

Shareholder Committee



13

7th November 2022
NPS Peterborough



Strategic Summary

In June 2022, PCC Cabinet took the decision to serve notice on the Joint Venture with The Norse Group, with a view to bringing the Estates and Asset Management functions back into the Council, effective from 1 July 2023.

The JV transition strategy is to support the Council's current strategy in respect to Property, manage the ongoing portfolio of work and ensure smooth transition of staff and activities, and is keen to support PCC beyond the contract termination.

HR Teams from both organisations are in the process of transferring data in respect to staff roles and salaries to firm up a TUPE list.

We continue to focus on the delivery of high quality Estates and Asset Management, we will focus on delivering savings and maximising income from its commercial portfolio, and support the knowledge and understanding of how the Council can achieve its net carbon zero estate by 2030.

Operational Delivery

We remain committed to undertaking the following activities:

Recommend asset review options that seek to **maximise opportunities to generate positive sustainable income**; continue to provide **strategic advice and Project management; regularise market rate rents**; and continue to **deliver returns back to PCC** in line with BP forecasts for this financial year.

We aim to:

Provide accredited advice and services that support the Council's **strategic objectives** that support a **financially and environmentally sustainable future for Peterborough**. We will continue to develop our staff who are at the heart of what we do, to ensure they are **empowered and trusted** to deliver their work to the highest standards.

Strategic Asset Management

- Conduct options appraisals for different asset types to identify alternative uses, consolidation or commercial / development opportunities
- Work with PCC / CIPFA officers to attain best value in negotiating terms for strategic acquisitions and disposals
- Assess and appraise property investment and regeneration opportunities
- Actively support the Council's Strategic Asset Group to appraise investment and divestment opportunities

Commercial / Industrial Estate

- Consider redevelopment opportunities in improving assets (e.g. light industrial units) using existing Council assets
- Secure more favourable terms that minimise PCC's liability for repairs and maintenance and achieving market rents with regular rent review provisions
- Minimise the number of void units through active marketing with local agencies to identify and secure tenants
- Identify potential for PCC to maximise rental income for operational buildings and increase investment value and potential city centre footfall
- Work with finance colleagues to monitor and reduce rental arrears

Rural Estate

- Identify and bring forward disposal / development / conversion opportunities inline with PCC financial objectives
- Identify and promote initiatives that support environmental and decarbonisation benefits across the retained Estate
- Work closely with the tenants and the NFU to maximise opportunities to promote the rural estate, education initiatives and sustainable farming techniques
- Monitor condition programme of work to ensure assets are being maintained to deliver healthy revenue income
- Review and update the Rural Asset Strategy

Building Management Services

- Monitor post COVID repopulation procedures to ensure safe working spaces
- Ensure that building management controls are in place and deployed efficiently
- Ensure compliance risks are highlighted and escalated in line with PCC H&S policies
- Monitor and oversee soft FM contracts and manage suppliers of soft FM services to obtain value for money services

Financial BP

	*2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Income	£1,622,341	£2,203,102	£1,951,555	£1,877,229	£1,719,343	£1,657,570
Direct Costs	£1,253,087	£1,807,656	£1,523,605	£1,478,652	£1,303,952	£1,240,234
Indirect Costs	£96,210	£96,300	£90,985	£70,113	£81,719	£84,773
Fixed Costs	£114,541	£125,249	£155,178	£145,180	£143,932	£158,815
Total Costs	£1,463,838	£2,029,205	£1,769,768	£1,693,945	£1,529,602	£1,483,822
Profit	£158,503	£173,897	£181,787	£183,284	£189,741	£173,748
Vol. Disc	£79,252	£86,949	£90,894	£91,642	£94,870	£86,874
Actual Vol Disc	£46,000	£108,000	£121,000	£198,000	£203,158	£213,067 **

*2016/17 BP based on full financial year though the service commenced from 6 July 2016.

Actual Vol Discount is based on 9mths trading

** Subject to audit sign off

Learning and Development Plan

- Support staff through their professional accreditation journey
- Company wide ISO training and development
- Post COVID office repopulation training
- Deliver equality and diversity refresher training for all staff

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