

<b>Report of:</b>	<b>Head of Planning and Regeneration</b>
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<b>Portfolio Leader:</b>	<b>Corporate Improvement</b>
<b>Key Decision:</b>	<b>Yes</b>
<b>Report Track:</b>	<b>Cabinet: 31/01/13 Council: 13/02/13</b>

**CABINET**  
**31 JANUARY 2013**  
**ASSET MANAGEMENT AND ENERGY MANAGEMENT STRATEGY 2013/18**

**1 Purpose of Report**

- 1.1 To obtain Members approval to the Asset Management and Energy Management Strategy 2013/18 which sets out the policy framework for how the Council intends to use its land and property assets over the next five years.

**2 Recommendations**

- 2.1 That Cabinet considers the Asset Management and Energy Management Strategy 2013/18 and recommends to Council that it be adopted and approved.

**3 Key Issues and Reasons for Recommendation**

- 3.1 Property is not held by the Council as an end in itself but as a resource. But unlike people or finance, property is an inflexible resource in that land and buildings by their nature cannot be acquired, sold or altered quickly. In order to avoid a mismatch between service needs, corporate goals and the property portfolio (excluding council housing) the Council needs a forward looking Asset Management Strategy that will help the organisation to adapt and respond to future requirements.
- 3.2 The accompanying Strategy (Annex 2) addresses the above requirements and is based on current Council policy and the medium term financial strategy as set out in the Corporate Plan 2011-2014. Members of Cabinet are therefore asked to consider the draft Strategy with a view to recommending its adoption by Council.
- 3.3 Set out in the draft Strategy for approval is a set of Strategic Objectives for the Council's assets (excluding council housing):-
- To review and where appropriate rationalise the portfolio the Council holds, both freehold and leasehold, so as to maximise receipts and minimise property costs.

- Ensure that those assets that are retained for service delivery are well maintained, suitable, accessible, safe and fit for purpose.
  - To use the property portfolio to assist with the regeneration and economic development of the District and to support health and well being outcomes.
- 3.4 In addition the Strategy further identifies a number of Key Actions required to implement the series of policies contained within the Strategy relating to Property Reviews, Major Sites, Partnership Working/Shared services, Economic Development and Regeneration, Property Maintenance and Energy/Water Management. These are summarised at Annex1 to this report.
- 3.5 Local authorities vary enormously in the size and nature of their asset holdings but all face similar challenges, such as modernising service delivery and getting the most from their resources. By prioritising asset management, working with a variety of partners, aligning assets to priorities and assessing whether the asset base is performing at its optimum, the Council will be more able to use its assets to meet these challenges. The Asset Management and Energy Management Strategy 2013/18 therefore sets out a policy framework for how the Council intends to better use its land and property assets over the next five years.

#### **4 Relationship to Corporate Priorities**

- 4.1 The Asset Management and Energy Management Strategy promotes the use of assets in a way that positively supports the Council in the delivery of its processes and priority outcomes

#### **5 Report Detail**

- 5.1 Asset Management Planning was first introduced in 2000 in response to an Audit Commission report which claimed that many local authorities were not managing their property effectively. Council's were required to produce a Capital Strategy and Asset Management Plan (AMP) and submit them to the Government Office on an annual basis. However in response to rising standards this requirement was later removed as was the requirement to submit Property Performance Indicators.
- 5.2 The format of the early AMP's was very prescriptive and a more process based document. Government recognised that local authorities vary enormously in the size and nature of their asset holdings and as a consequence face different challenges. As such a "one size fits all" approach was no longer seen as the best way forward. Similarly a move away from a process based approach to a more forward looking strategic approach to asset management was required.
- 5.3 The Council's existing Asset Management Plan 2006-11 although updated was still based on the old style format and has therefore been rewritten to reflect current best practice in terms of approach and format and address the revised Priority Outcomes as set out in the recently adopted Corporate Plan 2011-14. The draft Asset Management and Energy Management Strategy 2013-18 (the Strategy) represents the policy framework for how the Council wishes to use its

land and property assets (excluding council housing) over the next five years. It is not, however, a “one off” document but will need to be reviewed and updated annually to reflect progress, changed priorities and new legislation.

- 5.4 The Strategy forms part of the Council’s Budget and Policy Framework and as such its adoption is a function of the Council.

**6 Implications**

**6.1 Financial**

There are no direct financial implications arising from this report.

The actions as contained in the Strategy will either be met from existing resources or would be the subject of further reports

**6.2 Legal**

There is no legal requirement for the Council to produce and publish an Asset management and Energy management Strategy. However, having a strategy which sets out the policy framework for how the Council wishes to better use its land and property assets (excluding its housing stock) is considered good practice. It is also one of the documents upon which a Council will be judged by external audit.

**6.3 Human Resources**

None identified

**6.4 Section 17 (Crime Prevention)**

None identified

**6.5 Human Rights Act**

None identified

**6.6 Data Protection**

None identified

**6.7 Risk Management**

The absence of a Corporate Asset Management and Energy Management Strategy represents an operational risk which is addressed by the adoption of this Strategy document.

**6.8 Equality & Diversity**

None identified

**6.9 Best Value**

None identified

**7 Appendices to the Report**

Annex 1	Summary of Key Policy Statements and Actions
Annex 2	Asset Management and Energy Management Strategy 2012-17

**Previous Consideration**  
**None**

**Background Papers**  
**None**

Annex 1

Summary of Key Policy Statements and Actions

Table of Policy Statements

Property Review

The Council will continue to challenge the use and occupation of its assets in the light of changing circumstances.

Major Sites

The Council will use its non-operational land assets to generate capital receipts and where possible support the growth and regeneration plans for the District .

Partnership Working / Shared Services

The Council will seek to maximise the use of its office accommodation including opportunities for joint use of property with other organisations

Economic Development and Regeneration

The Council will continue to be open to opportunities where its property assets can be used to promote regeneration projects that provide social, health or economic benefits for the District.

Property Maintenance

That all operational assets should be brought up to and thereafter maintained at Condition B as standard

Energy and Water Management

That the Energy Policy at Annex 3 be adopted

## Table of Key Actions

### Property Review

Property Services to pursue the disposal of the sites identified as part of the 2010/11 Property Review process

Progress discussions with the Citizens Advice Bureau regarding surplus accommodation at Anson Street

Property Services to continue to monitor demand for small residential sites and resume the marketing of the surplus garage sites as and when they are declared surplus by Housing Services.

Promote and advertise empty retail and industrial units across the District in a pro-active manner.

Complete a comprehensive review of the Council's property assets by March 2015.

### Major Sites

That Officers continue to work towards putting all the necessary consents and approvals in place to enable disposal of major residential and employment sites.

That the position be noted concerning the Council's inability to generate major capital receipts from land disposals in the future and the implications for funding capital investments be considered in a future review of the Asset Management Strategy

### Partnership Working / Shared Services

That following completion of the review of office accommodation within the Civic Centre that consideration be given to the options put forward by Mouchel including the introduction of "agile" working.

That dependent on the outcome of the review further consideration be given to the potential opportunities for partnership property solutions with the Council's LSP partners

## **Economic Development / Regeneration**

**That progress on the use of Council property assets to deliver redevelopment in Cannock town centre be reviewed as part of the Asset Management Strategy.**

**That Officers explore opportunities to secure the redevelopment of those sites in Council ownership identified within the Rugeley Area Action Plan.**

**That Officers seek to identify in partnership with the County's Adult Health and Social Care suitable sites for the provision of Extra Care Home developments.**

**That the Council use and develop its assets and in particular the Stadium site to encourage active and healthy lifestyles.**

## **Property Maintenance**

**That a maintenance plan be developed for each operational asset to achieve the Condition B standard.**

**That the maintenance liabilities associated with non-operational properties is assessed to better inform future property reviews.**

## **Energy and Water Management**

**That the Council continue to use framework agreements as its preferred route of procurement for its gas and electricity.**

**That the Council continue to identify measures to reduce energy consumption across its buildings including invest to save initiatives with a target of reducing consumption by 5% by 2015.**

**That the offer from our electricity supplier to supply Smart meters free of charge be pursued along with investigating the possibility of implementing SMART metering for the Council's gas supplies.**

**That an action plan for the period up to 2015 be developed to take forward the objectives of the Energy policy.**



# **Asset Management and Energy Management Strategy**

**2013 – 2018**

### **Why Do We Need A Strategy**

Property is not held by the Council as an end in itself but as a resource to be used for the following:-

- To deliver frontline services which directly impact on people.
- To deliver back office support functions which are principally office based, such as Legal, Human Resources, Finance etc.
- To provide land and property for economic development, regeneration, employment and income generation purposes.

In comparison to people and finance property can be regarded as an inflexible resource in that land and buildings by their very nature cannot be acquired, sold or altered quickly. However, changes in the external environment such as new workplace practices, for example an increase in home working, the increasing influence of information and communications technology and the growing importance of sustainability issues coupled with the need to achieve savings will impact on the Council's corporate goals and property needs.

In order to avoid a mismatch between service needs, corporate goals and the property portfolio the Council needs a forward looking Asset Management Strategy (the Strategy) that will help the organisation to adapt and respond to future requirements.

The Strategy is not a one-off document but represents the policy framework for how the Council wishes to better use its land and property assets over the next five years with the exception of the Council's housing stock the future strategy for which is addressed through the HRA Business Plan. The document will need to be reviewed and updated annually to reflect progress, changed priorities and new legislation.

There are a number of Policy Statements and Key Actions related thereto set out throughout the document and these are summarised in Annex 1.

## **Policy Context**

### Chase Sustainable Community Strategy

The District's Local Strategic Partnership (LSP) the Chase Community Partnership is made up of key public and voluntary providers of services within the District. The LSP is currently undergoing a period of significant development and is reviewing current priorities, structure, delivery plans and performance management arrangements. This review will also include a refresh of the Sustainable Community Strategy to take account of the new agreed priorities for partnership working namely:

- Improved Health
- Increased Economic Opportunity

The Strategy will set out the Chase LSP vision for Cannock Chase.

At the same time the Council has agreed a revised Corporate Plan for 2011-14 which sets out its vision for the District that:

“By 2021 Cannock Chase will be a place where people have the opportunity to enhance their quality of life and achieve economic prosperity”

In acknowledgement of the evidential needs of the District, public consultation and the changing local government environment the Council will focus on four priority outcomes, which will address the key issues for Cannock Chase and achieve our vision:

**People: Active and Healthy Lifestyles**

**Place: Improved Living Environment**

**Prosperity: Economic Resilience**

**Transformation: Changing the way services are provided to ensure value for money**

Our priorities are underpinned by 4 Priority Delivery Plans which express in more specific terms the outcomes we are seeking to achieve that will make life better for people.

All actions identified in the Asset Management and Energy Management Strategy strive to promote the use of assets in a way that positively supports the Council in the delivery of its priorities.

### **Medium Term Financial Strategy**

The Council's overall financial strategy is to provide a sustainable budget whereby the Council enables or provides the services and facilities to the public that are fit for purpose and reflect the vision and objectives of the Council. It is based upon providing as a minimum a balanced budget over a three-year period. In addition, the Council undertakes Horizon Scanning as part of its Business Planning framework and provides an outline 10-year financial plan.

The Strategy is a three-year rolling programme which is reviewed as part of the Business Planning and Budget setting process. Introduced in 2002, "Delivering Change" is the Council's policy led budgeting process which sets out to determine the policy priorities of the Council and the extent to which those priorities can be delivered within the resources available. In addition to the policy element the Strategy also focuses on value for money and efficiency for corporate, support and frontline services.

From an asset point of view an overriding issue and one that featured strongly in the Council's Financial Strategy was the need to renew/replace certain Leisure facilities which were not only showing signs of age but also in response to the higher standards demanded by today's customers. The Council have therefore refurbished Chase Leisure Centre and procured a Private Sector partner to not only deliver it's Leisure and Cultural Services for an initial 10 year period which will deliver significant savings for the Council but also invest in those leisure assets.

The drive to achieve efficiency savings has also led to the Council entering into a strategic shared services agreement with Stafford Borough Council which again will impact on asset utilisation and in particular the Civic Centre.

The 2012-13 Financial Strategy and Budget process enabled the Council to set a three year balanced budget to 2014-2015 within the constraints of the Government's 2010 Comprehensive Spending Review. The financial outlook has deteriorated substantially during 2012. The Government has indicated that further changes both in timing and magnitude of Government reductions in funding will occur in 2013-14 and 2014-15. Similar levels of reductions to the 2010 Comprehensive Spending Review are also expected to be applied as part of the next Spending review in 2014. The increased savings can be managed in the short term however the Council will be faced with having to find substantial savings from 2014-15 onwards.

As a consequence it is anticipated that the asset base will come under increased pressure to achieve efficiency savings through asset rationalisation, reduced running costs etc., but also to increase income both revenue and capital which in the current depressed economic climate for property is likely to prove challenging.

### **Governance of Land and Property**

The Council comprises 41 Councillors with the executive role being undertaken by the Cabinet which comprises the Leader of the Council and 8 other Cabinet Members each having responsibility for a portfolio of services aligned to the Council's priorities.

Responsibility for corporate asset management within the Council is assigned to the Portfolio Holder for Corporate Improvement (the Property Champion).

The Strategic Capital and Asset Management Working Group (SCAMG) is the officer implementation group chaired by the Corporate Director who is also the Corporate Asset Champion. The role of the SCAMG is to co-ordinate the implementation of the Council's approved Asset Management Strategy and Action Plans on an ongoing basis. The group is planned to meet bi-monthly or more regularly as the work programmes require and report to the Leadership Team as required.

Membership of SCAMG comprises:-

- Corporate Director (Chair)
- Head of Planning & Regeneration (Vice Chair)
- Head of Financial Management/Capital Accountant
- Head of Commissioning
- Head of Housing
- Head of Environmental Services
- Strategic Assets Manager

The Terms of Reference for SCAMG are attached at Annex 2.

The Council's Constitution delegates to the Head of Planning and Regeneration the authority to deal with day to day property management issues including property disposals that have no major policy implications. These powers are in turn passed down to the Property Services Section managed by the Strategic Assets Manager which provides day to day operational support for the asset management process.

Major policy decisions relating to the Council's assets in terms of acquisitions and disposals rest with the Cabinet.

The Department for Communities and Local Government (DCLG) are currently out to consultation on a proposal requiring all Local Authorities to publish details of their land and property assets including the following:- address, location, tenure, gross internal area, services delivered from the asset, reason for holding the asset, building revenue costs per sqm, asset condition, required maintenance, functional suitability and energy performance. The intention is that the publication of the data will help the public hold their local authorities to account and help to drive better performance of public buildings including the sharing of community assets.

If this new requirement is implemented, whilst some of the required data is available, the annual collection and collating of the necessary information will be time consuming and an additional burden on existing staff resources.

### **Asset Aims and Objectives**

To manage our assets (excluding Council housing stock) effectively to assist the Council in delivering its strategic priorities and service needs the Council's Strategic Objectives for its assets are identified as follows:-

- To review and where appropriate rationalise the Council's property portfolio, both freehold and leasehold, so as to maximise receipts and minimise property costs.
- Ensure that those assets that are retained for service delivery are well maintained, suitable, accessible, safe and fit for purpose.
- To use the portfolio to assist the regeneration and economic development of the District and to support health and well being outcomes.

### **Performance Monitoring**

The Council has adopted the Property Performance Indicators (PPI's) developed by the Association of Chief Corporate Property Officers in Local Government (COPROP) and used extensively by the Asset Management Planning Network of which the Council is a member.

Information is collected against the following indicators.

**PI1 – Condition and Required Maintenance**

PI1A Gross internal area (GIA) of floor space in Condition Categories A-D expressed as a percentage where:-

- A= Good – performing as intended and operating efficiently.
- B= Satisfactory – performing as intended but showing minor deterioration
- C= Poor – showing major defects and/or not operating as intended
- D= Bad -- life expired and/or imminent risk of failure

PI1B Required maintenance by cost expressed as:-

(i) A total cost in Priority Levels 1 to 3 where:-

- 1= Urgent works that will prevent immediate closure of the premises, address an immediate health and safety risk and/or remedy a breach of legislation.
- 2= Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to health and safety of the occupants and/or remedy a minor breach of legislation.
- 3= Desirable work required within 3-5 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety of the occupants and/or remedy a minor breach of legislation.

(ii) A percentage in each priority level

(iii) Overall backlog cost per sq.m GIA

**PI2 – Running Costs and Environmental Impact**

PI2A Energy cost per sq.m. GIA

PI2B Water Costs per sq.m. GIA

PI2C Carbon dioxide emissions in tonnes per sq.m. GIA

Schedules detailing the Council's performance for the period 2006-2010 against the above indicators are included in the relevant Sections of the Strategy document together with a commentary against the various indicators.

In relation to the PPI's, whilst it is possible to benchmark the Council's performance against other members of the Asset Management Planning network, without a detailed knowledge of the make-up of the authorities property portfolios it is not possible to make any meaningful comparisons. The value of the indicators is therefore more in relation to year on year comparison of the Council's own performance than benchmarking against other local authorities.

Note that due to the leisure outsourced properties no longer being included within the PPI figures, a new baseline will need to be established.

In addition to the above PPIs the following local indicators are also produced in relation to the Council's markets and commercial properties.

- Occupancy Rate for Council's Markets
- Actual Market Income as a percentage of target income.
- Occupancy Rate for Commercial Property

**Property Review**

The District Council is a significant property owner with its assets (excluding Council Housing, general areas of open space, play areas etc ) valued at just under £54 million (taken from the balance sheet as at 31<sup>st</sup> March 2012). The total portfolio valued comprises 129 land and property assets and a breakdown of the portfolio by asset category as defined by RICS/CIPFA is shown in the table below.

<b>Asset Category</b>	<b>Total Number of Assets</b>
<b>Operational</b>	<b>56</b>
<b>Community</b>	<b>18</b>
<b>Non-Operational</b>	<b>55</b>
	<b>129</b>

As part of the Delivering Change process a review of the Council's operational property assets and commercial land and property assets was undertaken in August/September 2010 to seek to identify any property that was surplus to requirements and could be disposed of to secure a capital receipt. This exercise was a prioritised response to the Governments Emergency Budget and Spending Review announcements in 2010/11.

In reviewing the **commercial assets** the following factors were taken into account as part of the decision making process in determining whether or not assets should be sold:

- That the interest on capital received from the sale must equal or exceed the current revenue income; or
- That the capital receipt received would be sufficient to generate a greater reduction in the interest payable on prudential borrowing than the rental

income currently receivable. And that the capital receipt would need to be achievable in Year 1.

The review concluded that in the (then) current market and with interest rates so low there was no advantage to the Council in disposing of its commercial assets at that time. The only exception which satisfied the above criteria was an industrial site at Hawks Green comprising nine individual units, eight of which were vacant and required considerable expenditure to put them back into a lettable condition. These were subsequently sold in 2011/12.

As far as the Council's **operational assets** are concerned other than the main civic offices and works depot, the remaining properties mainly comprise buildings held for leisure, parks and recreational purposes, the Council having in the past transferred its community centres to town and parish councils. As a consequence only two assets, Rugeley Squash Courts and the adjacent car park and 91-93 High Green, have been identified for disposal although in the case of High Green prior to disposal it will be necessary to relocate the voluntary sector occupiers. Alternative premises have now been sourced and it is anticipated that the premises will be vacated by March 2013.

A summary of the commercial and operational properties considered in 2010 and the outcome of the review process is set out below. The table has been updated to reflect changed Council policy / circumstances where relevant

<u>Property Address</u>	<u>Disposal?</u>	<u>Comments</u>
Units 1-9 Martindale	No	Interest on capital would not replace revenue income nor reduce the interest on prudential borrowing to a greater extent than rental income
Units 10-18 Martindale	Sold	
Units 1-5 Redbrook Lane Rugeley	No	Interest on capital would not replace revenue income nor reduce the interest on prudential borrowing to a greater extent than rental income
Land at Delta Way	No	Interest on capital would not replace revenue income but would reduce interest on borrowing by equivalent amount to rental income
Land at Fairway	No	Interest on capital would not replace revenue income but would reduce interest on borrowing by equivalent amount to rental income
Plot 9 Martindale	No	Interest on capital would not replace revenue income nor reduce the interest on prudential borrowing to a greater extent than rental income
2-16 Market		Interest on capital would not replace revenue

Hall Street & 3-11 Church Street	No	income but would reduce interest on borrowing by equivalent amount to rental income
Cannock Shopping Centre	No	Land part of area identified for redevelopment. Disposal would reduce the Councils ability to progress scheme
The Forum Cannock	No	Land part of area identified for redevelopment. Disposal would reduce the Councils ability to progress scheme
2 Calving Hill Cannock (HRA) property	No	Interest on capital would not replace revenue income
Bideford Way Cannock (HRA) property	No	Interest on capital would not replace revenue income
Festival Court Pye Green (HRA) property	No	Interest on capital would not replace revenue income.
Holyoake Place Rugeley (HRA) property	No	Site has no main road frontage . Little chance of achieving a sale in the current climate.
St Michaels Drive Rugeley (HRA) property	No	Long leasehold disposal only the tenants maybe the most likely purchasers.
Units 4-9 Market Precinct	No	These properties are within area identified for redevelopment. Disposal would have negative impact on these proposals
Land at High Green	No	Interest on capital would not replace revenue income nor reduce the interest on prudential borrowing to a greater extent than rental income.
Queen Street Cannock	No	Given location adjoining High Green and Police Station strategically best retained for future development opportunities.
Anson Street Rugeley	Ideally to achieve best price should be sold with vacant possession but could have timing implications.  Alternative would be to sell subject to SCC occupation and accept lesser receipt.	SCC Social Services and Registrar occupy part of building under lease and no valid grounds to terminate.  Would need to negotiate with SCC or alternatively seek to either sell subject to their occupation or retain and seek to lease vacant accommodation.  In 2011 an approach was received from the CAB to lease the vacant space and this is the subject of negotiation.
21-33 Park Road Cannock	Yes in long term	Some of premises subject to leases terminating 2015 but have Landlord and Tenant Protection therefore unable to sell with vacant possession.
Ranger Base	Possible, but only subject to securing vacant possession of the whole site	Disposal dependant upon existing Service being re-located elsewhere. Also requires termination of licence to occupy and re-housing of residential tenant of farmhouse

Hawks Green Depot	Subject to alternative site	Council will need to lease/purchase alternative site to deliver Refuse /Housing repairs Services to enable site disposal.
Civic Centre	No	No viable alternative following decision to relocate shared services staff from Stafford and accommodate other public sector and voluntary sector bodies within the Civic Centre
Rugeley Squash Court	Yes Need to provide storage area for open market stalls.	Sale has not been progressed to date as a joint sale with the adjoining County Council owned Aelfgar site was considered to be best means of obtaining a comprehensive development and maximising capital receipt.
91/93 High Green Cannock	Yes	Alternative premises have been identified for the voluntary sector organisation currently in occupation so a disposal subject to demand achievable in 2013/14.

Although the Council Offices in Anson Street Rugeley were considered as part of the review the need to retain a contact point for the Council's services, plus the fact that the remainder of the building is leased to the County Council's Social Services and Registrars, were the main reasons for retaining the premises in the short term.

Following an approach from the Citizens Advice Bureau discussions are currently ongoing regarding their taking a lease of the vacant space at Anson Street and combining the staff that are currently located in offices in Cannock and Rugeley both of which are leased from the Council. If this relocation were to proceed it may release the Council owned premises in Rugeley and possibly those in Cannock currently leased to the CAB.

A scheme to address the significant structural issues associated with the Chase Leisure Centre commenced in April 2011 to replace the electrical and mechanical systems which had reached the end of their useful life and in the process deliver a new pool, fitness suite, dance studio and changing facilities, although some technical issues have delayed the re-opening of the pool.

Housing Services have undertaken a review of its garage sites and following some rationalisation sixteen sites were declared surplus to requirements. Nine of the sites had been sold prior to the downturn in the market caused by the credit crunch to help fund the Council's Decent Homes programme. Despite the current economic situation and a decline in the market for small residential sites a further garage site was recently sold and the sale of 4 adjoining sites to a Housing Association has been agreed. An additional site is also being prepared for marketing subject to the receipt of planning consent.

The property review carried out in 2010 in response to the emergency budget only focused on a specific number of assets due to time constraints. Building on the work already carried out a broader review is now required taking in for example free surface car parks to identify if there are any other land or property assets that maybe surplus to requirements. It is proposed that a comprehensive property review is commenced with a view to all properties being reviewed by 2015.

In addition to the District Council's internal reviews in 2011, Staffordshire County Council commissioned Consultants from Mouchel to undertake a strategic review of the public estate across Staffordshire and all District Councils, PCT, Fire and Police were invited to participate in the process the outcome of which was a Draft Strategy document . The Strategy was not intended to be a comprehensive fully inclusive blueprint but sought to identify opportunities with the potential to deliver some early savings through property rationalisation and improved cross-authority partnerships. In the case of Cannock Chase the Strategy identified three potential opportunities for collaboration with the County Council. These being:-

1. Relocation of County Council staff from Ivy House Cannock to the Civic Centre.
2. Joint sale of 91/93 High Green Cannock with adjacent County Council owned property. No longer being taken forward.
3. Relocation of County Council staff from Anson Street Offices. Rugeley and disposal of the site. This is on hold pending the outcome of the discussions with the CAB referred to above.

As a consequence a Cannock Chase District Project Board has been formed comprising Officers from Cannock Chase Council the County Council, Health, Cannock College and Chase Voluntary Service to oversee progress supported by Mouchel.

### **Policy Statement**

- **The Council will continue to challenge the use and occupation of its assets in the light of changing circumstances.**

### **Key Actions**

- **Property Services to pursue the disposal of the sites identified as part of the 2010/11 Property Review process**
- **Progress discussions with the Citizens Advice Bureau regarding surplus accommodation at Anson Street**

- **Property Services to continue to monitor demand for small residential sites and resume the marketing of the surplus garage sites as and when they are declared surplus by Housing Services.**
- **Promote and advertise empty retail and industrial units across the District in a pro-active manner.**
- **Complete a comprehensive review of the Council's property assets by March 2015.**

### **Major Sites**

The above review process highlighted the fact that the Council now owns very few sites suitable for development with the potential to generate a significant capital receipt.

The current Government have revised the planning system to manage how development will take place in towns and rural areas over the next 15 to 20 years. As part of the process District Council's are responsible for developing a Local Plan which identifies development sites to meet the locality's requirements over the plan period.

As part of the emerging local plan process for the District two residential expansion sites have been identified for land on the southern edges of Norton Canes one of which includes land partly in this Council's ownership and part in third party ownership. Planning consent subject to a Section 106 was obtained in June 2012 in respect of the land and following a joint marketing exercise a potential purchaser for the site has been identified.

The above is in addition to the other 2 known sites these being Wharf Road Rugeley, with the potential to form part of a larger residential site by combining it with an adjacent former school site owned by the County Council and Mill Green Cannock an employment site.

The Mill Green Employment site the majority of which is currently held by the HRA was originally identified as a proposed joint disposal with the adjoining land owner. However, in the current market there is limited demand for large speculative development sites due to the difficulties of raising finance and the depressed occupiers market. Following a successful joint bid to both the Greater Birmingham and Solihull and Stoke and Staffordshire Local Enterprise Partnerships, Growing Places Funding has been secured to meet the cost of site infrastructure works. Through negotiation the Council has now acquired the adjoining land so has total control of the site and is reviewing its strategy for maximising regeneration benefits and full value from the site.

As can be seen therefore there are potentially three major sites from which, over time and subject to overcoming planning/funding issues, the Council can expect to achieve significant capital receipts to support future capital projects. However once sold, other than selling its investment portfolio with the resultant revenue consequences, future capital receipts will be limited to sales of small plots of land only.

### **Policy Statement**

- **The Council will use its non-operational land assets to generate capital receipts and where possible support the growth and regeneration plans for the District .**

### **Key Actions**

- **That Officers continue to work towards putting all the necessary consents and approvals in place to enable disposal of major residential and employment sites.**
- **That the position be noted concerning the Council's inability to generate major capital receipts from land disposals in the future and the implications for funding capital investments be considered in a future review of the Asset Management Strategy.**

### **Partnership Working/Shared Services**

Chaired by the Chief Executive of East Staffordshire Borough Council a Staffordshire Asset Management Group has been formed comprising all authorities across Staffordshire and Stoke. The purpose of the group is to investigate what opportunities exist for making efficiency savings through asset management.

Two initial work strands have emerged, the first being asset mapping to be co-ordinated by Staffordshire County Council. As part of this project the County Council will map the location of all public sector assets across the County on a District by District basis, including Police, Fire and Health properties. The information would be accessible to all and may identify opportunities for partnership working and co-location. The second is to explore what benefits might accrue from collaborative procurement of facility management services and is being led by the County Chief Finance Officer Group who will report back in 2013.

As part of the drive to achieve efficiency savings the Council has entered into a strategic shared services agreement with Stafford Borough Council which initially affected such services as Building Control, IT, Human Resources, Finance,

Revenue and Benefits and Legal. At present there is no intention to further expand the level of Shared Services until Members of both Council's have had an opportunity to assess how the existing shared services have bedded in.

The impact of Shared Services on accommodation within the Civic Centre has seen Building Control staff relocated to Stafford. The space thus created enabled Support Services and the post room to be moved so enabling the finance teams from both authorities to be combined. The need to relocate Revenue and Benefits staff from Stafford to the Civic Centre has also been identified which will require some internal movement of teams within the Civic Centre for this to be achieved. The outsourcing of the Leisure and Cultural Services and the re-location of staff to space within the Leisure Centre has also released some additional space at the Civic Centre.

The Council already shares accommodation within the Civic Centre with the police the County Council and some voluntary organisations and itself occupies space within Hednesford library. One of the "opportunities" identified as part of the Strategy work by Mouchel was the relocation of County Council staff from offices just outside of Cannock Town Centre to the Civic Centre. The County Council have therefore commissioned the consultants Mouchel to undertake a survey of the Civic Centre offices to assess occupancy levels and to report back on options for how the Council might increase capacity. This will include the potential for the introduction of "agile" working where employees who spend a significant proportion of their working day away from the Civic Centre would share desk and IT equipment with other similar employees.

### **Policy Statement**

- **The Council will seek to maximise the use of its office accommodation including opportunities for joint use of property with other organisations.**

### **Key Actions**

- **That following completion of the review of office accommodation within the Civic Centre that consideration be given to the options put forward by Mouchel including the introduction of "agile" working.**
- **That dependent on the outcome of the review further consideration be given to the potential opportunities for partnership property solutions with LSP partners.**

## **Economic Development / Regeneration/Health and Well-Being**

The Council has pro-actively used its property assets as a catalyst for Regeneration projects in the District, past examples of which being the development of Cannock Shopping Centre and a mixed use scheme at High Green, Cannock.

More recently the Council has sought to use its land to promote the regeneration of Hednesford Town Centre through two development partners. The smaller "Lightworks" scheme involved the redevelopment of a former managed workspace centre to create a residential and retail mixed use scheme. Despite the recession, work on the larger scheme commenced in 2 phases centred around the Council's land fronting Rugeley Road and Victoria Street. Phase I comprises the Chase Gateway mixed development including a discount foodstore, shops and bingo hall, whilst Phase II has seen the opening of a large Tesco supermarket in November 2012 together with shop units and a replacement community facility.

The current economic climate has affected progress on a proposed retail and leisure based scheme which would have utilised the Council's land at Avon Road together with adjacent third party land on the Walsall Road. Whilst a scheme to comprehensively redevelop Cannock Town Centre remains a policy of the Council. In the current climate the Council's Cabinet has authorised Officers to explore alternative approaches to achieving retail led development in Cannock Town Centre. This includes investigating development interest for a proposal centred on the Council's Beecroft Road car park. A market testing exercise is due to report in early 2013 to help to inform and shape the Council's thinking of what is possible for the site and of any associated implications.

As part of the draft Local Plan process the Council has published a draft Area Action Plan for Rugeley Town Centre to guide and stimulate its future development. The Plan identifies five potential redevelopment sites three of which include land in the Council's ownership including Rugeley Market Hall, the former squash courts and land at Wellington Drive.

The Council in partnership with Waterloo Housing Association is currently progressing the redevelopment of 100 defective ex-Coal Board properties in the Elizabeth Road area of West Chadsmoor. These properties which were formally in Council and private ownership have been demolished and their replacement with 150 houses for social and affordable rent, shared ownership and outright sale is currently in progress.

The Council has also agreed to redevelop 167 Reema flats on the Moss Road Estate Chadsmoor to provide a mixed tenure development comprising some 130 dwellings including 60 Council houses for social rent. A development partner for the scheme will be sought in early 2014.

The Council is also in discussion with the County Council Directorate for People regarding the identification of possible sites for the development of further Extra Care accommodation for the elderly within the District.

In support of the corporate priority to promote active and healthy lifestyles the Council in partnership with Sport England has produced a robust evidence base for the provision of indoor and outdoor sporting facilities based on the current and future needs of the District. In partnership with Cardinal Griffin School and the Football Foundation the Council has provided the first full size community artificial football pitch in the district. In addition the Council's Culture and Leisure Partner Wigan Leisure and Culture Trust has renewed the existing half sized artificial pitch carpet at Rugeley Leisure Centre and is proposing to extend the fitness suite in 2013/14.

Following the Council's decision in May to retain the Cannock Stadium site as public open space for leisure and recreation a public consultation exercise designed to capture what local people wish to see on the site ended on 30 November 2012. The findings of the consultation will be considered by a future Cabinet meeting and will be used to shape the future design of this community sport and recreation hub..

### **Policy Statement**

- **The Council will continue to be open to opportunities where its property assets can be used to promote regeneration projects that provide social, health or economic benefits for the District.**

### **Key Actions**

- **That progress on the use of Council property assets to deliver redevelopment in Cannock town centre be reviewed as part of the Asset Management Strategy.**
- **That Officers explore opportunities to secure the redevelopment of those sites in Council ownership identified within the Rugeley Area Action Plan.**
- **That Officers seek to identify in partnership with the County's Adult Health and Social Care suitable sites for the provision of Extra Care Home developments.**

- That the Council use and develop its assets and in particular the Stadium site to encourage active and healthy lifestyles.

### Property Maintenance

Set out below are the CoProp National Indicators relating to Property Condition and Required Maintenance for the Council's operational buildings.

National Indicator Ref No	COPROP Performance indicator Description	2007	2008	2009	2010	2011
1A	% gross internal floor space in Category condition A*	27%	26%	30%	30%	24%
	% gross internal floor space in Category condition B*	69%	69%	65%	65%	68%
	% gross internal floor space in Category condition C*	4%	5%	5%	5%	8%
	% gross internal floor space in Category condition D*	0%	0%	0%	0%	0%
1B	Required Maintenance by cost expressed					
	(i) As total cost in priority levels 1-3	£2.19m	£3.51m	£3.09m	£2.97m	£1.45m
	(ii) As a % in priority levels 1**	5%	0%	0%	0%	0%
	(iii) As a % in priority levels 2**	6%	13.1%	12.7%	12.5%	23.5%
	(iv) As a % in priority levels 3**	89%	86.9%	87.3%	87.5%	76.5%
(v) Overall cost per sq metre GIA***	£100	£150	£131	£127	£136	
1C	Annual % change in					

	total backlog maintenance figure over previous year.	-4.8%	50%	-13%	-3%	+2%
National Indicator Ref No	COPROP Performance indicator Description	2007	2008	2009	2010	2011
1D	(i) Total spend on maintenance in financial year.	£178,993	£153,651	£172,231	£142,522	£82,650
	(ii) Total spend on maintenance per sq m GIA***	£8.00	£7.00	£8.00	£6.00	£8.00
	(iii) % split between planned and responsive maintenance.	66/34	76/24	76/24	61/39	71/29

\* A= Good – performing as intended and operating efficiently.  
 B=Satisfactory – performing as intended but showing minor deterioration  
 C= Poor – showing major defects and/or not operating as intended  
 D= Bad – life expired and/or imminent risk of failure

\*\* 1= Urgent works that will prevent immediate closure of the premises, address an immediate health and safety risk and/or remedy a breach of legislation.  
 2= Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to health and safety of the occupants and/or remedy a minor breach of legislation.  
 3= Desirable work required within 3-5 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety of the occupants and/or remedy a minor breach of legislation.

\*\*\* Gross internal area

Indicator 1B shows that in 2010 total required maintenance for the Council’s operational buildings over the next 5 years was £2.97 million. This figure is assessed using life-costing methodology in that the various elements of a building, i.e. roof, electrical installation etc. have an estimated useful life ranging from as little as 7 years for decoration up to 85 years for a timber pitched roof. The life is then tracked from the date of construction to a point where the end of

the estimated useful life is 5 years away and once reached the estimated replacement cost is then identified for reporting purposes.

The above approach explains why between 2007 and 2008 there was a 50% increase in the backlog maintenance due to a number of high cost elements entering this final 5 year period. The £1.52m reduction in 2011 is mainly attributable to the removal of required maintenance at Chase Leisure Centre (following its closure for refurbishment) together with the Museum, Prince of Wales Theatre and Rugeley Leisure Centre. Although these latter properties were still the Council's responsibility in 2011/12 it was decided to remove these at the same time to provide a new baseline for comparison purposes going forward.

The figure is further broken down into Priorities 1-3 with Priority 1 being urgent work that will prevent an immediate closure of premises to Priority 3 which is desirable work required within a 3 to 5 years period. So a boiler with a 20 year life once 15 years old would be identified for replacement at an estimated cost of say £1500.00 as a priority 3 repair and as the boiler nears the 20 years it would be identified as a Priority 2 repair and if the 20 years is exceeded would become a Priority 1.

Based on the level of risk involved there are still choices to be made as to when works are actually carried out, e.g. areas within the Civic Centre still have the original carpet which in life-costing terms is well beyond its useful life and should have been replaced. However as it is still in a serviceable condition and poses no health and safety risk it has not been replaced and remains in situ. The cost of replacement is, however, still reflected within the Priority 1 category.

Although Leisure Outsourcing has reduced the total required maintenance by £1.52m it has also led to the Landlords Repairs Budget being reduced by £81.4K to £111,100 and even with the additional building specific maintenance budgets totalling a further £136,840 with required maintenance still at £1.45m the Council continues to face a financial challenge to meet its maintenance obligations in respect of its remaining assets going forward.

Available resources therefore initially need to be targeted to raise and thereafter maintain those assets required for service delivery into Condition B, defined as:- "satisfactorily performing as intended but showing minor deterioration". Therefore the way forward is to develop a maintenance plan for those operational buildings remaining so that a programme of maintenance can be prepared and resources targeted appropriately.

In the case of non-operational assets where the Council retains maintenance responsibility no estimate of required maintenance liabilities has been undertaken

on the assumption in the past that should the cost of maintenance be excessive the asset would simply be disposed of. In the current climate this may not be so easily achieved and therefore the cost of the maintenance backlog needs to be factored into any on-going non-operational property asset reviews as this may influence whether a property should be retained or declared surplus to requirements.

**Policy Statement**

- That all operational assets should be brought up to and thereafter maintained at Condition B as standard.

**Key Actions**

- That a maintenance plan be developed for each operational asset to achieve the Condition B standard.
- That the maintenance liabilities associated with non-operational properties is assessed to better inform future property reviews.

**Energy and Water Management**

Cannock Chase Council has an obligation to manage the use and procurement of energy effectively not only to reduce its impact upon climate change but also with rising energy costs to achieve savings through more efficient use and procurement.

An Energy Policy is attached at Annex 3 which sets out the Council’s long-term goals and medium-term objectives in relation to energy management including a commitment to reduce its energy consumption by 5% over a 5-year period with a base year of 2011/12 to reflect the loss of the leisure properties which were high consumers of energy.

Set out below are the CoProp National Indicators relating to energy and water use.

National Indicator Ref No.	CoProp Performance Indicator Description	2007	2008	2009	2010	2011
2A	Annual energy costs per sq m	£18.00	£18.40	£27.86	£24.79	£11.37
	Annual energy consumption Kwh per sq m	378Kwh	442Kwh	479Kwh	456Kwh	223Kwh

<b>2B</b>	<b>Annual Water Costs Per sq m</b>	<b>£1.01</b>	<b>£1.05</b>	<b>£0.97</b>	<b>£1.59</b>	<b>£0.49</b>
	<b>Annual water consumption by volume per sq m</b>	<b>1.01 cubic m</b>	<b>1.1 cubic m</b>	<b>1.1 cu m</b>	<b>1.5 cu m</b>	<b>0.5 cu m</b>
<b>2C</b>	<b>CO2 emissions in Tonnes per sq m</b>	<b>0.11</b>	<b>0.12</b>	<b>0.13</b>	<b>0.12</b>	<b>0.07</b>

The CoProp Indicator 2A above shows that both consumption and costs increased in 2008/09. The increase in consumption can be attributed to the opening of Rugeley Swimming Pool whilst in 2009 there was also a substantial increase in energy prices.

Whilst all Council 100kwh sites benefited from electricity procured through an OGC Buying Solutions Framework Agreement (now the Government Procurement Service) in 2005 there were a further 75 smaller supplies with a variety of energy providers, some of which were on out of contract rates. Similarly Mitie, the Council's energy management contractor, procures the gas for those properties which are part of the energy management contract; but again there were still a number of small sites with various suppliers.

In 2010 the West Midlands Improvement and Efficiency Programme (WMIEP) were engaged to fund the services of Auditel to undertake a review of the above gas and electricity supplies and their report concluded that by switching suppliers potential savings of £140,000 p.a. could be achieved. In part due to the work undertaken by Auditel in collating data it was possible to move the above electricity and gas supplies onto the OGC Buying Solutions Framework Agreement from May 2010.

WMIEP were also engaged to fund a similar exercise in relation to the Council's water services which identified some billing anomalies which resulted in refunds totalling £5,900 to date.

In addition to the above procurement exercise Mitie the Council's Energy Management contractor implemented a number of projects at Chase Leisure Centre which cut consumption by 539,726 Kwh and achieved savings of £16,840 for the period April 2010 to January 2011 compared with the same period in 2009/10. Improvement works have also been identified for the Civic Centre which have been implemented and at Hawks Green Depot which will be undertaken during the 2013/14 financial year.

The Council has allocated £5,000 per annum to be spent on energy saving projects within the Civic Centre over a three year period commencing 2012/13. In year one it is proposed to put the funding towards the cost of replacing one of the four central heating boilers which is in need of replacement with gas fired twin calorifiers. At present during the summer one of the central heating boilers is used to heat the hot water whereas the switch to calorifiers will prove more energy efficient. Further projects will be identified for future years including installing energy efficient lighting.

The Council is complying with its obligations under SI 2007:991 The Energy Performance of Buildings (Certificate and Inspections) (England and Wales) 2009. Display Energy Certificates (DEC's) have been displayed in those buildings requiring an energy certificate. The DEC's show the energy performance of the buildings based on actual consumption over the preceding 18-month period and are displayed in a prominent place clearly visible to the public. The Council will work towards improving standards of energy rating in cases where buildings are assessed as having a low energy rating. The Civic Centre for example in 2008 was only rated as an F whereas it is now it is close to being rated as a D.

In terms of The Council's 100 kwh sites these are all on meters connected to an automated reading device and as such it is possible to download consumption information direct from the energy provider. As part of the recent re-tendering exercise the Council's electricity supplier is offering to install Smart meters at all our sites free of charge which will be a saving in staff time in no longer having to collect and collate data, eliminating estimated billing and the ability to monitor energy usage which may identify areas where efficiency savings can be made.

### **Policy Statement**

- **That the Energy Policy at Appendix 3 be adopted**

### **Key Actions**

- **That the Council continue to use framework agreements as its preferred route of procurement for its gas and electricity.**
- **That the Council continue to identify measures to reduce energy consumption across its buildings including invest to save initiatives with a target of reducing consumption by 5% by 2015.**
- **That the offer from our electricity supplier to supply Smart meters free of charge be pursued along with investigating the possibility of implementing SMART metering for the Council's gas supplies.**
- **That an action plan for the period up to 2015 be developed to take forward the objectives of the Energy policy.**

**Annex 1**

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**Table of Policy Statements**

**Property Review**

The Council will continue to challenge the use and occupation of its assets in the light of changing circumstances.

**Major Sites**

The Council will use its non-operational land assets to generate capital receipts and where possible support the growth and regeneration plans for the District .

**Partnership Working / Shared Services**

The Council will seek to maximise the use of its office accommodation including opportunities for joint use of property with other organisations.

**Economic Development and Regeneration**

The Council will continue to be open to opportunities where its property assets can be used to promote regeneration projects that provide social, health or economic benefits for the District.

**Property Maintenance**

That all operational assets should be brought up to and thereafter maintained at Condition B as standard

**Energy and Water Management**

That the Energy Policy at Annex 3 be adopted

## Table of Key Actions

### Property Review

Property Services to pursue the disposal of the sites identified as part of the 2010/11 Property Review process

Progress discussions with the Citizens Advice Bureau regarding surplus accommodation at Anson Street

Property Services to continue to monitor demand for small residential sites and resume the marketing of the surplus garage sites as and when they are declared surplus by Housing Services.

Promote and advertise empty retail and industrial units across the District in a pro-active manner.

Complete a comprehensive review of the Council's property assets by March 2015.

### Major Sites

That Officers continue to work towards putting all the necessary consents and approvals in place to enable disposal of major residential and employment sites.

That the position be noted concerning the Council's inability to generate major capital receipts from land disposals in the future and the implications for funding capital investments be considered in a future review of the Asset Management Strategy

### Partnership Working / Shared Services

That following completion of the review of office accommodation within the Civic Centre that consideration be given to the options put forward by Mouchel including the introduction of "agile" working.

That dependent on the outcome of the review further consideration be given to the potential opportunities for partnership property solutions with the Council's LSP partners

## Economic Development / Regeneration

That progress on the use of Council property assets to deliver redevelopment in Cannock town centre be reviewed as part of the Asset Management Strategy.

That Officers explore opportunities to secure the redevelopment of those sites in Council ownership identified within the Rugeley Area Action Plan.

That Officers seek to identify in partnership with the County's Adult Health and Social Care suitable sites for the provision of Extra Care Home developments.

That the Council use and develop its assets and in particular the Stadium site to encourage active and healthy lifestyles.

## Property Maintenance

That a maintenance plan be developed for each operational asset to achieve the Condition B standard.

That the maintenance liabilities associated with non-operational properties is assessed to better inform future property reviews.

## Energy and Water Management

That the Council continue to use framework agreements as its preferred route of procurement for its gas and electricity.

That the Council continue to identify measures to reduce energy consumption across its buildings including invest to save initiatives with a target of reducing consumption by 5% by 2015.

That the offer from our electricity supplier to supply Smart meters free of charge be pursued along with investigating the possibility of implementing SMART metering for the Council's gas supplies.

That an action plan for the period up to 2015 be developed to take forward the objectives of the Energy policy.

**CANNOCK CHASE COUNCIL****Terms of Reference****STRATEGIC CAPITAL AND ASSET MANAGEMENT  
WORKING GROUP (SCAM-WG)****1. Role**

The role of the Strategic Capital and Asset Management Working Group is to co-ordinate the implementation of the Council's approved Asset Management Strategy and Action Plans on an ongoing basis.

**2. Responsibilities**

The detailed responsibilities of the Working Group are as follows:

- To ensure that the Council's land and property assets (excluding Council House dwellings) are managed in an effective and efficient manner in accordance with the Council's Vision and Corporate Plan
- Identifying, evaluating and making recommendations upon future land and property requirements of the Council and, as appropriate, working with partner organisations as part of the Sustainable Community Strategy
- Develop a 10 year rolling programme of capital investment and maintenance requirements for land and property assets to ensure they are in a suitable condition for service delivery and the wider objectives of the Council
- Develop and performance manage detailed Asset Management Action Plans including recommendations relating to the acquisition or disposal of land and property assets across the entire Council portfolio
- Determining the Council's planned maintenance programme taking into account the demands, service priorities and available resources
- Make recommendations as to capital investment from General Fund, Section 106, maintenance reserve and any other capital funds and grants that may be relevant.

- Commission options appraisals, condition surveys, life cycle costings and other tools necessary to monitor and improve the Council's assets
- Performance management of the Council's capital programmes, maintenance programmes and asset base via performance indicators; and determining justifiable changes according to circumstances
- Identify where assets of the Council may be rationalised to release revenue savings to support the Council's financial position
- To ensure that the Council is following best practice on Asset Management
- To develop a corporate Energy Management Policy action plan
- To co-ordinate the procurement of utilities on a corporate wide basis
- To provide robust professional advice on all aspects of asset management to Leadership Team (LT) and Members as required
- Make recommendations as required to LT, Cabinet and Council

### **3. Accountability & Authority**

SCAM will be formally established as a Working Group by the Council's Leadership Team.

The SCAM Working Group will report its progress to the Leadership Team and any relevant Member Committee as required.

### **4. Membership and substitution**

The membership of the Working Group is as follows:

Corporate Director  
Head of Planning and Regeneration  
Head of Financial Management / Capital Accountant  
Head of Leisure and Projects  
Head of Housing  
Head of Environmental Services  
Strategic Asset Manager

Nominated deputies are accepted in exceptional circumstances such as annual leave and sickness leave but not as a routine. Other

colleagues may be invited through the chair linked to specific items of business.

**5. Chair**

Corporate Director will act as the Chair and the Corporate Asset Champion (Senior Responsible Owner) for this project.

The Vice Chair will be Head of Planning and Regeneration.

**6. Frequency and duration of meetings**

The Working Group will meet bi monthly or more regularly as the work programme requires.

**7. Project Administration**

The meetings will be minuted and draft minutes will be circulated and then finalised at the next meeting. The minutes may also be submitted to DMT as required.

March 2010

**Annex 3****ENERGY POLICY****1. Declaration of Commitment**

- 1.1 Cannock Chase Council has an obligation to manage the use and procurement of energy effectively. The Council should also aim to contribute to the UK's reduction targets for greenhouse gas emissions and Climate Change programme.
- 1.2 The adoption of this Energy Policy demonstrates the Authority's commitment to the principles of responsible energy management.
- 1.3 The Council will aim to improve its energy efficiency and reduce its energy consumption in line with the targets set out in this policy.

**2. History of Past Performance**

- 2.1 A 15 year energy management contract was entered into in 1996 which saw the replacement of coal fired boilers with gas fired boilers at a number of Council sites.
  - Lighting in the Civic Centre was upgraded and movement sensors installed so that lights go out when office space un-occupied.
  - Energy efficient lighting in other public buildings also installed.
- 2.2 All Councils 100Kwh sites benefit from half hourly metering procured through the Government Procurement Service Framework Agreement in respect of the supply of electricity.
- 2.3 All the Council's NHH electricity supplies and gas supplies are now procured through the Government Procurement Service Framework Agreement and as from October 2012 all electricity supplies at standard rate VAT have been allocated renewable energy so will not be charged Climate Change Levy.

**3. Recent Initiatives**

- 3.1 Mitie the Council's energy management contractor, is undertaking a survey of the buildings it has responsibility for to identify potential areas where energy savings could be achieved.
- 3.2 The Advisory reports which accompanied the Display Energy Certificates(DEC) obtained for all Council 1000 sq m+ sites are to be reviewed to identify any potential "quick wins" in terms of energy savings measures.
- 3.3 A Strategic Asset Manager has been appointed from 1<sup>st</sup> August 2009 with responsibility for Energy Management throughout the Authority
- 3.4 The Council has allocated £15,000 to be spent on energy saving projects within the Civic Centre over the period 2012 / 2015.

#### 4. Long-term Goals

- To commit Cannock Chase Council to responsible energy management.
- To give high priority to energy efficiency investments.
- To promote energy efficiency throughout operations.
- To do everything economically feasible to reduce consumption.
- To minimise CO<sub>2</sub> emissions.
- To minimise environmental impact.
- To promote the use of sustainable energy resources.
- To use renewable energy wherever possible.

#### 5. Medium Term Objectives

- To strive to adopt best practice in managing the facilities in all the Council buildings and to optimise both energy and water consumption, whilst providing a safe and comfortable working environment.
- To aim to reduce energy consumption by 5% over a 5 year period with a base year of 2011/12.
- To introduce and maintain a system for monitoring costs, consumption and CO<sub>2</sub> emissions in all Council buildings and develop a methodology for analysis reporting and feedback to Members and staff.
- To review the Energy Policy annually.
- To establish an energy management responsibility structure.
- To increase awareness of energy efficiency among staff.
- To identify and promote the use of cost effective renewable and environmentally conscious energy sources and technologies within all Council properties.
- To ensure energy efficiency is a consideration within the design, construction, procurement and maintenance of the Council's property portfolio by moving to a culture of 'whole life costing'.
- To procure energy and water at the most economic rates.

#### 6. Development and Implementation of the Energy Policy

The Energy Policy needs to be fully integrated with all other policies and strategies within the Council. It should have the full support of Members and Senior Management in all service areas and furthermore should be recognised corporately in the Cannock Chase Council Corporate Plan.

gen3-Winslow-Draft Energy Policy-RT068