resource that provides accommodation for service areas to deliver their valuable services. It is recommended that all internal stakeholders and colleagues familiarise themselves with our Corporate Property Strategy, to understand our vision and the principles and approach to dealing with property-related activities.

## 2.2 Key Objectives

Our Corporate Property Strategy has five key objectives:

- Enhance the Corporate Landlord offer to collectively understand our property estate and optimise decision-making.
- Ensure the right buildings are located in the right place to support service delivery.
- Create efficient and effective office space for colleagues through a Programme of Asset Rationalisation.
- Reduce our carbon footprint across the property estate, in line with the Green Masterplan.
- Ensure the property portfolio is safe, fully compliant, and effectively managed.

## 2.3 Measuring the Success and Performance of our Corporate Property Strategy

Each Strategy Objective (SO) is underpinned by a range of Property Commitments (PC). Each of these Property Commitments are supported by Targeted Actions (TA) and form part of the Corporate Property Delivery Plan. This Delivery Plan monitors performance to ensure successful delivery of the Corporate Property Strategy.

## 2.4 Reviewing our Corporate Property Strategy

Our Corporate Property Strategy is dynamic in nature and will be reviewed annually to ensure it remains relevant and fully aligned to the Council's Corporate Priorities.

## 2.5 Partnership Working

We will deliver our strategy by collaborating with our internal service colleagues in a Business Partnering capacity, to ensure we use collective insight to provide one version of the truth for all property assets. We will continue to work alongside public sector partners through the One Public Estate Programme to develop new approaches to maximise resources and ensure opportunities for joined up working. We will also seek opportunities working with our Property Delivery Partners through our existing and proposed new outsourced Property contract (from March 2025) to achieve optimum property solutions for our property portfolio.

## 2.6 Customer Care

As an enabling service, working across the organisation, we will place colleagues at the very heart of the service we deliver, and ensure we are consistently producing a high standard of customer care in everything we do.

### 3. Corporate Property Strategy Objectives

#### Strategy Objective One: Enhancing the Corporate Landlord offer to collectively understand our property estate and optimise decision-making

LCC has adopted a Corporate Landlord approach to the management of its land and property assets, resulting in the transfer of all identified property assets from individual services to the corporate centre in June 2023 (with the exception of “hybrid” assets managed directly by Economic Regeneration). This approach will ensure that all property related activities are undertaken by property professionals, enabling colleagues to focus on effective delivery of their valuable services. Furthermore, centralising our property assets and associated budgets will result in a strategic approach to property decision making and improved governance.

#### Our Property Commitment

(PC1) We will work collaboratively as one property team to adopt a collective and holistic asset lifecycle approach including the following phases:

- Ownership
- Repurposing
- Management
- Disposal/Replacement

(PC2) We will act as the central point of contact, accountable for all property related activities, and continue to develop our Corporate Landlord model to refine the benefits for the organisation and service users.

(PC3) We will ensure a consistency of approach and a high level of customer care for all building users across the property estate, resulting in service areas fully understanding their responsibilities relating to their occupation and understand key contacts for any guidance/advice.

(PC4) We will improve transparency and governance around decision making by the creation and implementation of a robust governance structure including an overarching Corporate Property Board (adopting the recommended Chartered Institute of Public Finance Association (CIPFA) model).

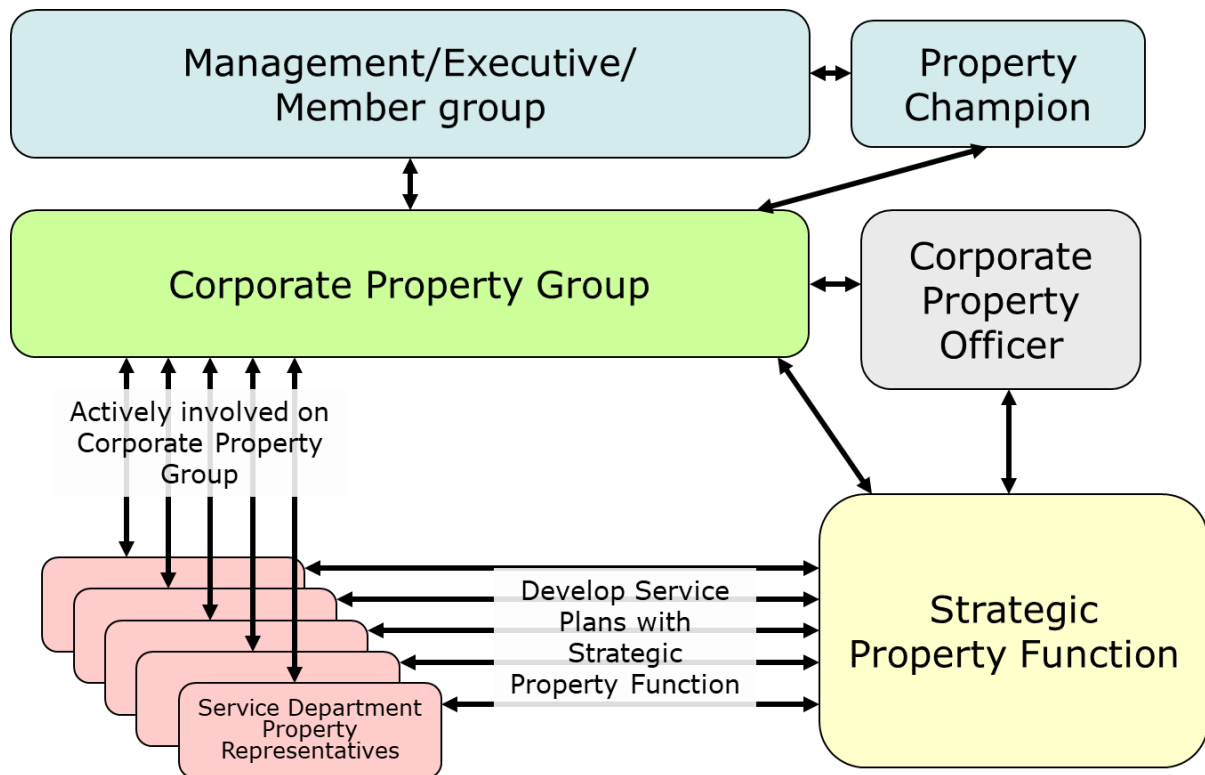


Figure Three: CIPFA Corporate Landlord model



## Strategy Objective Two: Ensuring that we have the right buildings located in the right place to support service delivery

The fundamental purpose for holding land and property assets is to support the effective delivery of services to the residents of Lincolnshire. It is imperative that the Council reviews its assets regularly to ensure alignment with service delivery requirements and to ensure appropriate and cost-effective buildings.

### Our Property Commitment:

#### (PC1) Development of Strategic Asset Management Plans (SAMP)

Over the next twelve months, we will work with all service areas, in a Business Partnering capacity, to establish a programme of Service Asset Management Plans (SAMP). This will provide us with a collective, detailed understanding of business objectives and requirements, both now and within the future, to effectively plan and align resources to deliver the appropriate property solutions and outcomes.

#### (PC2) Development of Area Reviews

We will use property data to fully understand our property portfolio, asset by asset, and the purpose to which we hold, facilitated through a series of Area Reviews. Our Area Reviews will align with the Asset Challenges conducted via the One Public Estate Programme, and will be assessed using the following components and appropriate weightings: -

- Running Costs
- Suitability
- Energy Efficiency
- Condition and Maintenance Liabilities

This process will enable us to establish a clear direction of travel (property outcomes) for our property assets.



Figure Four; LCC's approach to achieving a direction of travel for property assets

This holistic approach (as further outlined in Figure Five) will enable a strategic approach to service planning and result in clear property outcomes, including: -

- Strategic disposal of surplus land and property that is no longer required for service delivery; leading to the generation of capital receipts to support the Council's Corporate Capital Programme.
- Consideration of opportunities to invest and repurpose existing/newly acquired property assets through the Capital Investment Programme.
- Acquisition of new land and property assets to align with service requirements\*.

\*The acquisition of new assets and leasing additional space will be considered as a last resort if after following the process in Figure Four, the existing property portfolio does not offer an appropriate property solution.

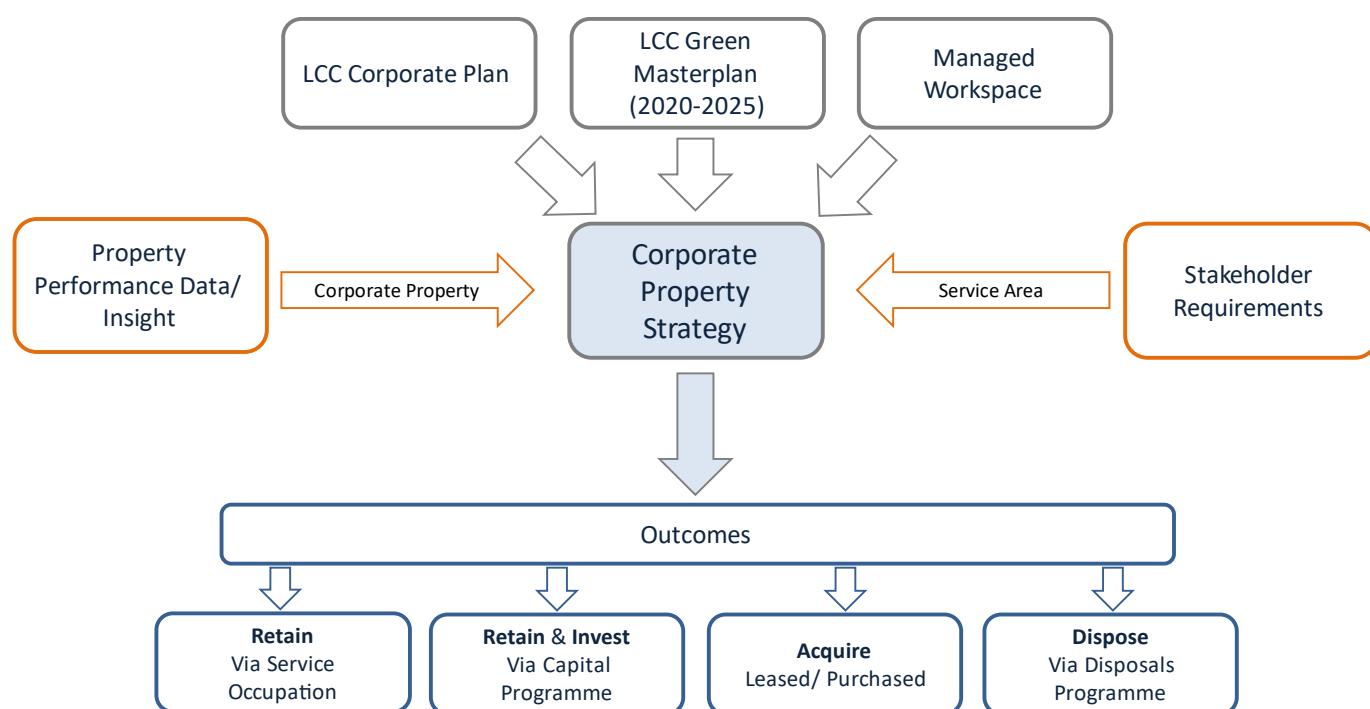


Figure Five; The strategic approach to ensure we have the right buildings in the right place

#### (PC4) Provide strategic planning advice and support for the schools portfolio

We will provide strategic advice and support in relation to the development of the schools property portfolio. We will continue to support Children's Services with LCC's pupil place planning strategy to identify and plan for both short-and-long term requirements and provide strategic context and analysis of property options and proposals to support the delivery of school property projects.

## Strategy Objective Three: Create efficient and effective office space for colleagues through a Programme of Asset Rationalisation

It is fundamental that we provide colleagues with a high standard of office accommodation to create a productive working environment, that reflects the Council's cultural ambitions. To achieve this, we will develop and implement a programme of Asset Rationalisation, resulting in a range of tangible outcomes including:

- High quality office accommodation enabling teams to collaborate effectively.
- Reduced running costs (utilities and rates) and maintenance backlog, aligned to the Medium-Term Financial Plan.
- Generation of capital receipts from the disposal of surplus properties.
- Opportunities to increase revenue contributions from a commercialised estate.
- A more sustainable estate with a reduced carbon footprint (link to Strategy Objective Four).

### (PC1) Newland Campus

We will engage with service areas to understand their existing and future office requirements and optimise the use of existing assets at the Newland Campus via a targeted programme of Rationalisation at our Newland Campus to include:

- Refurbishing vacant buildings that have a current and future value to the organisation (e.g., Orchard House B)
- Demolishing buildings that are deemed surplus to requirements and have exceeded their economic life (e.g., Business Modernisation Unit)
- Reshaping existing buildings to optimise their use (e.g., Lancaster House)
- Vacating premises that are in poor condition and relocating colleagues to more appropriate, fit for purpose office accommodation (e.g., the relocation of legal services from 45-49 Newland to Orchard House B)

### (PC2) Office Rationalisation - Initial Locality Areas (Boston, Spalding, Sleaford, Gainsborough)

We will engage with service areas to understand their existing and future office requirements and optimise the use of existing assets outside of Lincoln; and undertake a programme of office rationalisation of our initial Locality areas to include:

- Exiting leases within properties that are deemed surplus to requirements.
- Considering opportunities to co-locate
- Vacating premises that are in poor condition
- Reshaping existing buildings to optimise their use

### (PC3) Pipeline of Locality Areas Rationalisation

We will extend our initial Locality Area Programme (PC2) by developing a further pipeline of Locality Reviews, including all property uses, to maximise the tangible outcomes as far as possible and create a fit for purpose estate. This pipeline will be developed from the insight and intelligence obtained from the SAMP's as outlined in Strategic Objective Two (PC1).

## Objective Four: Reduce the carbon footprint of the Property estate

Lincolnshire County Council has approved a Green Masterplan and Carbon Management Plan with the aim of reducing carbon emissions generated by the Council to net-zero by 2050. Our property portfolio has a fundamental role to play in delivering the Council's Green Masterplan ambitions.

### Our Property Commitment

(PC1) We will add value to the Council's Green Masterplan by developing a clear understanding of the opportunities available to us across our property estate, including our physical assets and our County Farms estate.

(PC2) We will utilise funding via the Public Sector Low Carbon Skills Fund to create detailed decarbonisation plans for the highest energy consumers.

(PC3) We will increase capacity within the Property Department to add value to the Council's Green Masterplan.

(PC4) We will collaborate with colleagues across the wider One Public Estate network to consider/share best practice.

(PC5) We will consider the Green Masterplan and sustainable staff travel plan when developing our Carparking Strategy at Newland Campus (aligned with Strategic Objective Three).

(PC6) We will consider the climate implications and opportunities of all transactional activities across our property estate, including:

- Acquiring new property assets
- Leasing in of property assets (from 3rd parties)
- Leasing out of existing property assets (to third parties)
- Disposing of surplus property assets

(PC7) We will identify opportunities across all property projects to create net zero solutions, including the repurposing of existing property assets (refurbishments and conversions), and the construction of new property assets.

## **Objective Five: Ensure the property portfolio is safe, fully compliant and effectively managed**

It is fundamental that we create a safe and compliant working environment for colleagues to undertake their roles effectively across the organisation. Our Facilities Management service is integral to ensuring the relevant resources, policies and approach are adopted and aligned to our strategic ambition.

### **Our Property Commitment**

#### **Statutory Compliance**

(PC1) We will increase technical capacity and oversight within the Facilities Management Team to add robustness to continue to ensure the safety and compliance of our property estate.

(PC2) We will develop a Statutory Compliance Policy to ensure the property estate remains fully compliant.

#### **Property Maintenance**

(PC3) We will develop a Property Maintenance Policy to establish the principles of enhancing value from available budgets by directing maintenance services to LCC's retained assets, to reduce the maintenance backlog and associated liabilities.

#### **Managed Workspace Approach**

(PC4) We will develop a structured approach to oversee our managed off workspaces ensuring a quality service for colleagues and external users of our office estate.

## 5. Property Policies

In delivering our Corporate Property Strategy we will review existing and develop a suite of Property Policies to ensure we are transparent in our approach to managing our property estate. Each Property Policy will comprise of Targeted Actions to ensure and monitor progress and delivery.

### **(PP1) County Farms Estate**

The County Farms Policy will be reviewed and updated to establish (i) the basis on which opportunities for strategic acquisition and disposals are considered and (ii) a management plan for LCC's existing County Farms Estate.

### **(PP2) Property Maintenance Policy**

The Property Maintenance Policy will establish the principles of enhancing value from available budgets by directing maintenance services to LCC's retained assets, to reduce the maintenance backlog and associated liabilities. This policy will also look to address reducing any disruption to service delivery.

The policy will cover the following areas:

- Condition surveys to support the asset review process (linked to strategic objective two)
- Reactive repairs
- Planned Preventative Maintenance

### **(PP3) Statutory Compliance Policy**

The Statutory Compliance Policy will ensure that LCC's property estate is fully compliant with statutory legislation (including legionella, asbestos, and fire)

### **(PP4) Estate Management Policy**

The Council's Estate Management policy covers the effective management of the estate, including the following fundamental policies: -

- Mandatory asset valuations, for the purpose of the Council's balance sheet
- Maximising Income from the Council's property estate via third party lettings
- Community Asset Transfers
- Vacant Property Management - review our Vacant Property Management approach to ensure all vacant assets have a firm direction of travel and are held for the shortest amount of time possible to mitigate the holding costs and liabilities.
- Acquisition and Disposals Policy

### **(PP5) Data Policy**

The Property Data Policy will ensure property records are accurately maintained to enable insight led decision making (one version of the truth).

## **6. Synergies with other Lincolnshire County Council Strategies**

Our Property Strategy is a critical part of strategic framework and a key contributor to our Medium-Term Financial Plan (MTFP), which in turn is aligned to the Corporate Plan. We will work alongside colleagues to establish synergies with other Council strategies and policies including:

- Green Masterplan
- Capital Strategy
- Customer Strategy
- People Strategy
- Finance Strategy
- Digital Strategy
- Economic Growth Strategy
- Service Area Strategies