

Teignbridge District Council

Strategic Asset Plan: 2024 - 2029

Draft

February 2024

Foreword

Councillor David Palethorpe, Portfolio Holder

“This new Strategic Asset Plan Policy document has been produced following officer and member workshops and has been devised to provide direction and clarity in the way we manage our land and buildings.

This Strategy document covers the whole of the District and its intention is to ensure we manage our assets for the benefit of all the residents across the District of Teignbridge.”



Policy 2024-2029

Introduction.....	6
Key issues.....	7
Policy Context.....	10
Vision.....	15
Actions and Behaviours.....	16
Sub-Portfolios.....	19

Strategy 2023-2026

To follow

Action Plan 2023-2024

To follow



The objectives and priorities of Teignbridge District Council are set out within the Corporate Plan referred to as the Teignbridge District Council Ten Year Strategy 2020-2030 “The Council Strategy”.

The aim of this Strategic Asset Plan is to align and leverage real estate in order to help deliver relevant elements of the Council Strategy either directly, or indirectly by assisting delivery of other service plans.

Teignbridge District Council’s Strategic Asset Plan 2024 to 2028 is based on an Asset Management Framework which is made up of three elements:

1. Asset Management **Policy**
2. Asset Management **Strategy**
3. Asset Management **Action Plan**

Whilst connected and inter-related, the Strategic Asset Plan is designed to be organic and each part intended to last over different timescales and also capable of being updated at different times in order to remain relevant. For example, the Policy is likely to remain in place for a five year period, whereas the Action Plan is intended to be reviewed and updated annually.

It is therefore important that the reader ensures they are viewing current versions of all three parts of this Strategic Plan.

Part 1

Asset Management Policy

2024-2029



Introduction

The Asset Management Policy Identifies objectives and priorities within the Council Strategy to which asset management can make a positive contribution.

The timescale for the adoption of the Policy is five years, 2024 to 2029, but reviewed annually.

Firstly the policy document provides a brief overview of the key issues and challenges faced by Teignbridge as a District.

Secondly it sets out the organisational context of the authority which has been designed to address and improve the District's issues. This focuses on the Council's other strategies and policies that feed in to the Corporate Strategy and which our approach to real estate can impact.

Finally, set out is five overriding principles which determine our approach to real estate and, if adhered to, have been designed to ensure the manner in which TDC uses its land and buildings positively contributes to achieving the Council Strategy.

New policy or review of previous documents

This is a new policy which will supersede the previous Asset Management Plan 2018 to 2023 (adopted December 2018).

The Council understands the fundamental part Real Estate plays in enabling the delivery of a variety of other corporate, policy and service line strategic objectives. Active asset management therefore has a vital part to play in the Council's ability to deliver first-class front-line services. This has been demonstrated by measurable past successes and we would therefore like to build on the previous plans by implementing a new policy.

We will also continue to strive to meet the aspirations of the District to use assets to meet the needs of the Local Community, deliver commercial returns and promote joint asset working with other Bodies via the One Public Estate Scheme.



Key issues particular to Teignbridge and the District Council

Fundamental to achieving the Council's longer term goals and objectives is how we utilise our land and buildings. This requires guidance and a charter of overriding principles that can be used to inform decision making. To achieve this the Policy document identifies and defines core principles by which we will commit and adhere to.

Finally, this first document outlines the Corporate Policies and Wider Service level aims and objectives that can be supported by real estate and its functions.

The Council Strategy sets out the Council's priorities which are categorised in to eight key objectives:

1. A carbon neutral district
2. Better quality and affordable housing
3. Good wages and jobs for all
4. Active and sustainable travel choices
5. Encouraging our young people to stay
6. A healthier population living in resilient communities
7. A clean, green and safe environment
8. An open council

Key issues particular to Teignbridge and the District Council. continued

Climate Emergency

Declared a Climate Emergency: On 18 April 2019 Full Council declared a 'Climate Emergency' and committed Teignbridge District Council to reach net carbon neutrality by 2025.

TDC has played a leading role in tackling climate change for some time, with lots of work completed and on-going in the Council Strategy's 'Zero Heroes' project.

Since declaring the Environment and Climate Emergency, TDC has revisited these plans to create a Carbon Action Plan Part 1 covering our in-house operations setting out a series of actions to tackle emissions produced as a consequence of the services that we deliver as a local authority. This was adopted by Full Council in July 2022.

TDC is working with communities and businesses to create the second part of our Carbon Action Plan covering what needs to happen at District level working towards our net zero goal for Teignbridge. This plan will be launched in 2024.

"By declaring a Climate Emergency, we have made a clear commitment and have set a target to reduce our carbon emissions from the estate and operations of TDC." Carbon Plan June 2022

TDC is part of the Devon Climate Emergency Response Group which brings together 20 public and private sector organisations in Devon supporting urgent action on the climate emergency and coordinating the production of the Devon Carbon Plan.



Key issues particular to Teignbridge and the District Council. continued

The key Challenges faced by Teignbridge include:

- An Ageing Population
- Low wage economy
- Increasing Financial Pressures
- Increasing the number of affordable homes within Teignbridge

The key Challenges faced by the District Council include:

- Uncertainty around government funding
- Rising inflation and infrastructure costs
- Budget deficits requiring use of finite reserves
- Difficulty recruiting and retaining staff
- Improving service delivery with less resource

Fundamental to overcoming these challenges and achieving the council's medium to longer term financial and corporate goals and objectives is how we utilise our land and buildings.

Organisational context of the policy

Ultimately the Council's land and buildings should directly or indirectly support the delivery of the services it provides.

However, it is critical to recognise the wider inter-relationship property has with the Council's key strategies and policies, finances and service delivery.

Understanding how real estate supports these areas is critical to the alignment and management of strategic ambitions, financial requirements and service delivery - enabling effective asset management.

An awareness of this will allow TDC to ensure its property holdings have a clearly identified purpose of ownership.



Organisational context of the policy - Strategies

The Council's current Policy and Strategy Framework that sit around the central Council Strategy and therefore form the context for this Strategic Asset Plan's Policy include:

New Council Strategy

The Council Strategy is currently under review, and corporate objectives and targets are an emerging picture, particularly with the direction of a new administration.

It is, however, anticipated that key themes important to the District will continue to be relevant in the revised strategy and include:

- **Community**
- **Environment**
- **Housing**
- **Jobs**



Council Strategy
2020-2030
(under review)



Medium Term
Financial Plan –
Capital & Revenue



Local Plan
2013-2033
(under review)



Economic
Development Plan



**Asset Management
Framework**



Housing &
Homelessness
Strategies



Green Infrastructure
Strategy



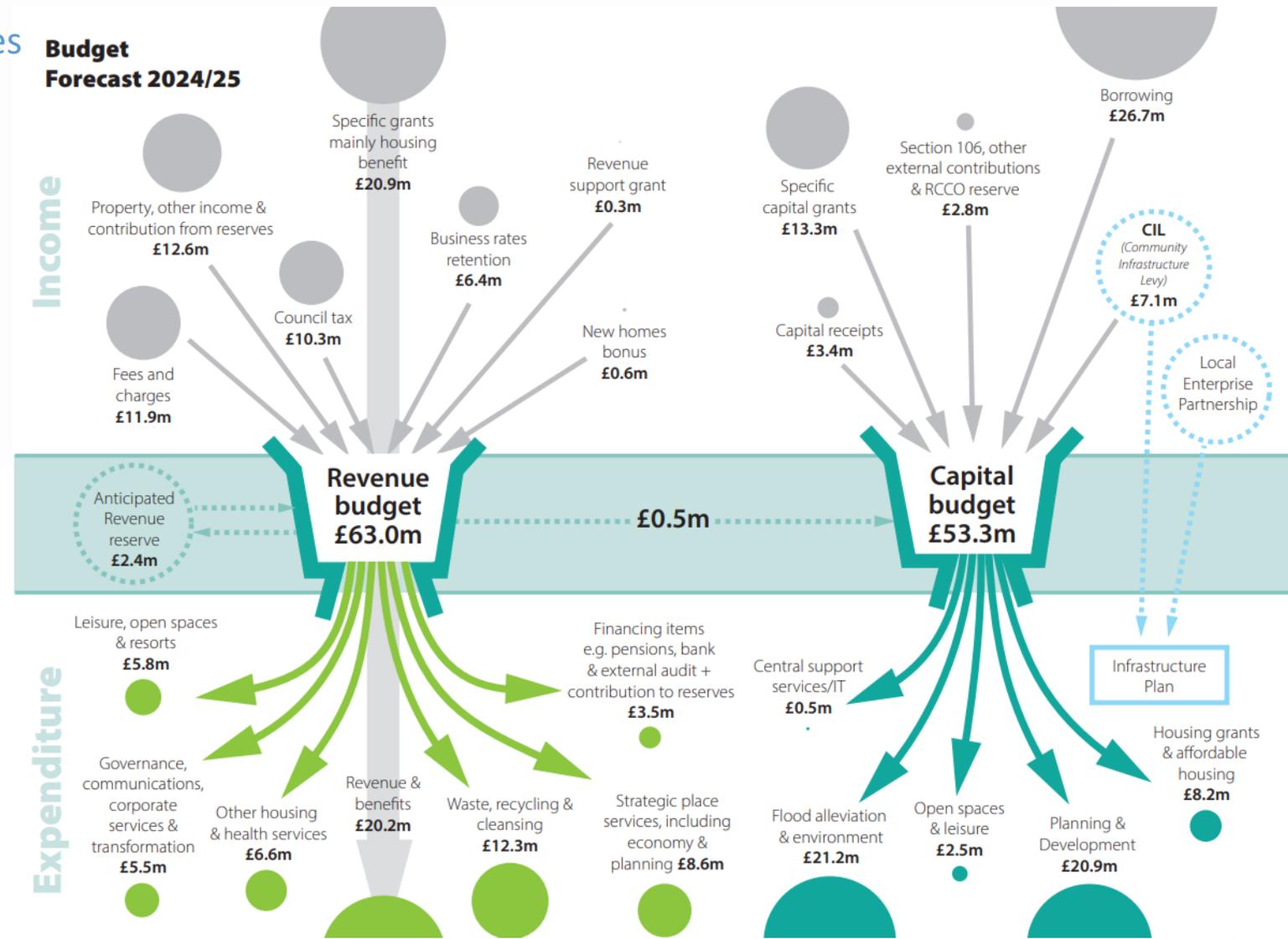
Annual Service
Business Plans

The asset management approach should fundamentally support and contribute to the administration's strategic ambitions. However, there must also be an acknowledgment and understanding of the relationship between the approach to managing the asset portfolio and the sustainability of both service delivery and the council's financial position.

Organisational context of the policy – Finances

- The asset management plan needs to align with the Councils Capital Programme and medium term financial planning.
- It also reflects the changes in the Councils revenue budget and how this impacts the management of the commercial asset base.
- Not achieving the Medium-Term Financial Plan targets will increase the risk of a Section 114 Notice becoming necessary.
- The Council's finances and its inter-relationship with its assets from revenue, capital receipts to budgeting for maintenance and capital projects is set out in the Strategy section of the document.

Teignbridge District Council's Capital Strategy provides an overview of how the Council plans and delivers its capital expenditure, capital financing, treasury management and investment activities. It shows how these activities are carried out with the aim of fulfilling the priorities set out in key strategic documents such as the ten year council strategy and local plan. It is a key document for the Council and forms part of the annual budget papers.



Organisational context of the policy – Finances Continued

As part of its budget papers, the Council produces a **Financial Plan**. This is divided into two parts – the **Medium Term Financial Plan (MTFP)** and the **Financial Viability Process (FVP)**.

1. The Medium Term Financial Plan provides a financial model and forecast of the cost of providing services over a rolling five year period.

In addition to considering the revenue implications and the General Fund balance, the MTFP also reviews the affordability of the Council's capital investment programme, matching forecast funding against planned capital spending over a five year horizon. Current, significant financial pressures to consider are high inflation rates, interest rates, high energy and food costs and a likely recession. The MTFP seeks to address these financial challenges while facilitating the Council's strategic aspirations, such as affordable housing and carbon reduction.

2. The Financial Viability Process shows how the Council will attempt to balance its finances over the coming years to continue to provide service for its residents and customers. A key part of this is a process of reviewing service plans to achieve financial sustainability and viability.

The **Capital Strategy** shows how the Council intends to focus its capital investment to further its strategic objectives, including investment in infrastructure, housing and reducing the impacts of climate change. It provides the framework which will allow the Council to achieve its vision of shaping Teignbridge as a place which is economically resilient, delivering good quality services while addressing the funding challenges.

Organisational context of the policy - Services

<p>Assets (Estates, Repairs & Maintenance, Major Projects) - Managing property and regenerations projects.</p>	<p>Demographic Services - Elections. Councillors Services. Committee Meetings</p>	<p>Council Tax - Payments. Reductions (support). Changes. Challenges.</p>
<p>Parking - Running off street car parking services including Enforcement. Parking permits. Parking order. Devon County Council services on-street parking.</p>	<p>Housing - Preventing homelessness. Maintaining housing standards and assisting people to stay independent in their homes. TDC's housing stock was transferred to Teign Housing by in the early 2000s. Current ownership includes hostels, recent acquisitions of dwellings to support refugees, a Traveller Site and homes let on secure tenancies through the T100 programme.</p>	<p>Planning - Applications and Appeals. Local Plans and Policy. Local Land Charges. Heritage Assets. Biodiversity. Trees and Landscape. Enforcement. Neighbourhood Planning. Custom and self build. Devon Building Control. Street names and numbers.</p>
<p>Recycling and Waste - Collections. Garden Waste. Special. Commercial Waste.</p>	<p>Legal Support Services (internal) - Internal legal support services.</p>	<p>Business Rates - Payments. General Guidance. Relief and exemptions. Reporting changes.</p>
<p>Sports and Leisure - Managing Facilities (golf, leisure centres, Boat storage, football pitches, tennis courts, BMX and skate parks, Lido.); Events; Beaches (inc. huts); Parks and open spaces; Weddings (Old Forde House).</p>	<p>Estuaries and Coasts - Supports the South West Regional Coastal Monitoring Programme; Teign Estuary and Coastal Partnership; South Devon and Dorset Coastal Authorities Group; South West Coastal Group</p>	<p>Environmental Health and Wellbeing - Food safety. Health and Safety. Noise and Nuisance. Pests. Flytipping and graffiti. Dogs. Climate Changes. Health and Wellbeing. Licensing and Registrations. Enforcement.</p>
<p>Drainage and flooding - Drains, sewers, gullies, land drainage, sandbag collections, flooding.</p>	<p>Licensing - Alcohol and entertainment. Taxis and private hire. Charity collections. Street Trading. Pavement licenses. Animal licences. Gambling and lotteries. Camping, caravans and park homes. Tattooing, piercing.</p>	<p>Benefits and Support - Housing Benefit. Universal credit and Council tax support.</p>

Teignbridge District Council is not a Highways, Education or Health Authority



Informing Our Approach - Vision

“We will manage assets to support the strategic delivery of district services improving the economic, social and environmental prosperity of our communities now and for the future”

This vision can be translated into a set of five strategic objectives in three main categories:

1. To develop a more **efficient** property portfolio, increasingly more fit for purpose and aligned with the council’s strategic and operational objectives (a)
 - To produce revenue **savings** and reduce property ownership costs and liabilities through a programme of asset rationalisation (b)
 - To **optimise** the realisation of asset values through planned capital receipts and the maximisation of rental income (c)
2. To effectively **contribute** to the district’s economic growth, and to its social and environmental wellbeing
3. To **improve** service delivery by providing fit for purpose assets which support corporate and service strategies

Informing Our Approach – Actions and Behaviours

Combining our vision and principles to define our actions and behaviours

1a. To develop a more **efficient** property portfolio, increasingly more fit for purpose and aligned with the Council's strategic and operational objectives

- Corporate level decision making on real estate matters
- Real estate budgets are managed corporately and prioritised appropriately
- Assets are used to support Council services efficiently and appropriately
- Systems and procedures to ensure data capture is accurate and up to date
- Capital Projects will ensure value for money and will be prioritised to support Corporate objectives
- Operate and use our buildings in an efficient manner (utilisation)
- Work with other services and third party groups / organisations to Optimise the efficiency of use of our assets

1c. To **optimise** the realisation of asset values through planned capital receipts and the maximisation of rental income.

- Seek Market Rents across our estate and measure the deviation compared to contracted rent
- Quantify, review and justify rent concessions to establish the 'cost'
- Increase exposure to inflation linked rents to protect against "going backwards"
- Diversify revenue to prevent an over-reliance on car parking receipts

1b. To produce revenue **savings** and reduce property ownership costs and Liabilities through a programme of asset rationalisation

- Process of challenge and review to identify under-utilised or under performing assets
- Challenge low performance buildings to inform improve or dispose decision making
- Alternative use / repurposing assessments to be undertaken
- Appropriate asset level plans to be implemented to improve where necessary, or disposal decisions made where existing holdings are not aligned to our established principles
- Portfolio review to identify and rank assets with poor energy performance
- Acquisitions to pass a 'purpose and risk' test, to include liquidity assessment
- Challenge each asset and consider improve or dispose for underperforming assets
- Review and monitor operating expenses on at asset and portfolio level and implement a Deliverable plan to reduce costs

Informing Our Approach – Actions and Behaviours

2. To effectively **contribute** to the District’s economic growth and to its social and environmental Wellbeing

- Be a catalyst to enable wider economic growth and development across the District
- Provide a proportion of real estate to incubate start up businesses with a “Grow together” mentality by retaining tenants along their growth curve and capturing in the success
- Prioritise innovations in clean energy and enabling future industries and connected tertiary education facilities to establish in the District
- Seek ways to improve the ‘experiential’ offer of our towns to increase visitor numbers and dwell time.
- Environment first principle for Capital Projects.
- Carbon lifecycle / embodied carbon to be measured and taken in to account in repair and Maintenance, demolish, replace decisions
- Always explore initiatives to encourage our tenants to use our buildings optimally eg Green Leases, cycle facilities, low carbon technologies, EV charging points, non fossil fuels
- Safeguard the nature and accessibility of our natural real estate
- Encourage leisure activities by providing modern, affordable facilities
- Encourage and facilitate sustainable travel to our land and buildings
- Quality of life to be at the heart of our decision making
- Embrace the natural environment and seek ways to positively interact

3. To **improve** service delivery by providing fit for purpose assets which support corporate and **Service strategies**

- Prioritise compliance across our current real estate holdings to ensure Property is suitable and safe to use
- Continuous review of statutory compliance
- Engagement at corporate level for prioritising Capital Projects
- Effective and deliverable Planned Preventative Maintenance (PPM) Programme in place and budgeted for
- Embrace One Public Estate policies and initiatives
- Review ability to adapt to and monetise flexible / remote working
- Regular review and challenge of Council services’ utilisation of space
- Forward plan for future requirements within Council Services and third party organisations
- Accommodation review process to be put in place to ensure optimisation of existing asset base

Informing Our Approach

This vision, five strategic objectives and our defined actions and behaviours will be delivered by adopting the following approach:



Informing Our Approach – Sub-Portfolios

How do we decide which particular approach and behaviours should be applied to TDC's various and disparate assets?

Assets will be grouped into sub-portfolios which fall within three categories;

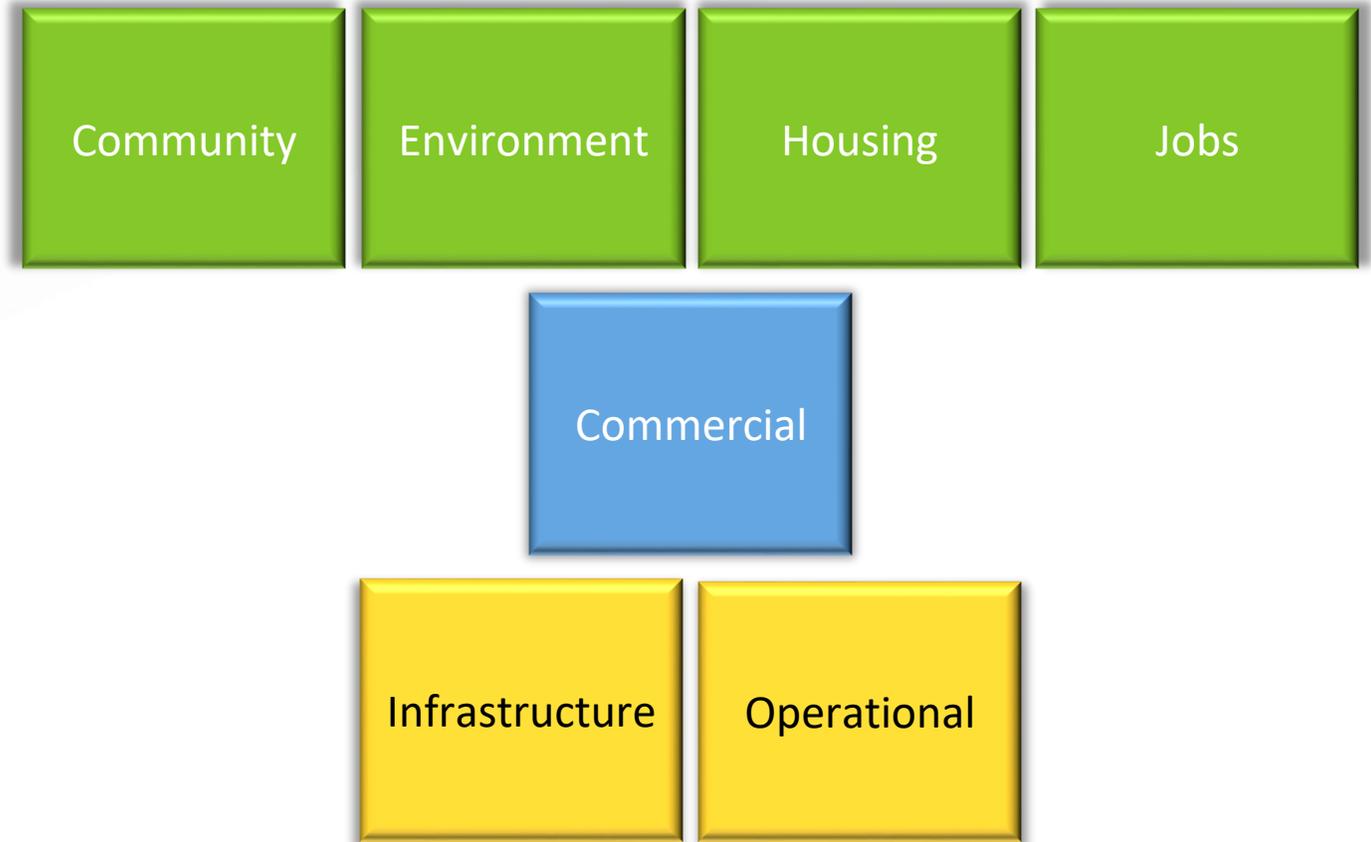
- **Strategic**,
- **Commercial** and
- **Service Delivery**

Each asset will be reviewed according to its current purpose and performance and allocated to the most appropriate sub-portfolio based on agreed definitions and indicators.

An **Asset Challenge** process will be agreed and documented in the Strategy to enable informed, structured and objective decision making in three stages:

1. Review of strategic fit and purpose
2. Performance assessment
3. Case for change and decision process

Equality Impact Assessments (EIAs) will be undertaken, where applicable, at each decision making stage.



Informing Our Approach – Sub-Portfolios Definitions

Community

- Assets which primarily support the physical and mental wellbeing of communities
- Assets with an estimated whole-life net cost are deemed held exclusively for community purposes e.g. play parks

Environment

- Assets protected to support the natural environment or ecosystems
- Assets intended to offset carbon footprint
- Assets with an estimated whole-life net cost are deemed held exclusively for environment purposes e.g. nature reserves

Housing

- Assets which are:
 - Primarily used to increase affordable housing supply through development and corporate projects; and/or
 - Leased to, or managed by, registered providers
- Assets with an estimated whole-life net cost are deemed held exclusively for housing purposes

Jobs

- Assets which support the provision of jobs and economic growth e.g. Teignbridge Business Centre
N.B. There will be trade-offs in terms of subsidising long-term prospects and growth of local businesses for commercial returns

Informing Our Approach – Sub-Portfolios Definitions

Commercial

- Assets which generate revenue income to support the council’s financial position
- Assets denominated with a primary commercial purpose must return a revenue surplus
- Assets exclusively held for commercial purposes must seek to maximise yield, including attaining full market rate
- Assets where return on investment for capital spend must meet minimum requirements

Infrastructure

- Infrastructure assets which the council has ownership of and a statutory responsibility to maintain
N.B. The council may not have a statutory responsibility to retain the asset or provide services relating to it, and transfer of ownership or disposal may be possible

Operational

- Assets used by council staff and those acting on behalf of the council to deliver services, projects and other initiatives
e.g. Depot and recycling centre

Sub-portfolios

Sub-portfolios are suggested where groups of assets require different types of action to achieve similar outcomes. For example; land that is not of significant strategic or commercial value in isolation, and where any existing use can be reasonably changed, should be transferred to a surplus land sub-portfolio within the commercial bucket to consider opportunities to exploit maximum value