



Corporate Property Strategy & Asset Management Plan 2014 – 2018

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**Brighton & Hove
City Council**

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Executive Summary

The council has a large property and land portfolio valued at £1.96 billion [March 2014]. The operational portfolio consists of 11,858 housing revenue account (HRA) residential units and in excess of 500 non-HRA properties. The non-operational commercial portfolio consists of approximately 630 properties, is valued at £222m, produces an annual income of £8.9m and contributes to the medium term financial strategy helping to keep council tax down.

The Corporate Property Officer, who also acts as the Corporate Landlord and City Architect, has overall responsibility for managing the council's property portfolio and producing the Asset Management Plan & Corporate Property Strategy (AMP). This provides a strategic overview of the council's property assets and the systems, processes and policies in place or being progressed to manage and maintain them. It also provides a framework for challenging and reviewing the reasons for continuing to hold these assets covering the period 2014-18.

This document sets out the property context for the city and the council's property holdings and functions linking these to the council's corporate priorities and strategic goals. It aims to ensure that the council's focus is on actions and outcomes that will maximise income whilst effectively supporting improved service delivery and customer satisfaction. The corporate property objectives are to:

- A. Provide the right buildings in the right place & condition to meet future service delivery needs
- B. Deliver value for money property services & support the council's modernisation programme
- C. Use our One Planet Living principles to reduce our environmental impact
- D. Optimise the value received from our non-operational urban & agricultural commercial portfolios
- E. Use our assets to enable new city development & urban regeneration

Through the strategic use of its property assets the council aims to achieve value for money, cost effectiveness and efficiency leading to higher levels of customer satisfaction, affordability, compliance with related statutory & regulatory codes, improved corporate management, environmental improvements, regeneration and enhanced partnership working arrangements.

APPENDIX A to this document sets out the delivery plan to implement our property strategy including our key areas of focus and targets.

APPENDIX B to this document is updated annually and sets out a summary of our core property data and our latest property performance indicator results.

The AMP has been consulted on across the council culminating with adoption by the Policy & Resources Committee on 4th December 2014.

1.1 Introduction

Welcome to Brighton & Hove City Council's Asset Management Plan & Corporate Property Strategy (AMP) covering the period 2014 to 2018.

Local government nationally is going through a period of enormous change. We know the city has fared better than some through the recession but there is no room for complacency. The cost of living in the city is still difficult for many and council services are under pressure as demand increases, populations grow and our funding from central government reduces by an estimated £104m over the next four years.

The solutions are complex and need to include changing the role of the council from direct service provider to that of 'facilitator', working collaboratively with residents and partners to deliver outcomes in new and more sustainable ways.

We know the Council will be smaller with the emphasis on our core purpose and therefore the workforce of the future will need the skills to provide public services in different ways and models of delivery. We will need to maximise opportunities for integrated and partnership working. The pace of change necessary to modernise public services for the city will require flexibility and the ability to respond positively in a way that demonstrates the organisations values and a culture that improves performance and value for money.

Property is our second largest resource after people and it is therefore more important than ever for the council, as a major owner and occupier of land & buildings in the city, to review and justify its holdings. The role of the Property & Design (P&D) team will be to use our assets to best effect, to understand and challenge services on their future operational property requirements, to identify & dispose of those assets which are performing poorly, to prioritise our limited financial & staff resources to our core assets and, with our partners, to find cost effective property solutions. For our investment portfolio the challenge will be to explore a new strategic approach to maximise capital growth and income balanced against corporate priorities, enabling regeneration opportunities and contributing to the well-being of the City.

P&D are well placed to meet these challenges, have well defined property objectives that reflect the corporate priorities and have already made major contributions to budget savings through the introduction of a Corporate Landlord model of working, asset rationalisation and the *Workstyles* modernisation programme.

However we recognise that this will not be enough to meet our budget reduction targets and further major challenges lie ahead. The AMP provides a framework for challenging the reasons for continuing to hold the council's property & land assets and to clearly demonstrate how these reasons link to our council city wide objectives and future service priorities through the Corporate Plan and the Sustainable Community Strategy.

The AMP is intended to be used as a tool to help maximise the benefits derived from our land and buildings in supporting service delivery, raising revenue through rental income, delivering on our corporate priorities & modernisation agenda, raising capital to enable investment and pump priming development and regeneration opportunities through the redevelopment of significant sites and strategic disposals. It also sets out how we intend to manage and operate our assets in the most cost effective way and adopt One Planet Living principles to reduce our environmental impact.

The Asset Management Team welcomes feedback on the content of this AMP and would ask for comments to be forwarded to amp@brighton-hove.gov.uk.

1.2 The City of Brighton & Hove

The city of Brighton & Hove is the largest urban centre on the south coast of England lying approximately 50 miles south of London and attracting in excess of 8 million visitors a year. The city has a population of 290,000 and a working age population of over 193,000 [2012].

The city is a popular base for London commuters and benefits from excellent communication links east/west via the A27/M27 and north to London via the A23/M23. It has direct rail connections both east to west and to the capital and international links via Gatwick airport which lies 25 miles to the north.

Brighton & Hove covers an area of 83 km² and is bordered by the English Channel to the south, the South Downs National Park to the north and neighbouring authorities to the east and west restricting the opportunities for expansion. It is therefore important that the city's brown field development opportunities are maximized.

The city has two universities and as a result 14% of the population are full-time students aged 16+ (compared with an average of 8.2% for England) many of whom stay to live in the city post-graduation. As a result Brighton & Hove has a young, well-educated working age population with more than one third of residents aged 20 to 39 and 46% of adult residents holding an HND or higher qualification. In contrast it is estimated that over 11,000 adult residents (6.1%) do not hold any qualifications [2012]. The city has a strong service sector economy with public services, education & health and financial & business services being rich sources of local employment.

Our Creative Digital & Information Technology sector now supports 13,000 jobs, contributes as much as tourism to the local economy is experiencing double-digit growth and is both nationally and globally connected. The city is a major tourist, leisure and conference destination and hosts a year round calendar of festivals and events.

Unemployment in the city is 8.5% which exceeds both the national figure of 7.8% and the 6.2% average in the south-east [2013]. The city has a strong entrepreneurial culture with 13.0% of working residents being self-employed compared with a national average of 9.5% [2013].

However, Brighton & Hove is a city of contrasts. Whilst it has weathered the impact of the global financial crises and flat-lining economy since 2008 relatively well and was rated the third fastest 'recovering city' in the country during the period 2009 to 2012 by centreforcities.org, it also has high levels of homelessness and a shortage of affordable housing. The average cost of a 3 bedroom house in the city is £226,000 compared with a national average of £160,000 [2013]. Nationally the city ranked as the 66th most deprived area out of 326 English authorities [2010 Average Index of Multiple Deprivation] and has identifiable deprivation hotspots particularly in the east of the city. The average weekly pay for full-time work in the city is £529 compared to £560 for the south-east region [2012].

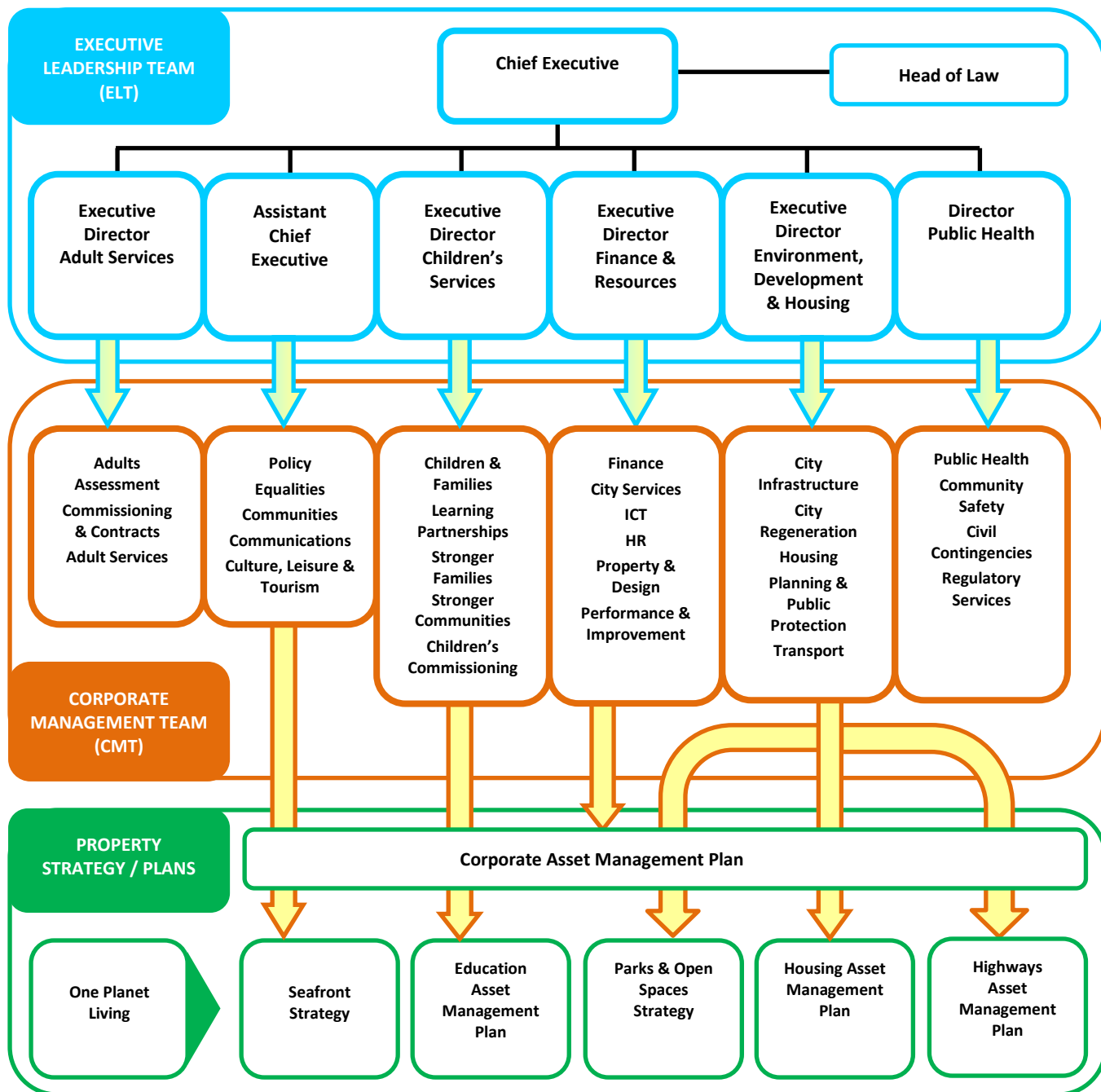
Our population is forecast to grow by over 5% in the ten years to 2021. In the decade to 2011 the largest increase in population has been in the under 65 age group up by 15% whilst the number of 65 and over decreased by 12%. However, the city still has a large and vulnerable cohort of both young and old leading to problems of housing, care and tackling increased needs with reducing resources.

1.3 Brighton & Hove City Council

Brighton & Hove city unitary authority was formed in 1997 and is represented by 3 Members of Parliament and 54 Councillors serving 21 wards and is the city's largest employer with 9,400 staff and a 2013 budget of £778m. The council operates a Committee system with decisions published in the council's committee work programme.

The council is facing major financial and service challenges as it adjusts to a significant reduction in central government funding. Financial pressures are affecting not just the council but all of our partners whether in the public, private or community & voluntary sectors. Therefore, along with our partners, we are working to ensure public spending continues to provide ever greater value for money services through proactive and innovative collaborative works & projects wherever possible.

FIGURE 1: Brighton & Hove City Council’s corporate structure & asset management responsibilities



The council’s Capital Strategy and Asset Management Plans are important vehicles to enable it to strategically plan and prioritise the use of its resources and assets balanced against service pressures, opportunity costs and value for money considerations. Recognising the importance of these links the authority has brought together the corporate finance and property functions into a single directorate as indicated in **FIGURE 1** above.

The formation of the city’s Directorate of Finance and Resources brings together the service functions of Finance, ICT, HR, City Services, Property & Design and Performance & Improvement under a single executive director with the vision of ensuring a high performing, modernised council offering value for money for the council taxpayer.

The Property & Design division of Finance & Resources provides a strategic lead for the council’s property portfolio and has corporate responsibility for the Asset Management Plan & Strategy and for the Corporate Landlord function. In addition Property & Design manage and maintain the council’s non-housing property assets including schools, social care, environment, civic buildings and the commercial urban and agricultural portfolios.

The Assistant Director of Property & Design is also the Corporate Property Officer, Corporate Landlord and City Architect leading multi-disciplinary professional property teams offering consultancy architectural, building surveying, building services, facilities, estates, asset and energy management services.

1.4 Our Corporate Values

The council is here to serve the customers and citizens of the city and to gain the maximum value from our finite public funding. Our six organisational values describe the qualities every officer is expected to demonstrate when carrying out their job – Respect, Collaboration, Efficiency, Customer Focus, Creativity & Openness relating to work objectives – Accountability, Delivery, Working Together & Personal Impact. All officers are expected to live these values every day in order to achieve a high-performing workforce.

Each member of staff has a Performance and Development Plan which sets out their current work objectives related to the Service Business Plan so that they are clear on what they are being asked to achieve and have the relevant training and support not only to do this, but also to develop as people and professionals. We believe strongly in a motivated workforce that feels ownership for their individual roles and wider aims of the organisation for the benefit of the city.

2.0 REGIONAL & CORPORATE PLANS & PRIORITIES

Links to these and other documents referred to in the AMP are provided in **APPENDIX A.8**.

2.1 The Corporate Planning Framework

The Corporate planning framework comprises an integrated suite of strategies and plans setting out our aims & expected outcomes and is described in more detail below. A golden thread of linked priorities, objectives and targets run throughout our planning framework providing clear and demonstrable links between the over-arching Sustainable Community Strategy, the council's Corporate Plan and the various strategies and plans below including this AMP. The specific links between our corporate and property objectives are further discussed in **SECTION 2.8** below.

2.2 Brighton & Hove: The Connected City – Our Sustainable Community Strategy

The external context for the AMP is set by our Sustainable Community Strategy (SCS) – 'Brighton & Hove: The Connected City' – that shapes the way in which we collaborate with other public, private, voluntary and community organisations through *Brighton & Hove Connected* – our local strategic partnership – to enhance the quality of life across our area and to contribute to sustainable development. It provides the context for the Economic Strategy, City Deal & City Plan and sets a vision for the city:

*"Brighton & Hove – the Connected City. Creative, dynamic, inclusive and caring.
A fantastic place to live, work and visit"*

Our latest SCS covers the period 2014 to 2017 and provides two over-arching principles – increasing equality and improving engagement. Under these key principles there is a more specific set of five priorities that our city partnerships will work collectively to deliver:

1. Economy
2. Children & Young People
3. Health & Wellbeing
4. Community Safety & Resilience
5. Environmental Sustainability

These priorities interlink with the council's corporate plan priorities and our own corporate asset objectives through our support to the local economy & businesses, regeneration & major infrastructure projects, ensuring school facilities are fit for purpose, improving the special needs, early years & adult social care services, maximising access to & enjoyment of the South Downs, developing the cultural sector, making the city a safer place & the cultural leader in the region and our One Planet Living approach & support for the Biosphere partnership.

Progress against these priorities is measured through our partnership performance framework. Targets for relevant performance indicators in the framework are set with responsible officers, thematic partnerships and partner organisations and are agreed by Members. The Performance Indicators Headline Report now also incorporates reporting on city-wide risks as identified by the City Management Board and Thematic Partnerships.

2.3 The Brighton & Hove Economic Strategy

This strategy was commissioned by the council and the Coast to Capital Local Enterprise Partnership (LEP) and sets out five key objectives which seek to build upon the city's economic assets and to underpin the new City Deal:

- To enhance the city's distinctive destination and lifestyle offer
- To grow quality jobs & business opportunities in higher value & low carbon sectors
- To better align job skills to projected needs

- To tackle barriers to employment and to create employment opportunities for all
- To establish a strong and influential Greater Brighton City Region

The document covers the period 2013 to 2018 with an action plan incorporating an achievable set of projects to drive the evolution of the city's economy.

The **Greater Brighton City Deal** agreement sets the framework for a 'City Region' approach to prioritising and delivering economic growth that will make a significant contribution to the Local Enterprise Partnership (LEP) target of creating 100,000 jobs by 2035 and supports its priorities for education, high growth enterprise and addressing critical infrastructure issues that are believed to be holding back growth.

The planned approach includes:

- To establish a network of Growth Hubs that commercialise expertise within our universities and embed a culture of university-business knowledge exchange and innovation across the region
- To develop a bespoke City Region skills system that is responsive to the needs of our high technology, service innovation businesses
- To test and extend new models of business and innovation support based in extensive business-to-business mentoring networks linked to the Growth Hubs

The City Deal is expected to deliver 1,300 jobs in the first six years rising to 8,500 over ten years bringing in £361m to the region, a £24.5m investment in the flagship New England House with an additional floor space of 7,000m² and, over the next eight years, £173m invested in creating a network of Growth Centres across the region and unlocking of sites to build up to 2,000 new homes.

2.4 The City Plan

This will be the council's key planning document providing the overall strategic vision for the future of Brighton & Hove to 2030. It will set out how the council responds to local priorities, meets the challenges of the future and identify the broad locations, scale and types of development needed together with the supporting infrastructure.

The draft plan was approved by full Council in January 2013 and:

- Identifies broad locations for development and allocates strategic and employment sites
- Sets out the council's strategic approach to housing, the economy, shopping and transport
- Sets a local housing target for the city to 2030 of 11,300 new homes
- Sets clear policies that will guide planning decisions on issues such as affordable housing provision, the protection of open space and ensuring new development is built to high standards
- Sets out the infrastructure requirements for the city & indicates how these will be provided
- Indicates how the plan will be implemented and shows how progress will be monitored

The draft plan is in public consultation until late 2014 at which time work will commence on part two of the plan which includes more detailed site allocations and development management policies.

2.5 The Corporate Plan 2011 to 2015

The Corporate Plan sets out Brighton & Hove City Council's strategic purpose, ambition, values and priorities for the next four years, describing how we will work to meet them. The Plan contains a commitment to openness and a strong focus on partnership working. It describes how the council will meet the current and on-going budget challenges and support the delivery of the city's Sustainable Community Strategy vision.

The current Plan (2011 to 2015) has four priorities:

- Corporate Priority 1: Tackling inequality
- Corporate Priority 2: Creating a more sustainable city

- Corporate Priority 3: Engaging people who live and work in the city
- Corporate Priority 4: Modernising the Council

For each priority the plan gives detail on what we want to achieve, our intended outcomes and the key areas of focus for us to do this, aligned to the budget setting process.

For the 2015 to 2019 Corporate Plan we have adopted the city's partnership vision, principles and priorities set out in the SCS (see **SECTION 2.2** above). Along with our own purpose and ambition we use these to help us plan, budget, deliver and review our services. The new plan will be in place by April 2015 and will show the way ahead for the council at a time when local government nationally is going through enormous change. We must not only meet our extreme financial challenges but also the needs of our residents and the city as a whole, tackling inequality within communities and protecting our environment.

2.6 The Medium Term Financial Strategy

The council's Medium Term Financial Strategy (MTFS) is a complementary document to the Corporate Plan providing the financial framework to support the delivery of the city's priorities and sets out the resources that will be available to meet them.

The MTFS is updated annually and covers both revenue and capital budgets making medium term forecasts about expenditure, funding and other resources.

We are currently experiencing a period of austerity and the MTFS anticipates the need for the council to identify new savings of about £104m in the four years up to 2019-20. This represents a reduction of 25% on the current [2013-14] gross budget. With the continual reduction in government grant funding the council needs to become more self-sufficient and plan for a resilient and buoyant local tax base in order to protect vital services in the city through, for example:

- Enabling new housing & student accommodation development to increase council tax income and the New Homes Bonus.
- Using our existing assets to generate income for investment and modernisation of council services.
- Using our City Deal (see **SECTION 2.3**) and our land & property assets to help deliver major projects on key sites across the city to increase future NNDR business rate income.
- Working with the Local Economic Partnerships to attract inward investment into the city.
- Applying for additional grants wherever possible to supplement local tax income.

The MTFS sets out the plans for each service area to meet spending and saving targets and to ensure that expenditure is prioritised to the agreed key areas.

One of the key objectives of the MTFS is to deliver savings by making best use of our asset base. Our current revenue and capital budget allocations for this period are set out in **APPENDIX A.5**.

2.7 Service Priorities & Objectives

The high level objectives and priorities set out in the SCS and Corporate Plan are translated into service specific actions and targets through the council's business planning framework. This framework ensures that each service business plan links back to the Corporate Plan and is directly related to the corporate priorities and key areas of focus described in **SECTION 2.5** above.

The Property & Design Business Plan is monitored regularly, revised annually and sets out our annual targets in order to support & achieve the objectives identified in the Corporate Plan. Our business plan is a key element in the golden thread linking our Asset Management Plan and Property Strategy to the Corporate Plan and ultimately to the SCS.

The council's Performance & Risk Management Framework ensures that every member of staff has clear objectives connecting their role and contribution to the Corporate Plan. The resulting Personal Development Plans (PDPs) are produced annually between each member of staff and their line manager, form the basis of one to one discussions throughout the year and are more formally reviewed mid-year. PDPs aim to identify opportunities, mitigate against risk and are an integral element of each Service Business Plan for staff performance and development.

Corporate Modernisation Delivery Board – This board is led by the Executive Leadership Team (ELT) and has been established to drive the big changes needed to deliver service improvement, focusing on our key priorities and making the required budget savings. It will be the corporate decision maker for the modernisation programme.

The role of the Board will include securing spending authority and resources for the programme, approving deliverables, managing risk, monitoring delivery and supporting programme sponsors to ensure overall strategic coherence. The Board, which meets every four to six weeks, comprises members of the Executive Leadership Team plus key senior officers representing finance, HR, communications and commissioning.

Investment Board – This board is led by the Executive Leadership Team (ELT), has an external focus and will oversee and monitor projects including City Deal, regional and infrastructure investment within the greater city region. The board will meet three monthly.

2.8 Corporate Property Objectives

The Corporate AMP brings together all the strands of the Corporate Property Strategy to ensure that the council's focus is on actions that will effectively support improved service delivery and customer satisfaction whilst maximising income & capital growth wherever possible. The high-level corporate asset objectives listed below are designed to continue the golden thread linking back, through our directorate service business plans, to the corporate priorities set out in the Corporate Plan as indicated below:

- A.** Provide the right buildings in the right place & condition to meet future service delivery needs
(Meets Corporate Priorities 1, 2, 3 & 4)
- B.** Deliver value for money property services & support the council's modernisation programme
(Meets Corporate Priorities 1, 2, 3 & 4)
- C.** Use our One Planet Living principles to reduce our environmental impact
(Meets Corporate Priorities 1, 2, 3 & 4)
- D.** Optimise the value received from our non-operational urban & agricultural commercial portfolios
(Meets Corporate Priorities 2, 3 & 4)
- E.** Use our assets to enable new city development & urban regeneration
(Meets Corporate Priorities 1, 2 & 3)

The AMP explains, in practical terms, how the authority will work towards meeting the corporate property objectives over the next five years.

Property Objective A:

Provide the right buildings in the right place & condition to meet future service delivery needs

Why is this important?

Our operational assets must be aligned to our future service requirements in terms of number, location, condition, accessibility & fitness for purpose. It is vital that our buildings are contributing to our corporate objectives and assets that do not meet these criteria will be considered for alternative use or disposal.

Due to the continuing significant budget pressures we are facing during the life time of this document the way we will manage our assets must change. Property service efficiencies will continue to be sought but these will not address future budget gaps on their own and we need to use our remaining budgets in a more joined up manner. This will result in further disposals of non-performing assets and an inevitable reduction in service to other non-key buildings to minimum levels although health & safety compliance will remain a priority commitment.

What is our Strategy?

- **Matching property to service needs** - Service delivery is changing with major value for money & service reviews in progress across the council. Alternative delivery models are being assessed which will reduce our reliance on physical property such as through further alternative digitally based delivery of services. Property & Design (P&D) will rigorously challenge service departments on their future need for property assets. Through our Property Performance Review (PPR) process described in **APPENDIX A.3** and in consultation with relevant parties will make difficult decisions on which assets to invest our limited resources and which to dispose of.

CASE STUDY

HOVE JUNIOR SCHOOL EXPANSION: Conversion of Hove Police Station

A current pressure on school places in the city combined with a lack of suitable sites for new buildings has led Property & Design to explore more innovative ways of expanding capacity in our existing schools. One of these has been the purchase of Hove Police Station, which was declared surplus by Sussex Police, for extension and conversion to form a junior school linked to the existing Hove Junior School. Some of the displaced police staff were accommodated in Hove Town Hall as part of our *Workstyles* programme.

The project provides for an additional four forms of entry through conversion of the original building and a new extension providing a new hall and additional classrooms.

From purchase in May 2013 by our estates & education team, our in-house architectural team designed and managed the project through our strategic construction partnership to completion on time and budget ready to welcome the first intake in September 2014.



Above: Hove Junior School Extension

- **Investing in our core property** – The council invests approximately £3.83m per annum in building repair and maintenance to protect its property assets through the Planned Maintenance Budget which covers all non-school and non-housing buildings. Allocation of this funding is targeted to maintaining our key assets through our Building Maintenance Strategy. Further details are provided in **SECTION 3.7**.
- **Continuing reviews** - Regular reviews of our property portfolio allows us to identify land or buildings that may be more suitable for alternative services or our partner organisations to enable a more efficient service delivery to the city allowing the council to take a strategic lead or to prioritise land & buildings for future investment. The reviews also identify buildings or sites that are surplus to requirements that can be disposed of as part of our Medium Term Financial Strategy or to enable regeneration in the city.

What are our key areas of focus?

- To make the best use of our operational property portfolio to match future service needs in conjunction with partners. To form action plans for properties that no longer meet our needs.
- To provide sufficient primary & secondary school places for future needs.
- To continue the council's commitment to improve the quality of existing council homes including the quality of our repair and maintenance service and to promote new housing sites within the city.
- To continue to prioritise our financial resources towards meeting corporate priorities in accordance with our Corporate Building Maintenance Strategy (see **SECTION 3.7** below). To invest in the maintenance & upkeep of key service and historic buildings in the city.
- To ensure continuing compliance with statutory and health & safety legislation including fire safety, water hygiene and asbestos management using best value solutions.
- To deliver the identified Equality Act compliance works programme to meet our annual target.

Property Objective B:

Deliver value for money property services & to support the council's modernisation programme

Why is this important?

Achieving value for money is a key corporate priority and the cornerstone of the Property & Design (P&D) Business Plan. P&D are continually reviewing and improving the way that we provide our property services with an emphasis on value for money solutions and customer focus. P&D also support services' value for money and business reviews to improve service delivery.

What is our Strategy?

- **Corporate Landlord** – During 2013-14 we introduced a new Corporate Landlord model of working which allows us to focus on the customer & maximise value, reduce risk, improve consistency & enable a unified property strategy across the council by centralising property functions & budgets and achieving service efficiencies. For further details see **SECTION 3.2**.
- **Workstyles** – Our *Workstyles* programme is a key part of the council's value for money modernisation agenda and has helped to make a cultural shift in the way we work whilst achieving significant savings in our core staff accommodation costs through rationalisation. Our objective is to improve service delivery & customer access whilst enabling flexible working for staff through the use of appropriate technology & locations. This also provides the council with significant savings & carbon reductions in line with the Corporate Plan. Further details are provided in **SECTION 3.6**.
- **Customer service centres** - Our accommodation strategy aims to ensure that the public can access services in the right place at the right time in line with our Improving the Customer Experience & the Digital Experience programmes described in **SECTION 3.10**. This is particularly important for our vulnerable service users where the accommodation of area based teams needs to be readily accessible.

CASE STUDY

BARTHOLOMEW HOUSE, HOVE & PORTSLADE TOWN HALLS: Customer Service Centres

A key element of our *Workstyles* transformation programme was the development of three Customer Service Centres (CSC) with the aim of providing easy access to a range of council services for our customers across the city. The first CSC opened in 2011 at Bartholomew House combining three previously separate public receptions. The second CSC at Hove Town Hall opened during 2013 providing planning, building control & parking payment services and gives flexibility to offer further services in the future. The third opened at Portslade Town Hall in June 2014.



- **Property service delivery models** – We operate an internal trading model under Corporate Landlord with a mixed service delivery provision of in-house and externally provided services. Our technical teams operate on a cost neutral basis and the fee income generated supports the in-house staff costs. Our intention is to build on this model to secure more fee income opportunities for the future.
- **Procurement** – We continue to maximise value for money from our construction procurement processes and have a mixed strategy of partnering, framework & traditional tender arrangements to suit each project. Wherever relevant we use existing frameworks collaborating with neighbouring authorities where joint procurement routes are beneficial. Partnering & framework options include the use of local labour and a commitment to apprenticeship schemes.

CASE STUDY

OUR STRATEGIC CONSTRUCTION PARTNERSHIP

Our Strategic Construction Partnership has achieved national recognition for best practice. The benefits of our partnering arrangements have now been realised with more projects delivered on time and on budget, reduced financial risk to clients, improved client satisfaction with completed buildings, reduction in defects at handover, a non-adversarial relationship & cashable savings to the authority. The council entered its third 'Strategic Construction Partnership' in 2014.



What are our key areas of focus?

- To complete our *Workstyles* programme & continue to rationalise our core office buildings.
- To continue to develop our Corporate Landlord model with the aim of extending our services to cover all appropriate operational property and property related services and expenditure.
- To continue to explore alternative procurement methods & ensure best value from our maintenance budgets
- To establish a sustainable relationship with schools through the Services for Schools agreements.
- To continually improve our services and increase customer satisfaction.
- Rationalise our property information to a centralised database.

Property Objective C:

Use our One Planet Living principles to reduce our environmental impact

Why is this important?

The council has committed to the principles of One Planet Living and have become the first accredited One Planet City in the world. Property & Design lead on three of the work-streams – Zero Carbon, Sustainable Water & Zero Waste. Further details are provided in **APPENDIX A.2**.

The rising cost of energy is imposing a severe pressure on budgets that are already stretched. At the same time the need to reduce our carbon footprint has led to our commitment to reduce energy consumption throughout our operational property portfolio with a consequent reduction in both cost and CO₂ emissions. New and improved technology has provided the opportunity for cost effective sustainable energy generation and we are committed to providing this where practicable and cost effective.

What is our strategy?

- **One Planet Living** - The council have committed to a detailed sustainability action plan through our One Planet Living accreditation (see **APPENDIX A.2**). The benefits arising from this initiative are already being realised.

CASE STUDY

WASTE REDUCTION INITIATIVES USING WARPit & FREEGLE

WARPit is a web based service that council staff can use to redistribute resources such as furniture, fixtures and fittings and stationery thereby reducing disposal costs, carbon emissions and the volume of waste sent for disposal. The council's *WARPit* site is linked with partners in the public & third sectors offering a wide local network of items for redistribution.

In addition substantial savings have been made through use of *Freegle* allowing us to offer surplus furniture items to the third sector, public sector or local community. *Freegle* was used for the clearance of our Bartholomew House civic office during 2013 and resulted in a council saving in removal costs with nearly 17 tonnes of goods re-used and an estimated carbon saving of 7,650 Kgs.

- **Identifying waste** - Setting a reliable and accurate baseline against which our energy & water reduction achievements can be measured. The equipment provides an essential tool to identify trends & unusual or necessary gas and electricity consumption and early identification of water leaks.
- **Designing out waste** - Reducing our energy usage wherever possible will reduce our corporate costs and help to insulate us from the current trend of rapidly rising energy costs. Our design teams are committed to reducing the carbon footprint of our new build & improvement schemes through a sustainable design standard & specification of materials in line with our procurement strategy.
- **Renewable energy** - A commitment to purchasing 100% renewable energy through our electricity supply contract reduces the council's overall CO₂ emissions from our operational portfolio with a consequent reduction in our impact on the environment.
- **Water Reduction** – Implement water reduction strategies and protect the city's water supply.

CASE STUDY

NEW BUILD ENERGY EFFICIENCY PROJECTS

Our in-house architectural design team have committed to working to a Sustainable Building Design. This currently includes the requirement to design new non-residential buildings to a minimum BREEAM standard of 'Very Good'. For other conversion and smaller projects that still require planning approval a One Planet Sustainability Checklist has been developed to ensure that all elements of sustainable design have been considered, integrated and challenged. Our use of the Sefaira web tool (see case study below) is key to achieving this. The Checklist ensures that all practicable opportunities for renewable energy schemes are considered. Examples include:



- Photovoltaic panels at Bartholomew House, Hove Town Hall & Moulsecoomb Hub
- Air source heat pumps at Whitehawk, Somerhill, Westdene & Goldstone schools
- Ground source heat pumps at Longhill & Balfour schools
- Wind turbines at Downs View Link College, West Hove and Whitehawk Children's Centres and
- Solar thermal panels at Longhill, Balfour, Davigdor, Westdene, Goldstone & Queens Park schools

What are our key areas of focus?

- To meet One Planet Living aspirations for the city (see **APPENDIX A.2**) through the implementation of the council's sustainability action plan.
- To improve the status of our groundwater by working with partners to protect the city's water supply with a focus on reducing pollutants, minimising water loss at source and reducing water demand.
- To implement further sustainable and energy efficient solutions within our new-build & maintenance programmes of work including energy efficiency measures & re-cycling of materials.
- To develop and promote further internal re-cycling and re-use initiatives.
- To target available investment in energy efficiency works within our retained operational properties to achieve year on year financial savings and carbon reductions.
- To finalise our energy supply procurement strategy.
- Our water reduction strategy.

Property Objective D:

Optimise the value received from our non-operational urban & agricultural commercial portfolios

Why is this important?

The council is fortunate to have a large number of non-operational commercial assets, which include an urban and agricultural portfolio, with a combined value of approximately £200m that provides an annual rental income in excess of £8.5m per annum (as of 2014) which helps to support the council's medium term financial strategy. The urban portfolio consists of largely retail, office and industrial interests. The agricultural portfolio includes ownership of about 10,500 acres of Downland farmland. The Property & Design Estates team manage the non-operational portfolios both directly and indirectly through two externalised five year specialised consultancy contracts.

We aim to support the local economy, maximise rental income from the urban & agricultural portfolios and derive the optimum benefit from surplus property either through a capital receipt on disposal or by seeking an appropriate alternative use and promoting the regeneration of areas through comprehensive site assembly.

What is our strategy?

- **Urban commercial portfolio** - To re-balance the urban portfolio through a programme of disposals for under-performing assets and investment in primary assets generating a healthy income to support service delivery (see **SECTION 3.4**).
- **Agricultural commercial portfolio** - To identify the non-core agricultural assets for disposal using the capital receipt in part to improve the core assets and to support service delivery (see **SECTION 3.5**).
- **Support for small businesses** - We aim to support small and local businesses through the strategic use of our non-operational properties.

CASE STUDY

THE GREATER BRIGHTON CITY DEAL – NEW ENGLAND HOUSE

New England House (NEH) – see right - features in our City Deal as the Greater Brighton City Region's flagship project. NEH is a council owned 11,000m² building & one of the major hubs for Brighton's thriving Creative, Digital and Information Technology (CDIT) sector. It accommodates around 100 businesses, mainly from the CDIT sector, who employ approximately 1,000 people and many more indirectly through supply chains.

It is extremely popular with businesses in the CDIT sector because of its affordable and flexible leases, its close proximity to Brighton railway station and the clustering of similar companies in the building. It is also the base for Wired Sussex, the well-respected and influential sector representative organisation.

There are currently [2014] 95, CDIT businesses on the waiting list for space at NEH, but there is an identified market failure in the provision of move-on space, both in NEH and the city generally.

Options are being explored to reconfigure and possibly extend NEH so that it becomes a credible and highly visible hub for Greater Brighton's CDIT sector businesses providing a balanced range of offices to accommodate start-ups and to retain larger businesses within the digital quarter.

Property & Design are working with colleagues in the City Regeneration Unit, Finance and the City Deal team to develop a business case for reconfiguration. The project has been allocated £4.9m funding through the City Deal.



- **City Downland Estate Policy** - Our agricultural estate has been reviewed to secure more sustainable management of the Downland surrounding the city. Our City Downland Estate Policy aims to 'reconnect the people of Brighton & Hove to a more diverse Downland with better education, improved access and better sense of connection to the land'.

CASE STUDY DOWNLAND OPEN ACCESS

During 2012 the council successfully negotiated terms for three new farm business tenancies to include permissive open access rights where previously there were none, thereby substantially increasing the amount of open access land available on the City Downland Estate. An additional area of land leased to Plumpton Agricultural College has been included in this initiative. To further protect these rights the land has been dedicated in perpetuity as public access land under the Countryside & Rights of Way Act 2000 (the CRoW Act). This supports a key council objective to increase adult participation in active recreation.



What are our key areas of focus?

- To implement our non-operational asset strategy: re-balancing of the urban commercial portfolio and disposing of non-core assets within the agricultural commercial portfolio.
- To contribute to the Downland Advisory Board on improvements to the City Downland Estate and to work with partners to conserve and improve the enjoyment of the natural environment in and around the city.
- To support the HLF bid and produce a new master plan to regenerate and renew Stanmer Park and the farm buildings working with the South Downs National Park Authority and local stakeholders.
- To lead & support the City Deal investment in the flagship New England House creative and digital hub.
- To support the Biosphere Reserve programme (see **APPENDIX A.4**).
- To continue to maximise income from our commercial portfolio and look for development opportunities to improve our industrial estates.
- To continue to support local small & medium enterprises (SMEs) through flexible leases and other business initiatives.

Property Objective E:

Use our assets to enable new city development and urban regeneration

Why is this important?

The council recognises that major infrastructure projects and comprehensive land assemblies that regenerate key sectors of the city and provide quality facilities for our citizens can only be achieved through innovative partnerships with local businesses, community, voluntary and both public & private sector partners. This ensures the very best mix of skills & potential funding opportunities. Brighton & Hove has few available site options for development expansion and it is therefore vital that every opportunity is taken to facilitate redevelopment and urban improvement plans identified within our Local Development Framework. Our objective is to support, through site provision, comprehensive site development, joint ventures, design, estates management & general property advice, such major infrastructure projects throughout the city.

What is our Strategy?

The council is currently supporting various major development projects in the city through a combination of partnership working, site provision, contributory funding and property & design advice.

- **New Housing** - Following changes to housing Right to Buy legislation the council is starting to develop its own sites for much needed additional housing where Property & Design services are vital in achieving this outcome.
- **Supporting small businesses** – Supporting and investing in our existing industrial starter units as a means to encourage and nurture small businesses thereby contributing to the local economy working in partnership with the University of Brighton.

CASE STUDY

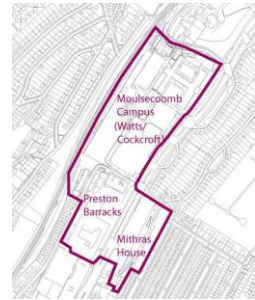
THE GREATER BRIGHTON CITY DEAL – PRESTON BARRACKS GROWTH HUB

Preston Barracks is a 2.2 Ha site – see right - which the council purchased from the MoD when it became surplus to their requirements. The site lies adjacent to the University of Brighton Moulsecoomb Campus site and opposite the University's Mithras house building on the A270 Lewes Road in Brighton, a total site area of 8.6 Ha.

A planning brief was approved in 2011 to take forward the comprehensive redevelopment of council and University land. This seeks a mixed use across the development area with pedestrian and cycle links to the adjacent railway station and residential areas. Land uses include office & employment, higher education, housing, student housing and ancillary uses including retail.

The council is currently negotiating the disposal of the council owned site to the University as a means of unlocking the redevelopment; a scheme the University will deliver in partnership with the Cathedral Group.

The 'Central Research Laboratory' is at the heart of the planned scheme receiving £7.7m of central government funding through the City Deal. This will be a world-class research, design and support facility for manufacturing start-ups in Brighton and Hove and the wider East Sussex area; a facility that will become a hub for innovation, turning inventors / craftspeople / makers into fully commercialised entrepreneurial companies.



Major projects - Our major project developments are key to successful regeneration and economic growth within the city providing excellent facilities and encouraging tourism and inward investment.

CASE STUDY

THE i360 VIEWING PLATFORM

Construction of a 170m high viewing tower commenced during the summer of 2014 as a major boost to tourism in the city. The council has agreed to borrow £36.2m from the government to enable the project to commence and spur the wider renewal and regeneration of the western end of the city's seafront. The Brighton i360 will provide a boost to our economy.



It will generate more than 440 permanent jobs - 169 jobs at the attraction plus additional jobs from the spin off benefits to other businesses located in the city. The Brighton i360 is expected to attract over 700,000 visitors a year from existing tourists to the city, and also to bring 165,000 to 305,000 new visitors to the city who will all spend money in local shops, restaurants, and at the other attractions. In total it is expected that the i360 will inject between £13 million and £25 million of additional revenue into the local economy annually. The i360 is designed by the Marks Barfield Architect team behind the London Eye.

What are our key areas of focus?

- To actively seek potential development opportunities throughout the city using our own land and property assets wherever possible to pump-prime larger developments.
- To increase the supply of ready to develop housing sites by identifying opportunities to build homes on council land.
- To act as developer and use our in-house teams to develop suitable sites for residential use in conjunction with the housing and regeneration boards.
- To support the development of new extra care housing and supported accommodation units to help people with complex needs to remain in the community.
- To support the development of the seafront (see **SECTION 3.9** below).
- To continue to work with our partners and provide property & design support to major infrastructure projects within the city. To formalise development options for our major projects including the Brighton Centre.
- Support the City Deal, Local Enterprise Partnership (LEP) and Brighton Regional Economic Growth Board in achieving the regeneration outcomes of the city.

3.0 ASSET MANAGEMENT IN BRIGHTON & HOVE

3.1 Corporate Arrangements for Asset Management

The Corporate Property Officer (CPO) is responsible for the contribution that the council's land & property assets make to support the delivery of the corporate objectives and strategic priorities. Business and service aims are set out in the Corporate Plan and divisional business plans.

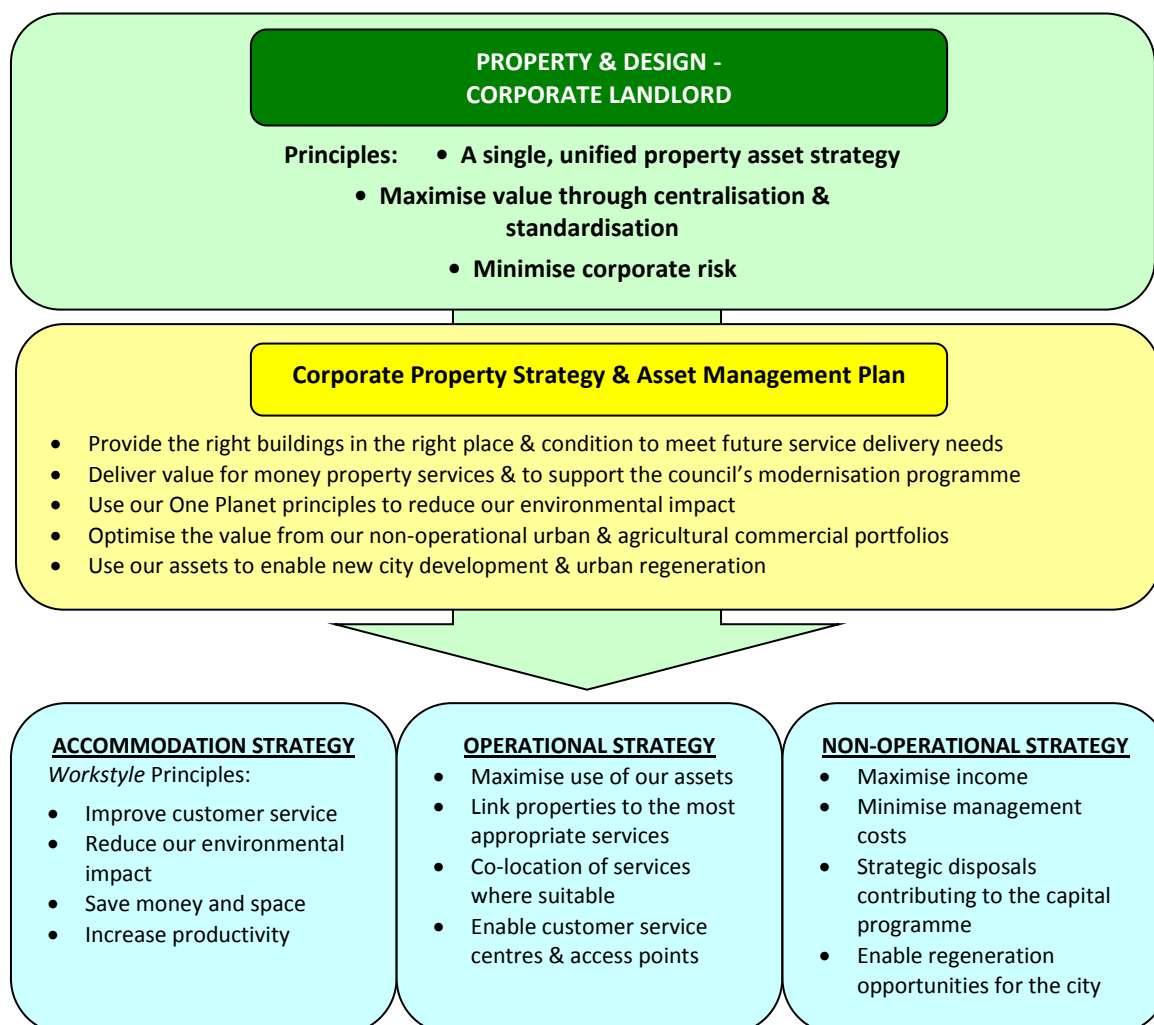
The CPO works across the council and service teams giving corporate property advice and support and operates a Corporate Landlord model. The CPO reports on property and asset related matters to the Director of Finance and Resources and to the Executive Leadership Team (ELT), consisting of the Chief Executive and service directors. The CPO and members of the Corporate Asset Management Team regularly attend DMTs of other directorates to advise on programmes of work, business and service reviews & property resource issues as well as to receive feedback on maintenance and accommodation issues.

Property & Design support service reviews and the implementation of changes in service delivery and lead the city's Public Sector Property Group reporting to the City Management Board.

3.2 Our Corporate Landlord Model of Asset Management

Brighton & Hove City Council's 'Corporate Landlord' model of working was implemented by Property & Design in April 2013 following a period of 18 months development and collaboration with heads of services. It aims to improve the utilisation, efficiency and effectiveness of the council's property assets focusing on three main principles as shown in **FIGURE 2** below.

FIGURE 2: Our Corporate Landlord Model



Corporate Landlord has resulted from the following drivers:

- To develop a co-ordinated asset strategy for the council, making the best use of assets in line with the council's strategic priorities
- To regenerate areas of the city enabling facilities and opportunities for residents & visitors
- To demonstrate a customer focused & commercial property management service
- To contribute to the council's Value for Money modernisation programme and modernisation of the council leading the *Workstyles* projects, aligning with BPI and customer access
- To maximise the benefits of joint and collaborative working with partner organisations
- To manage increased pressures around property statutory compliance
- To reduce the council's carbon footprint

A Corporate Landlord health-check undertaken by CIPFA in 2014 showed that our Corporate Landlord model was embedded and working well.

3.3 Operational Property Strategy

Property & Design are responsible for the maintenance and improvement of non-housing operational property assets including social care, schools, leisure & civic buildings. Our strategy is to:

- Challenge services on their continued need for their property assets in the light of future service delivery needs and to seek alternative solutions where properties are unfit for purpose or surplus.
- Prioritise investment to our key assets taking into account future service needs, levels of maintenance required, energy efficiency, health & safety issues and accessibility.

Our operational property strategy provides a framework for achieving three of our five property objectives discussed in **SECTION 2.8**:

A. Provide the right buildings in the right place & condition to meet future service delivery needs

We work with directorates to support their service delivery reviews. Through regular Property Performance Reviews (PPR) we aim to link service delivery aims to our property assets ensuring that our buildings are in the best possible condition, in the right location and are fit for purpose. The PPR process is described in detail in **APPENDIX A.3**.

Operational properties declared surplus to requirements following assessment by the relevant service department revert back centrally through Property & Design for options appraisal on alternative uses or for disposal as described in **APPENDIX A.4**.

B. Deliver value for money property services & support the council's modernisation programme

The *Workstyles* programme is a key element of our accommodation strategy as described in **APPENDIX A.1**. We are seeking further savings on our maintenance and improvement programmes through the continued use of innovative procurement methods.

C. Use our One Planet Living principles to reduce our environmental impact

The council recognises the impact that our properties have on the environment in terms of energy use and carbon emissions as well as on our budget in terms of increasing energy costs and the effect of the Carbon Reduction Commitment scheme. Our One Planet Living plan is described in **APPENDIX A.2**.

3.4 Non-Operational Urban Commercial Property Strategy

The council's urban commercial investment portfolio produces an annual income of £8.4m [2013-14] that contributes to a reduction in council tax levels. It is mainly managed by Cluttons through a five year consultancy contract tendered during 2012 through the Official Journal of the European Union (OJEU) with a small proportion of sensitive properties managed in-house.

We work jointly with Cluttons to ensure that the council's financial, community, economic and social regeneration aims and objectives are achieved and that the portfolio's performance demonstrates justification for its retention.

In their latest annual strategic report Cluttons have noted that as of June 2014 a more upbeat economic confidence is now being reflected in the UK commercial property market as investment reaches a three year high. Although much of this activity has been concentrated in central London, the appetite for increased risk has extended to the south-east region too.

The local property market has been less hard hit than many other south-east locations and the city has seen a slight upswing in commercial investment activity evidenced by some recent major acquisitions by private investors. However, commercial development activity in the city remains limited although signs of renewed interest are emerging including the Cathedral Group's Grow Brighton scheme at Circus Street which has received detailed planning consent.

Our new headline strategies for this portfolio are:

- **Portfolio Re-Balance**

The income from the existing portfolio has been remarkably resilient over the last decade with very few voids due to close management of the portfolio. However, rental growth potential has been limited partly due to the effects of the recession but also due to the quality of the portfolio.

The portfolio has been built up randomly over decades often for reasons other than financial return including large scale town planning proposals in the 1960s which required road widening schemes, slum clearance and the formation of the city's housing estates. However a number of these schemes never came to fruition and the properties have been held ever since.

From a purely financial investment perspective the portfolio is not therefore fully fit for purpose and returns over the medium to long term could be improved, and risk reduced, by re-balancing as described in **APPENDIX A.4.2**.

- **Regeneration**

Whilst a substantial part of the portfolio is suitable for re-balancing to achieve prime status, other parts are held for other reasons and provide only a low income stream. In particular the council holds the freehold of a number of industrial estates enabling regeneration in support of the local economy and our strategy is to continue to seek such regeneration opportunities across the portfolio as described in **APPENDIX A.4.2**.

- **Asset Management Strategy**

The ability to identify and implement opportunities to add value can result in an improved asset and also an unexpected windfall payment. Given the current financial restraints and the need to raise capital these are important areas for our strategy. Lease restructuring on the industrial estates is one such area for enhancing values. Other areas include restructuring of other long leasehold properties, considering opportunities where marriage value windfalls may arise through working with adjoining owners and seeking payments for lease variations.

This work will be reviewed by the Investment Board described in **SECTION 2.7** above.

3.5 Non-Operational Agricultural Commercial Property Strategy

The council's agricultural estate extends to 10,500 acres (4,400 hectares) with an annual rental income in 2013-14 of £528k. The agricultural property portfolio is managed on our behalf by agricultural specialist consultants Smiths Gore through a five year consultancy contract that was tendered through an OJEU compliant procurement process during 2012.

We work jointly with Smiths Gore to formulate strategies for the agricultural and rural estates. Smiths Gore produce an annual report setting out the overall strategies for maximising performance across the portfolio as well as specific strategies relating to individual properties and sites.

Through the council's ownership of the agricultural estate, in addition to considering the estate as part of their overall property investment portfolio, it is presented with the opportunity to deliver on conservation and social well-being issues as set out in the City Downland Estate Policy.

The IPD Rural Property Investment Index analysis (12 months to December 2011) shows that the City Downland Estate is performing just below the IPD Rural Benchmark. This is a good result bearing in mind that the benchmark index includes specialist investment owners who are not necessarily constrained in the same way as the council in their approach towards investment opportunities and the decision making process.

The Council is seeking to identify and dispose of under-performing assets whilst retaining the social related benefits of land ownership and mitigating any reduction in rental income. To achieve this we have reviewed all assets within the Agricultural Portfolio identifying 'core' (for long term retention) and 'non-core' (available for disposal) property assets for which separate investment, disinvestment and reinvestment strategies can be developed as described in **APPENDIX A.4.3** below.

3.6 Accommodation Strategy

The Corporate Plan sets out the council's priorities, one of which is 'Modernising the Council'. Our *Workstyles* accommodation strategy is an integral and cross-cutting part of our VfM4 modernisation programme which aligns with our Property Objective C (see **SECTION 2.8**) and aims to rationalise our office accommodation and explore all opportunities for co-location with other services and public sector organisations whilst improving customer service.

The accommodation strategy is also closely aligned to the Customer Access Programme '*Improving the Customer Experience*' described in **SECTION 3.10B** below as this will have a major impact on our future accommodation needs.

The *Workstyles* programme is bold in scale and scope and fits alongside the council's broader organisational development. In addition to the opportunities for revenue savings through the disposal of both leasehold and freehold property, the programme generates funding through capital receipts for essential investment in the remaining property and in ICT infrastructure. Providing up to date technology, the ability for staff to work more flexibly and appropriate working environments is an essential part of improving the efficiency of services and contributing to the council's broader budget saving requirements.

The *Workstyles* programme centres around our main core administrative buildings. Two phases of the programme have already been completed and our plans for *Workstyles* Phase Three are discussed in more detail in **APPENDIX A1.1**. The benefits of the *Workstyles* programme to date [2014] include:

- Revenue savings through lease surrenders and disposals (up to £800k per annum achieved to date through phases 1 & 2)
- Increased flexible working for staff, managing workload, work times and work / life balance leading to productivity savings (1,250 staff in scope for phases 1 & 2)
- A more adaptable and productive workforce
- Reductions in the number of operational properties and improvements in working environments providing opportunities for efficiency savings (1 lease surrender, 7 disposals and 6 refurbishment projects during phases 1 & 2) 49% including phase 3.
- An improved environment for customers & staff
- Opportunities for efficiency and productivity savings for services
- Energy & carbon savings (over 30% reduction in the carbon footprint for staff in the scope of phases 1 & 2)

The *Workstyles* project is overseen by the Modernisation Board described in **SECTION 2.7** above.

3.7 Building Maintenance Strategy

This document sets out a strategic framework within which to identify, prioritise, plan, manage and monitor the maintenance of the council's non-housing operational property portfolio and underpins the AMP. This has become more important since 2012 with the introduction of our Corporate Landlord model of working when a large number of maintenance budgets were centralised and are now managed by Property & Design. In order to deliver the maximum value for money from these budgets it is essential to prioritise funding and to seek procurement and other savings wherever we can without compromising our overall service and repair obligations.

Reactive maintenance (where a previously unforeseen repair is required) can be both expensive and disruptive. Our aim is to restrict these works to a maximum of 30% of our total maintenance budget in accordance with guidelines and good practice. By continuing to survey each of our assets on a rolling five year programme we aim to develop future programmes of preventative works which have been prioritised on a consistent basis. This will allow us to more accurately predict future funding requirements and ensure that available funds are targeted to the right buildings allowing us to control further increases in our reported required maintenance.

3.8 Education Asset Management & School Places Strategy

Education Asset Management Plan

The asset management strategy for the council's school buildings is set out in the Education Asset Management Plan which is refreshed annually and is linked to the specific plans compiled by the individual schools.

The main aim of the document is to provide an agreed basis for determining priorities for the use of available capital resources to ensure that the learning environment contributes to raising educational standards. This is the framework within which schools may apply their devolved capital funds, the LEA can make decisions in a fair and transparent manner on priorities for development, partnerships can be developed and the most efficient and effective use can be made of available funding.

The Education AMP provides for the collection of data on the condition and sufficiency of school buildings as a means to identify where funding should be prioritised including:

- Modernising accommodation to help raise standards
- Addressing surplus places and over-crowding issues where they exist
- Identifying solutions to condition issues
- Ensuring that schools are accessible

B&HCC, as local education authority, lead in the development of the AMP linking the AMP objectives to the corporate priorities particularly in respect of Corporate Priority 1 – Tackling Inequality – by ensuring that our schools offer the best possible environment for learning.

School Places

Over the last few years we have expanded primary provision in the city to meet the growth in pupil numbers. This has included bringing back into use a Grade 2 listed Victorian primary school which had most recently been used by a further education college to deliver adult learning and a former police station which was converted into a 4 form entry junior school. There are now sufficient primary places in the city overall although a shortfall remains in Hove. We are continuing to work with our primary schools to identify opportunities to provide additional places where possible.

The main focus for the next few years will be looking to add provision in the secondary sector to meet the demand for places as children move through the system. We are currently working with secondary head teachers, Members and principals of sixth form colleges to develop a strategy for providing more places. It is likely that this will be a mixture of expansions of existing schools, new provision and working with schools with surplus capacity to maximise their intake into Year 7.

A site search has recently been undertaken to identify possible sites for new provision and these are currently being investigated for suitability.

We will continue to work with the Free Schools and Academies in the city and the Education Funding Agency (EFA) on prospective new Free Schools and Academies.

3.9 Other Service Strategies

A. City Housing Property Strategy

The city's current housing strategy covers the period from 2009 to 2014 and aims to address three key issues of housing supply, housing quality and improving housing support.

Priority One: Increasing Housing Supply

The city's resident population of 273,000 is housed in 122,000 homes - an average of 2.2 per home against the national average of 2.4 – and is the sixth most densely populated area in the south-east with pockets of over-crowding particularly within the private rented sector. The population is expected to rise by 6% by 2021 and together with the lack of available development land in the city this puts pressure on our housing supply.

The city has relatively high property prices with an average house price of £242,535 in February 2014 compared with an average of £223,733 for the south-east region and £173,000 nationally although the average wage was £529 per week in the city compared with an average of £556 per week in the south-east.

Priority Two: Improving Housing Quality

Brighton & Hove was ranked as the 66th most deprived authority in England out of 326 authorities in the 2010 Index of Deprivation. This means that the city is within the 20 per cent most deprived authorities in England. There is a high incidence of non-decent housing across all tenure types but primarily affecting the vulnerable.

Priority Three: Improving Housing Support

It is estimated that 25% of the city's households contain a member with a disability or long-term health problems and the city has high levels of mental health, physical disability and drug use issues.

With an expanding older population in the city, extra care housing is considered critical as an alternative to residential care to maintain the quality of life of local people and to reduce the pressure on public finances.

The new draft housing strategy is currently being widely consulted upon and is due to be launched during December 2014. The new document is expected to focus on five priority areas:

- **Priority 1: More Affordable Homes**
Includes making better use of our housing stock & supporting households to downsize & maintaining a development pipeline of new affordable housing.
- **Priority 2: Healthy Homes**
Includes ensuring new housing is built to a high quality, ensuring landlords maintain their homes in a safe condition, tackling non-decent housing and improving energy efficiency.
- **Priority 3: Supporting People in Need**
Includes preventing homelessness, extra care housing and supporting vulnerable people including those with physical disabilities, mental health, drug or alcohol problems.
- **Priority 4: Supporting Our Communities**
Includes supporting single people, older people, families, BME, LGBT, gypsy & traveller communities, students and young people.
- **Priority 5: Tackling Deprivation**
Includes estate regeneration and tackling deprivation, worklessness, anti-social behaviour & inequality and supporting community cohesion and welfare reform.

B. Highways Strategy

Highway Maintenance Strategy

The council is currently (April 2014) reviewing its highway maintenance strategy in accordance with the latest guidance on Highway Infrastructure published in May 2013 and the supporting toolkits published by the Government funded Highway Maintenance Efficiency Programme (HMEP). This will enable the council to develop a strategy that optimises whole life cycle planning of its highway assets through a programme of preventative maintenance and planned structural maintenance.

The council holds a register of highway assets which include carriageways, footways, structures, street lighting, signs, gullies and street furniture. This information enables calculation of the gross replacement cost of the assets currently valued (April 2014) at £1.56 billion. Condition surveys are carried out annually from which the net depreciation value of the asset is calculated.

In addition to condition surveys, safety inspections are carried out in accordance with the Code of Practice for Highway Maintenance.

The frequency of inspection for sections of the highway is based on a road hierarchy which takes account of usage of the network and road classifications, 'A' roads, 'B' roads etc.. The rationale and procedures for carrying out inspections are set out in the council's highway maintenance policies.

The structures that are the council's responsibility include bridges, retaining walls and the sea-front arches. These structures are inspected regularly in accordance with national guidelines and a specific asset management plan has been produced for the sea-front arches. A programme for reconstructing these assets, which support the highway as well as being used commercially, is ongoing.

Maintaining the city's highway infrastructure in a safe condition is integral to achieving many of the council's economic and social objectives. The council has a well-developed approach, the purpose of which is to target resources in the most effective manner and by doing so provide a safe highway environment commensurate with the council's vision and to minimise the risk of accidents on the highway. The aim of the future strategy will be to build on this by developing service standards, applying a risk management approach that identifies the council's critical highway assets, produce forward works programmes, and to evaluate investment options to improve the assets.

Implementation of the Highway Maintenance Strategy will enable the council as Highway Authority to discharge its statutory duty under the Highways Act 1980 to maintain the highway to an appropriate standard. The strategy sits within a framework of highway policies, maintenance contracts and good practice design guidance which integrate to ensure that quality services are delivered effectively within available budget.

Local Transport Plan

The council's current Local Transport Plan (also referred to as LTP3) was approved in 2011. It includes a fifteen year strategy and a framework for a three year delivery plan. It outlines how the council's transport objectives will support the delivery of wider policy objectives, such as economic growth and carbon reduction. The primary focus of LTP3 is to set out how significant capital investment in maintaining, managing and improving the transport network will deliver a safer, sustainable, resilient and efficient transport system for the city.

The council is recognised as a leading authority in the UK on transport matters and a number of successful bids for funding and awards in recent and past years reflect the high quality and success of schemes which have been delivered.

Key objectives which the council aims to achieve through the LTP3 include tackling congestion, improving air quality and road safety, increasing mobility and accessibility and maintaining the highway infrastructure. By working in partnership the city council's investment in transport in Brighton & Hove has helped to reduce traffic levels and increase the use of public and sustainable transport.

Work to prepare a new LTP (LTP4) is currently underway involving the city's Transport Partnership and other stakeholders and partners and will aim to build on current successes and continue to address a wide range of issues related to improving people's quality of life including health & personal security and enhancing the places that people use through neighbourhood renewal and upgrading the quality of public spaces and streetscapes.

Street Lighting

Our city street lighting contributes 5,270 tonnes [2012-13] of gases to our annual carbon footprint which represents nearly 14% of our total emissions. The main focus, which Property & Design will be supporting, is therefore on reducing this impact through capital investment in energy efficient lighting on new and upgrade schemes where energy consumption has been shown to reduce by over 40%.

Other strategies are to consider the installation of central management systems for our street lighting which are being trialled including part-night switch offs and centralising the procurement of electricity through Property & Design within the main corporate contract.

C. Seafront Strategy

Tourism is a key element in the city's economic strategy. Brighton & Hove has an estimated 8,000,000 visitors a year contributing £740m annually to the local economy and supporting about 18,500 jobs. The Seafront is of vital importance to our tourism offer which acts as a focal point attracting both residents and visitors in large numbers. The Seafront is a showcase for the city and plays a major role in attracting business visitors to conferences and events.

Despite the recent economic difficulties, it is positive that the Seafront continues to attract investment opportunities including the Brighton Wheel and the commencement of the i360 project.

To encourage the most suitable development applications and to ensure that the correct decisions are made it is essential that the Seafront Strategy is brought up to date and consulted widely upon. In addition an over-arching Strategy assists when applying for external funding and the allocation of developer contributions. The strategic vision is:

“To develop the unique character areas of the iconic Brighton & Hove Seafront to create attractive, sustainable, high quality environments for residents, businesses and visitors throughout the year”

The scope of the new strategy has been considered from two perspectives. Firstly, the identification of over-arching themes for the sea front that relate to the whole length of the coast from Hove Lagoon in the west to Saltdean in the east. Secondly, an assessment of the individual character areas that comprise the seafront to identify potential opportunities for improvement while acknowledging the challenges each area presents. The document sets out the proposed character areas with potential development and improvement opportunities highlighted.

A key element of the consultation process is a Scrutiny Panel set up to inform the strategy and the issues involved including the challenges facing the seafront, increasing income and how funding gaps for essential structural maintenance and infrastructure investment can be reduced.

3.10 Related Strategies & Programmes

A. Value for Money Programme 4 (VfM4)

The council is facing severe financial pressures with a need to find an additional £90m of annual savings in the five years to 2019-20. In response to forecast budget reductions the council has implemented a Value for Money (VfM) Modernisation programme to help meet the projected budget shortfall. The programme has achieved over £22.7m of savings up to 2013 with an additional £9.8m anticipated for 2013-14.

The council has been working with its consultants, Ernst & Young, to identify further savings opportunities for the VfM Phase 4 programme for 2014-15 onwards in order to meet the budget targets.

Key major saving opportunities have been identified in the areas of service modernisation (especially the Adult Social Care & Children's Services), income & debt management, third party spend, client transport, cultural services, Digital Customer Experience projects and Workstyles.

Modernisation enablers have also been identified including our People Plan, 'Living our Values Every Day' culture change programme, targeted ICT investment, business process improvement and multi-agency integrated working.

Each VfM4 modernisation opportunity and enabler has been allocated to a senior officer to monitor and drive through the necessary changes overseen by the Corporate Modernisation Delivery Board.

B. Customer Access Programme – Improving the Customer Experience (ICE)

Our Customer Access Programme aims to embed the council's Customer Promise within all of our services - to be easy to reach, to be clear & treat people with respect & to listen & get things done.

The programme focuses on our business strategies and how to incorporate digital technologies to help services modernise.

Digital technology not only creates a new 'front door' for our residents to use services, but opens up new methods of managing customer data in the best way to deliver services. Customer Experience Management (CEM) is the software supporting the customer interface with council services. Ultimately this will lead to a 'My Account' facility providing a single and secure access point to council services. As we move towards this we will work in line with the best practice from the Government Digital Service and at a national, regional and city level across partners to find better solutions.

We aim to simplify processes for the customer across all access channels (face to face, telephone and digital) by using technology to be more responsive to customer needs. As the programme goes forward we will be better placed to answer customer queries at the point of contact in a more joined up way and to plan future services to meet the city's needs. Some examples are our Customer Service Centre in Brighton, the joint Customer Service Centre with the police in Hove, our website redesign, and our award winning council Connect service in Libraries.

C. Corporate Procurement Strategy 2014-2017

The council spends approximately £270 million per annum on externally procured services and it is essential that effective planning goes into the commissioning and procurement of these services in order to provide value for money and high quality services and supply.

A key focus of the strategy is the Public Services (Social Value) Act 2012. The Act places a duty on the council to consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area. Collaboration on the procurement of services will also be expanded with guidance and advice so that the opportunities to work across the council and with other councils and relevant bodies are properly exploited.

The strategy describes objectives and measures to simplify and streamline existing processes. The outcomes are designed to attract more bidders from small & medium enterprises (SMEs), local businesses and community and voluntary sector organisations.

A core element of the strategy is Sustainable Procurement whereby the council has committed to embed the principles of sustainability throughout our procurement activities with a balanced consideration of the social, ethical, environmental and economic impacts undertaken.