

Surplus Property



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The scope of this policy is to set out the principles and responsibilities in managing surplus and vacant property assets and to outline the key processes involved to ensure the policy is effective.

It provides an understanding of:

- How potentially surplus property is identified
- Service and CPaL responsibilities for managing surplus and vacant buildings and associated budgets
- Governance of the process
- How vacant buildings should be managed to minimise risk and retain value

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Introduction

The Council has adopted a Corporate Asset Management Plan (CAMP) which aims to provide clarity on what we want our property portfolio to achieve and sets out the principles that will ensure that our property assets contribute positively to the delivery of the organisation's objectives.

The CAMP directs and informs the actions and priorities of the Corporate Property and Land Team (CPaL) to ensure that the asset portfolio is consistently aligned with corporate priorities and that it is well managed whilst it is in our stewardship. The CAMP informs strategic and operational planning and provides a decision-making framework for property investment, development and disposal.

CPaL have adopted a Corporate Property Partnership (CPP) model for asset management which also seeks to establish clarity of direction, vision and purpose for our assets to enable efficiencies and greater integration in corporate planning. The over-riding principle of CPP is that all property related activity and expenditure is the responsibility of CPaL under the direction of the Corporate Property Board (CPB). This approach assures that finances are properly prioritised, management is consistent, and opportunities are realised across the whole estate. In this way, we can ensure that the needs of the whole organisation, as well as its individual operations, are met.

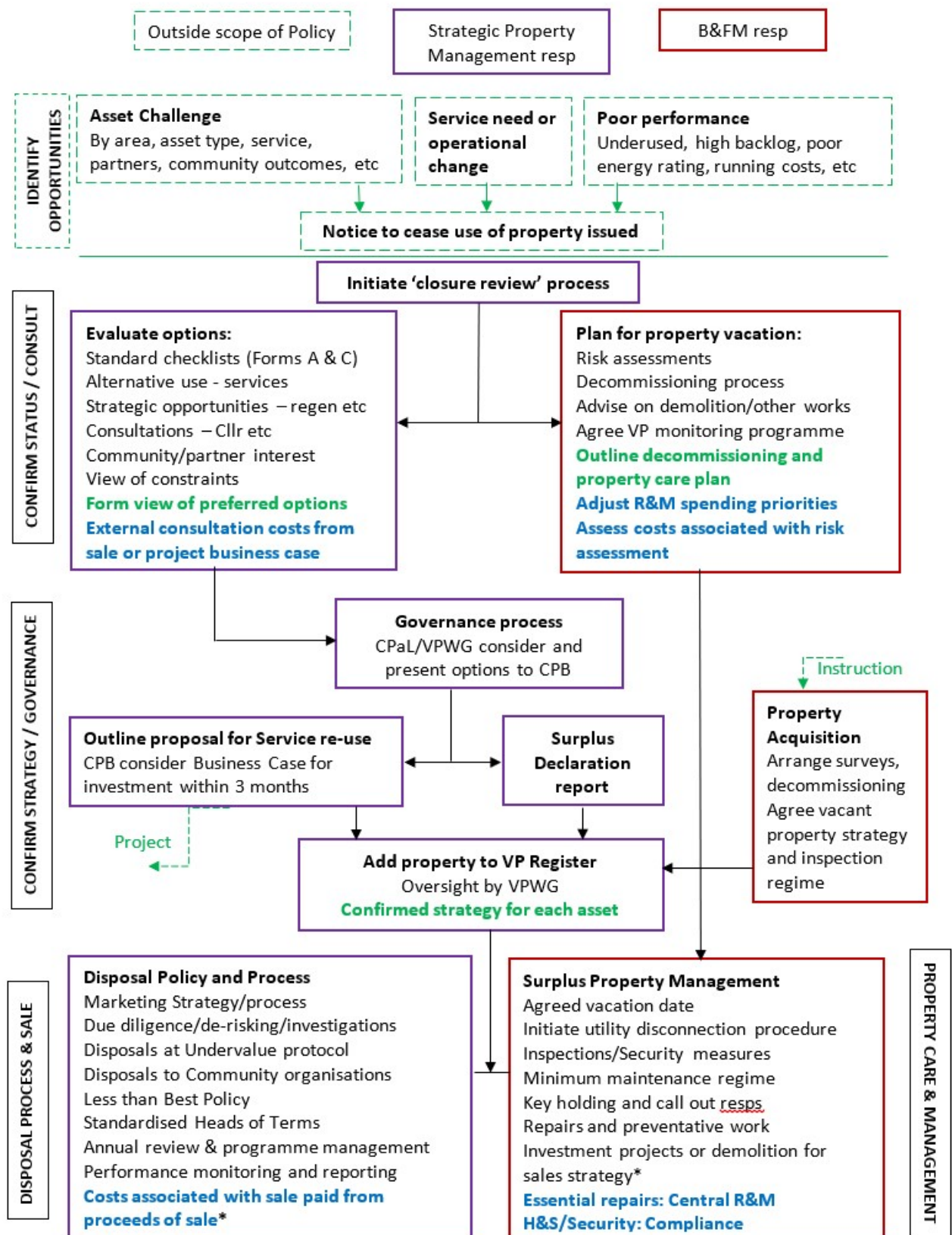
A key activity in the CPP approach is to review and revise our surplus and vacant property policy, and to clarify associated roles, responsibilities and governance arrangements – all of which are included in this policy document. Clarity in this area will ensure that requests and decisions concerning the release of council property are dealt with in a fair, consistent and transparent manner.

There will be occasions where the policy or procedures may need to be adapted, particularly for larger, more complex land sales and/or where the council is aiming to deliver wider benefits such as regeneration programmes.

The overarching aims of this policy is to ensure that:

- surplus property is identified in a timely and co-ordinated manner
- that swift and rational decisions are made on its future
- that it is managed efficiently in accordance with those decisions
- that vacant periods, associated risks, costs and emissions are minimised, and well managed

The following process diagram sets out the key stages in the surplus property workflow which corresponds with the sections in this policy. Relevant and detailed work processes are not included in this policy but are managed and co-ordinated on a day-to-day basis by CPaL and overseen by the Vacant Property Working Group (VPWG):



Section 1: Identifying Opportunities & Initiating Closure Review Process

AIM: Identification of property that is surplus to our needs is co-ordinated, reasoned and systematic.

Definition of surplus property

Property should be regarded as being surplus if:

- It makes no contribution to delivery of the authority's services, corporate aims or objectives, either directly or indirectly, does not generate income or meet agreed standards of performance and has no potential for future service delivery or community regeneration purposes
- An alternative site has been identified which would achieve a more cost-effective delivery of service and the existing site has no potential for future alternative service delivery or regeneration purposes
- Its disposal is important for the delivery of the Council's aims and objectives

Surplus property identification

There are a number of ways by which potentially surplus property assets can be identified. These include:

- Asset Challenge processes – co-ordinated area or property type reviews, for example
- Service reviews identifying property that no longer meets operational needs
- Poor performance of asset – including underuse, high running costs, high energy costs, unacceptable condition.
- Vacation of a tenant
- Local Plan designation and development of a Local Development Framework
- Master-Planning exercises, regeneration schemes or other development potential identified
- Approaches from third parties that are beneficial to the Council e.g. developers, registered providers, adjoining owners
- Where a statutory duty to transfer arises

Surplus Property is therefore defined as a site or building(s) that is no longer required by the authority to satisfy service, corporate or commercial functions.

Surplus property identification can be Asset Management led (challenge, performance, development opportunity, etc); service led due to changes in operations; or a mixture of both. It should be noted that any property may become surplus to the council's needs, but the **property itself is not surplus until it has been formally declared so by Cabinet or by CPaL under delegated authority.**

All property that has been declared surplus will be included in the council's property Disposal Programme and management process (see section 4). Buildings that have been vacated before sale or prior to re-use by another service will be managed in CPaL and under the guidance of the Vacant Property Working Group (see section 5). This will be defined as 'Vacant Property'.

It should be noted that any Council property about to become vacant or currently standing vacant is considered a corporate building. Therefore, any decision relating to its occupation by another service must be agreed by the VPWG. Where a potential service need is identified that need will be explored. Since the council is seeking to reduce the size of its operational estate, only those services with an acute and demonstrable need and sufficient approved budget to cover existing and future revenue and capital costs for the property will be considered.

As part of its role in the strategic management of property, CPaL works closely with services to understand their property needs and how property can support their current and future service delivery. It also holds and assesses a wide range of property data and information to inform decision making. Taking this coordinated approach ensures that there is a clear understanding of what is not currently fit for purpose and what might need to change in the future. This will also help control the flow and visibility of assets to be declared surplus and requirements for vacant property management.

Whilst the occupying service will be required to formally notify the Head of CPaL that the date at which the property is no longer required for service delivery purposes, this should only be confirmation of an event that has already been planned and anticipated through the active engagement of CPaL and the service.

Buildings that are no longer required for one particular service cannot be automatically reoccupied by another service (even within the same department) without agreement of the VPWG and consideration by CPaL following the processes set out in this document. CPaL has a duty to the wider authority to make the best use of its assets and to ensure that service property needs are met in the most efficient way. Simply occupying space because it is seen to be available does not constitute sound asset management practice and is unlikely to be cost effective.

Notice to cease use

All services are required to give a minimum of 3 months written notice to CPaL of their intention to cease the use of a property when it is no longer required for service delivery. This notice period is extended to 6 months in respect of schools' land and buildings. This is a minimum notice period, ideally a notice should be issued as early as possible in order to allow time to expedite decisions around the future of the building.

If the Service is occupying a leased in property and wishes to vacate, in addition to the corporate notice period, there are likely to be legal (longer) notice periods and notice formats that need to be adhered to. As part of its regular service engagement processes, the CPaL Corporate Estate Management team will notify services of any upcoming break clauses or end of lease dates in good time so that the service can factor in leasehold interests into their operational decision making.

The same minimum notice periods apply if the intention to close a property is initiated by CPaL under an asset management led approach – for example, if the property forms part of a wider regeneration scheme or if it is no longer economically viable to continue maintaining the property. In most cases the lead in time to these types of developments will be significantly longer and the consideration of options and the decision making will be undertaken with the service(s) affected.

Information and budget management

The flow and control of all information relating to surplus and vacant property is the responsibility of the Strategic Property Management Team in CPaL. Receipt of the notice, management of the Vacant Property Register (VPR) and the co-ordination of all activity relating to the properties on the VPR is their responsibility. It is the responsibility of all officers involved in the management of surplus and vacant property to keep the Team updated on their actions and activities.

A building occupied by a corporate service is maintained as part of the central repairs and maintenance budget and this will continue during the notice period and during any vacant period. Works will be prioritised according to the status of the property and the early view of its future (e.g. minimum maintenance, essential repairs only).

For other properties such as schools or leased out building's services do not hold any budgets for running costs or maintenance. Therefore, provision has been made by Finance for vacant school costs to be covered via an outside of cash limits approach which results in costs being picked up corporately. Where a leased out building becomes vacant and is identified for disposal, FM will need to be provided with access to the same budget source as no budget will transfer at the point of the building coming back to the Council

Section 2: Confirm Property Status and Consultation

AIM: To form an early, high level view of the future of the surplus asset and to outline a plan for its management.

The future use of any potentially surplus property must be robustly considered. CPaL will initiate preliminary investigative activities to assess alternative use options and inform the decision on the future of the property. CPaL Strategic Property Management Team will determine what investigative activities are required to reflect the complexity and likely value of the individual asset. A lead officer in that team will be assigned to a property to carry out the investigation and research into the property.

Consult on alternative uses

In accordance with the Council Constitution, before considering disposal of a property the Head of Corporate Property and Land must consult with the Local Members and the relevant Cabinet Portfolio Member and enable any other Services to express an interest in the property.

CPaL Strategic Property Management Team will initiate this consultation to ensure that no property is sold until it is clear there is no alternative corporate use of the property. CPaL will also be aware of the property needs of services through its engagement with services. Potential matches of service need to property can be identified at this point but also by specific consultation.

The initial corporate consultation exercise should identify any potential re-use within the Council as the available building may be more suitable, economically efficient or environmentally sustainable than an existing building in the portfolio. Re-use by another Service could negate the need to undertake other investigative activities. Vacant buildings will not be offered to external parties until it is clear there is no other service requirement for the building.

Carry out Pre-disposal Property Investigations

The lead officer will initiate investigations into the key considerations that may affect the sale of the property.

There may be occasions where the decision to close a building is particularly sensitive (note that the decision to cease operation of the service from the building has already been made so that sensitivity is not a consideration at this stage) and it may be inappropriate to undertake detailed preliminary investigations into the re-use of the property. Such sensitivities would be considered individually, and the programme of investigative activities planned accordingly.

Investigative activities will include:

- Establishing if there are any constraints affecting the property such as legal, planning, statutory authorities and government policy, and the implications of those constraints in terms of time, budget and specific actions required.
- Establishing if there are any financial constraints such as the property having been the subject of funding in the past that necessitates the repayment of grant monies.
- Consideration of alternative uses and/or development potential and valuations.

Form high level view of preferred options

Where another Service expresses a potential interest in a surplus property, it must provide an outline of that interest, a description of the other options being considered, an assessment of the redevelopment work required together with an 'in principle' agreement on funding from finance and an indication of desired timescales to occupy the property.

A summary of the main findings from the pre-disposal property investigations will also be prepared. At this stage the investigations may be incomplete but key blockers to disposal or redevelopment should be apparent. Consultations with an appointed Disposals Case Officer will commence in order to assess potential disposal strategies.

An initial assessment of any MTFP savings and the potential capital receipts contribution associated with the disposal should be prepared to inform decision making.

These options will be considered by the VPWG and escalated to the Corporate Property Board where appropriate, who will provide guidance on the options that should be considered further. The potential timescales and associated risks for the options will be a key factor in order to minimise the time that surplus assets are retained by the council.

The VPWG will also begin formulating a vacant property management strategy for the property in the context of the options being considered.

Plan vacation of property and vacant property strategy

If it is apparent that the property is likely to be vacant for a period of time before its re-use or disposal, the FM team will commence planning for the vacation of the occupying service, for decommissioning and for the property monitoring regime that will be put in place once empty based on risks that can be identified.

In consultation with the Disposals Team, consideration as to whether demolition of the property would be an appropriate option prior to its disposal should also be given.

Section 3: Confirm Strategy & Governance

AIM: To agree a strategy for each surplus asset and to ensure that all stakeholders are working to that strategy.

Building on the high level view of preferred options agreed by the CPB, the investigative work and review of the outline business case for re-use by another service can be fully assessed and a decision on the most appropriate strategy for the surplus asset can be agreed.

If retention for use by another service is preferred

The service that expressed an interest and had the outline proposal approved by the VPWG/CPB must prepare a detailed proposal, usually in the form of a full business case with costs and timescales, for presentation to the VPWG/CPB within 3 months of the outline approval. If the proposal for alternative use is not submitted within 3 months, the property will be considered for disposal in accordance with the Disposal Policy. The Board will consider extensions to this timescale where the business case has particular merit but where more time may be needed. This is to ensure that the Council minimises the risks of holding property, which may be empty, with indefinite timelines.

The decision of the VPWG/CPB will take account of a detailed options appraisal including lifecycle costs as well as the potential capital receipt from disposal. Where a surplus declaration links to an MTFP saving, this must form part of the consideration of the alternative Service use.

If disposal is preferred

Where no alternative use is proposed and disposal is the preferred option, a surplus declaration report will be produced and signed off by the Head of CPaL under delegated powers or, if required, submitted to Cabinet. The report should address the outcomes of all the investigative activities undertaken as set out above to enable an informed decision to be taken.

Once a property has been formally declared surplus to requirements, the disposal team will develop the marketing and disposal strategy in accordance with the Disposal Policy.

There is likely to be a period between the Service vacating and the surplus building being disposed of. Whilst this will be kept to a minimum, the building must be effectively managed in the intervening period. Section 5 of this Policy sets out how vacant buildings will be managed prior to disposal.

If there are competing options

If there are conflicting advantages and disadvantages to the retain and disposal options, both cases must be presented to the Corporate Property Board for consideration.

Property Acquisitions

When a property is being acquired for service use it is likely there will be a period when the building is vacant prior to occupation or prior to a redevelopment project. The aims of this policy and the procedures outlined in section 5 will apply to the management of an acquired property while vacant. In particular, a service must not have access to the property being acquired before full compliance checks have been completed or while works are being undertaken to ensure the property is safe and suitable for occupation. Any access must be with the explicit permission of B&FM.

Information and budget management

The decision made by the VPWG/CPB will have a direct influence on the manner in which the property is managed and maintained during any period that it is vacant.

All information about the passage of the property through this process must be recorded on relevant property information systems. The risks and the treatment of the property will not remain static through the process. Members of the VPWG must use this information to adjust their work processes and priorities in relation to the property as appropriate.

Where a property is to be looked after as a vacant building, any property related budgets held by the outgoing service – repairs, rents, rates, utilities, for example – will transfer to B&FM at an agreed point in the decommissioning process, except where outside of cash limit processes apply.

Costs associated with the options must be considered in arriving at a strategy for each surplus asset. Depending on the nature of the costs to be incurred a number of budget options are available:

- Essential repairs to keep the property safe, watertight and to prevent deterioration will be met from budgets held in or transferred to CPaL and will be managed by the B&FM team.
- Works to enhance or promote the intended sale of the property may be met from a works before sale fund.
- Works required to close/mothball the property but items that mitigate risks are addressed (alarms, security, boarding up, decommissioning utilities, for example) may be funded from the budgets held by or transferred to CPaL and will be managed by the B&FM team.
- Works to enable demolition to be funded as part of the demolition project costs

The VPWG will report periodically to the Corporate Property Board providing an update on key statistics, risks and management issues.

Section 4: Disposal Policy & Process

AIM: To provide a clear framework for property disposals that supports the council's objectives and adheres to statutory provisions.

The Disposal Policy is a separate document which sets out the key principles which the Council will use when considering disposals of its properties. It provides the framework to ensure that when considering a disposal, all factors are taken in account enabling value judgements and decisions to be made that are in the best interest of the Council as a whole.

The Policy includes an overview of strategic approaches, due diligence and de-risking protocols, less than best policy, undervalue protocol, annual review and programme management arrangements.

See separate Disposals Policy document.

Section 5: Vacant Property Management

AIM: To keep the risks and the costs associated with holding vacant buildings to a minimum and to manage it in accordance with the strategy for its next use.

In support of the principles of the disposal programme, all efforts will be made to minimise the time which a building is not used and remains vacant. However, if the building is declared surplus and identified for disposal, there will inevitably be a period of time that it will be vacant whilst it is prepared for sale. Similarly, there may be a period that it is unoccupied while a new service is preparing to make use of the building or indeed, the Council may have acquired a building for use by a service and the purchase completes some time before occupation of the building.

Vacant Property Risk Assessment

A vacant property risk assessment form will be completed which includes assessments of health and safety issues, building condition and the potential for antisocial behaviour which may cause a hazard to the public or damage to the property. The risk assessment will determine the extent of decommissioning works required and the vacant property monitoring regime that should be established.

A copy of the risk assessment template is included at appendix 2. It is completed by FM in consultation with regard to the agreed future of the property (sale, reoccupation, etc). Input is also provided from officers from the Fire Service, insurance, H&S, compliance and other relevant disciplines as required. Information about the risk to and the value of the unoccupied property may also prompt amendments to the insurance schedule by that team.

The severity and likelihood of risks in each category are assessed by members of the VPWG and each vacant property receives a risk rating from acceptable to intolerable where immediate action is required – this is recorded on the Vacant Property Risk Register and on the master Vacant Property Register. Intelligence from the risk assessment is made available to all stakeholders to inform decision making.

Surplus/vacant property management responsibilities

Section 1 sets out the notice period a Service must give stating its intention to cease using a property. While the VPWG/CPB considers options for the future of the property the FM Team, in conjunction with the outgoing service, will lead on the Property Decommissioning Process and the appointed officer in the Strategic Property Management Team will monitor progress on behalf of the VPWG.

There may be occasions where a temporary use is made of the property by the vacating Service (or another Council Service). Whilst this may be good use of the property and minimise its time being empty, any temporary use must first be first agreed with FM and responsibilities clearly set out. FM can refuse this request if considered inappropriate or detrimental to any future disposal.

If demolition of all or part of the surplus property is approved as part of the investigative activities informing the surplus declaration report, CPaL will be responsible for any demolition work and will ensure that all necessary inspections and approvals are obtained.

An ongoing internal and external property inspection regime will be agreed and led by FM. The FM Team will hold the keys for the property and be responsible for the inspections, for identifying new risks and reporting matters that may affect the agreed management strategy for the vacant building to the VPWG. Records will be kept of inspections by FM and uploaded on to the VPR sharepoint site so they can be viewed by all.

Surplus building budget responsibilities

The corporate estate is the responsibility of CPaL and, once a property ceases to be used by a particular service all property management and budget decisions are made by CPaL with reference to the VPWG or the CPB if disputes arise.

As set out above, the outgoing Service retains responsibility for certain outgoings relating directly to their occupation of the property and must continue to pay for these outgoings until a date is agreed upon during the decommissioning process.

If another Service is proposing to reuse the property and the property is vacated and handed over to CPaL whilst the potential re-use is being considered, then the holding costs for which services are responsible will pass to the Service proposing to re-use the property. This is to ensure that Services make informed and timely decisions and that the properties are not held vacant for longer than necessary.

Expenditure in relation to surplus school buildings (for costs such as repairs, heating, lighting, rates, water, caretaking and cleaning) are part of a school's delegated budget. On closure, this delegated budget ceases to exist and Education will take responsibility for costs via the Outside of Cash Limits process that is corporately funded.

Where it is determined that a property should be demolished prior to disposal (or re-use), the costs of demolition will be met either from the Council's Capitalised Maintenance Budget, if budget is available, or from reserves where costs can be ring-fenced from the capital receipt subject to MOWG approval.

Appendix 1: Vacant Property Working Group – Terms of Reference

Aims: The Vacant Property Working Group aims to deliver co-ordinated action on empty DCC properties by:

- a) identifying potentially surplus property in a timely and co-ordinated manner;
- b) making swift and rational decisions on its future;
- c) ensuring it is managed efficiently in accordance with those decisions;
- d) minimising vacant periods and managing associated risks;

Objectives

The group will:

- Continuously review and monitor activity that may lead to property becoming vacant
- Decide on the most appropriate options and course of action for the Council balancing available resources with good practice
- Develop a vacant property strategy for each asset at the earliest opportunity and to agreed timescales
- Assess and provide recommendations for mitigating risk and liabilities; improving RAG rating methodology and standardising working practices where possible
- Ensure that the decommissioning of property is carried out efficiently
- Own, manage and maintain the vacant property register and monitor agreed activity and timescales - agree escalation regimes to CPaL/REG MT or CPB
- Where appropriate set and monitor performance targets
- Focus on lessons learnt and continuing process improvement
- Build relationships and communication networks with all local stakeholders and Insurers/contractors

Reporting

- a) Update report/dashboard of activity to be presented periodically to the Corporate Property Board
- b) Significant issues and risks identified by the group are to be escalated to the CPaL Management Team and/or Corporate Property Board as appropriate. Specific corporate risks related to a vacant property may be escalated to Corporate Management Team as appropriate

Membership of Group

The following are members of the working group:

- Anna Wills (CPaL Strategic Property Management) Chair
- Kevin Lough (Corporate Health and Safety) Vice Chair
- Kate Hudson (CPaL Acquisitions and Disposals)
- Nor Durran (CPaL Information Team)

- Andy Scarr (Corporate Health and Safety)
- Lynn Swinney ((Corporate Health and Safety)
- Mark Lee (CPaL Building and Facilities Management)
- Faith Huntington (Internal Audit & Corporate Fraud Insurance)
- Keith Marston (CPaL Building and Facilities Management)
- Beverley Grant (CPaL Building and Facilities Management)
- Sean Durran (CPaL Building and Facilities Management)
- John Potter (CPaL Building and Facilities Management)
- Michael Raincock (CPaL Building and Facilities Management)
- Tracy Millmore (Neighbourhoods and Climate Change)
- Claire Hubbard (Team Leader Safer Communities)
- Jon Singleton (County Durham and Darlington Fire Rescue Services)*

*County Durham and Darlington Fire and Rescue Service have nominated a Single Point of Contact for the purpose of attending the meetings and sharing intelligence by DCC arrangement.

Additionally, other officers may attend as needed or as cases develop, and the group will engage partner organisations where appropriate.

Roles and responsibilities for vacant property management are set out in the addendum to these terms of reference.

Processes and procedures relating to vacant property will be developed and prepared through this group, with adoption via the CPaL Management Team or other Management groups as necessary.

Meeting Frequency

- Meetings to be held on a Monthly basis and to be reviewed as necessary.

Administration

The Vacant Property Working Group is chaired by the Strategic Property Manager for CPaL and is deputised by the Corporate Health & Safety and Compliance Manager for CPaL.

All Data is shared via the Vacant Property Register on SharePoint. All officers in this group have access, and this is maintained by the Acquisitions and Disposals Surveyor.

The group will be responsible for providing advice and recommendations on each individual property that is listed on the vacant property register. However, where high resource eventualities are recommended such as demolition, the Case Officer will prepare a report to be presented to Head of Service /Management Team. This will ensure proper processes are considered and the risks to the Council mitigated as much as possible.

Processes and procedures relating to vacant property will be developed and prepared through this group, with adoption via the CPaL Management Team or other Management groups as necessary.

Glossary of Key Terms

Vacant Property Register (VPR)

Unoccupied vs. Vacant Buildings: Key Differences (and Insurance Implications)

The terms '*vacant*' and '*unoccupied*' are often used interchangeably with empty buildings, but they are not the same legally, predominantly from an insurance perspective.

A '**vacant**' property is an asset that is anticipated to be void for a prolonged period of 6 months or longer. They are the Council's surplus stock that have a planned strategy i.e. Disposal or Demolition which in most cases, carry a longer process to complete.

Vacant properties do not hold people or belongings and will have been fully decommissioned. All furniture, contents, and combustibles internally and externally, will have been removed. Utility services will be disconnected unless recommended otherwise.

As vacant properties are generally accepted to hold more risk, the Vacant Property Working Group (VPWG) will have collectively risk assessed the building and Vacant property Management will be implemented at the earliest date the property is vacated.

An '**unoccupied**' property is one that is principally linked to leased out assets for example, the Council's Commercial or Community Building Portfolio and are planned to be re-occupied via a formal agreement. The unoccupied status being temporary, for example in between tenants, or closed for refurbishment. They are untenanted buildings but may have fixtures and (non-combustible) equipment still in situ. Services will still be connected but may be turned off.

Unoccupied buildings will also be subject to stringent risk assessments, an inspection regime, and compliance measures in place. Management Agents may be contracted to carry out these functions on behalf of DCC.

Any property that has either long term, or transient vacant status will be recorded on **DCC's Vacant Property Register**, and the VPWG Group will be informed, inc. the Council's Insurance Team.

Additional VPR Terminology:

- **Coming Soon** (Buildings that are notified on their impending inclusion on the VPR before they become vacant)
- **Redundant Properties** (mothballed cemetery buildings for example)
- **Buildings of Historic Value/Conservation** (other Services in the REG Directorate may influence the future strategy and timeline outcome)
- **Unavailable** (DCC asset that needs to be recorded but doesn't employ the same management)
- **Intermittent occupation** refers to Business Rates Relief (and is not recorded on the VPR).

Addendum: Vacant Property Roles and Responsibilities

Property Type - Corporate/Centralised Estate (can be modified for other property types)

Parties →	Service (outgoing /incoming)	VPWG Support & Co- ordination	Strategic Property Mgt	Disposals	Buildings	FM	VPWG (AW chair)	Other Rates, Energy, IT, Insurance, H&S	Links to other teams, systems and policies
Process ↓									
Recommend Change	Can initiate on operational grounds	Add to 'coming soon' VP register	Can initiate on asset review	Can initiate if approached	Can initiate on property performance		Review and monitor		
Evaluate Options	Expressions of interest	Monitor progress and coordinate activity	Checklist forms & Consultation	Alternative uses Constraints	Technical advice on condition and demolition	Technical advice on risk management and monitoring		Review and advise	
Present preferred options		Monitor progress and coordinate activity	Present case	Present case			Review and decide (CPB arbitrates)		
Retain for re-use	Business case lead MTFP savings? Budget growth bid?	Monitor progress and record activity	Land & property records		Continue R&M	Manage moves and vacant period	Review and monitor	MTFP savings? Budget growth bid?	Capital Works programme Business case procedures
Disposal	Transfer FM budget to FM at decommissioning trigger point	Monitor progress and record activity	Land & property records	Lead Officer Surplus dec. Disposal process	Continue R&M but adjust priorities and scope	Manage moves, decommissioning and vacant period	Review and monitor	Transfer FM budget to FM at decommissioning trigger point	Disposal process and policy

Demolition	Transfer FM budget to FM at decommissioning trigger point	Monitor progress and record activity	Land & property records Delegated/ surplus dec report		Continue R&M but adjust priorities and scope Lead on demo project?	Manage moves, decommissioning and vacant period	Review and monitor	MTFP savings?	Demolition programme
Vacant period	As set out in decommissioning docs	Monitor, record activity and report to VPWG		Advice to team if to be sold Minimise vacant period	Continue R&M but adjust priorities and scope according to future	<u>Overall resp for the building</u> Lead officer Keys, inspections, reports, instructions, callouts, decomm, security RA's	Oversee, monitor and advise Set performance targets Escalate issues See ToR	As set out in decommissioning docs	Decommissioning process Risk Assessments Inspections procedures
End of vacant period Re-occupation or sale complete	Assume service responsibilities on occupation as advised by FM	Monitor progress and record activity	Land and property records	Notification of completion & specific instructions to FM	Continue R&M (full scope) OR Cease R&M and adjust records	Manage moves OR Building handover responsibilities	Review, monitor and close case (lessons learned?)	Adjust budget responsibilities and records	

Notes (linked to VP Action Plan):

- See VP process flowchart for more detailed resps.
- Need to review how **MTFP savings** are put forward/claimed by services (rates/utilities only for centralised property)
- Need to review how business cases may include (revenue) **growth bid** for property to be reoccupied by another service.

Appendix 2: Vacant Property Risk Assessment Form

Vacant Property Risk Assessment Form (TEMPLATE)									
Property name & Address									
Asset UPRN/ Est.No:				UBRN:		New Acquisition (UPRN/EST pending)			
Key Holder (s):				Service		N/A			
Date Property Vacated:				Construction ie Brick/Timber inc Roof					
On Demolition Programme Y/N				Date Completed :		By:			
ACMs present Y/N Unknown				Assessment Revision Due (Frequency TBA) :		By:			
AREAS OF RISK	ID	Current Risk (If Reported)	AREAS CURRENTLY AFFECTED (if Yes)	LIKELIHOOD (ie occurrence)	SEVERITY (Acceptable-Intolerable)	Score	Fire/Police Reports Available	Measures Required	Owner
Health and Safety	HS	Y/N		1-5	1-5	0-10	Y/N		
Building Security doors/windows/skylights	HS1								
Site Perimeter Security	HS2			1	1				
DCC fire risk assessment rating	HS3			1	1				
CDDFRS fire risk assessment rating	HS4			1	1				
Current protective measures against trespassing	HS5			1	1				
Signage	HS6			1	1				
Squatters/ Rough Sleepers	HS7			1	1				
Impact on Neighbouring properties	HS8			1	1				
Hazardous Materials	HS9			1	1				
Pest Control	HS10			1	1				
Condition	CON								
Structural Issues	C1			1	1				
Vegetation	C2			1	1				
General deterioration caused by adverse weather or water ingress, lack of maintenance	C3			1	1				
Malicious Damage	C4			1	1				
Planning Information	PL								
Conservation Area, Listed Building, NDHA	PL1			1	1				
Nutrient Neutrality	PL2			1	1				
Location	LO								
Crime hot spot	LO1			1	1				
Isolated	LO2			1	1				
Visibility/ Accessibility to public	LO3			1	1				
Proximity to Resi./Schools	LO4			1	1				
Ownership	OWN								
DCC	OWN1			1	1				
Leasehold	OWN2			1	1				
Title Constraints/Unresolved: (ie Claim on Title)	OWN3			1	1				
Anti Social Behaviour	ASB								
Reported arson incidents	ASB1			1	1				
Vandalism	ASB2			1	1				
Flytipping	ASB3			1	1				
Trespass	ASB4			1	1				
Other (please specify)	ASB5			1	1				
Previous Action Taken	PRE								
Boarded/Previously Boarded				1	1				
Police/Fire Involvement				1	1				
Perils	PER								
Flood Plane/Watercourse				1	1				
Level of Decommissioning	DEC								
Letterbox				1	1				
Post Redirection				1	1				
Combustibles				1	1				
Reputational Risk to the Council	REP								
				1	1				
Marketability	MKT								

Appendix 3: Decommissioning procedure

- Action Plan Item F – to follow

Appendix 4: Inspection Regime

- Action Plan Item E1 – to follow

Appendix 5: Surplus/Vacant Policy Development & Property Management Action Plan

Objectives and actions for development

The following Action Plan accompanies the Surplus Property Policy framework which has been developed by Vacant Property Working Group (VPWG) for presentation to the Corporate Property Board (CPB).

The objectives and associated actions have been identified to support the Policy development and to improve work processes. Broadly, **objectives A, B and C** relate to the information gathering and early assessment of surplus (and potentially vacant) property – **objectives D, E and F** relate to activity once a decision on the future of the surplus property has been agreed and a plan is being formulated for its interim care.

The key objectives of the Action Plan are:

Objective A: Review and improve the management of information, including the use of proformas in notifications and consultations

Objective B: Clarify vacant property budget management arrangements

Objective C: Review documentation and process for establishment of alternative options for surplus/vacant property

Objective D: Confirm Risk Management process and responsibilities

Objective E: Establish Vacant Property Management Strategy

Objective F: Review of the property decommissioning process

Each action is prioritised:

Priority 1: Within 6 months

Priority 2: Between 9-12 months

Priority 3: Between 12-18 months

As the actions are developed, the resource implications and timescales will be considered in more detail but it is anticipated that they will be managed within existing resources.

Separate but related projects which impact on this action plan are:

- **Service Engagement activity** – planned and systematic interaction with services to understand needs, operational changes, etc
- **Business Case process and Governance** – set out what is required for approvals at each stage i.e. expression of interest, outline business case, full business case, options appraisal, whole life costings, funding bids, etc
- **Demolition protocols** – review and document the demolition process

Objective A: Review and improve the management of information, including the use of proformas in notifications and consultations

Actions	Priority	Lead	Status / Comments
1. Formalise pro forma/process for services to serve notice to CPaL to cease operations from land/buildings (including schools process)	2	Kate H / Mark L	How do Service and CPaL work together on decision making. Consider Appendix 1 stat consultee (CPaL)
2. Management of VPR and information sharing systems ('coming soon' properties of interest)	1	Kate H / John H	Review and rationalise links to other systems. Ensure single data sources for 'master' information.
3. Review/validate and update consultation process that determines other uses or constraints – Form A and Form C	1	Jack S / Kate H	Confirm the purpose and docs for each stage. Includes procurement of further studies or Policy review (e.g. our approach to conservation issues)

Objective B: Clarify vacant building budget management arrangements

Actions	Priority	Lead	Status / Comments
1. Post 2016 VP budget position to be reversed	1	Joanne Pa/ AF	Finance agreed (Andrew Fallon (AF) email 6/12/23 although CMT approval may be required). Needs to be linked to transfer of any funds held by services for vacant properties since 2016.
2. Review other running costs (held by services) and trigger points for transfer to CPaL	1	Joanne Pa/ AF	Link to serving of notice to vacate (A1) and decommissioning process (F1) review. Costs such as FM/Insurance/Rates/Energy/other supplies.
3. Review budget holding responsibilities in CPaL and confirm management arrangements, reporting & controls	1	Joanne Pa/ AF	See budget guidance table. Schools and Corporate Landlord resps (see above costs e.gs) to be confirmed/finalised

Objective C: Review documentation and process for establishment of an initial view on alternative options for surplus/vacant buildings

Actions	Priority	Lead	Status / Comments
1. Refine process for establishing the initial view on the future of the surplus asset	2	Anna /Jack S	How do we assess/balance options? Alternative uses/development potential/value/marketing strategy. Scoring matrix?
2. Confirm governance and decision making process for this initial view and format for documentation.	2	Anna W	Clarity on roles of VPWG/CPB etc. See roles and resps table – requires signing off and implementation

Objective D: Confirm Risk Management process and responsibilities

Actions	Priority	Lead	Status / Comments
1. Confirm and document Risk Assessment process for onward care of vacant/surplus property.	1	Mark L/ Kate H	Including roles, responsibilities, trigger points and information sharing process NB. Process owned by FM
2. Confirm process for actioning recommendations, monitoring sites and authorising works	1	Mark L/ Kate H	Linked to budget resps (B3) and decommissioning (F1). See VP process flowchart.

Objective E: Establish Vacant Property Management Strategy

Actions	Priority	Lead	Status / Comments
1. Formulate vacant property management strategy/checklist – review and confirm processes, docs, info sharing protocols, decision making, escalation, etc	1	Mark L/ Anna W	An outline plan for inspections during the vacant period – prepared during planning phase. Link to decommissioning (F1) and inspections process (E2)
2. Confirm roles, responsibilities and standards for maintenance, inspections and general management	1	Mark L	Link to risk management (D2) and budget resps (B3) – see SW tables & flowchart. Confirmation/documentation of inspections process required.

Objective F: Review of the property decommissioning process

Actions	Priority	Lead	Status / Comments
1. Full review of decommissioning process, responsibilities and documentation	1	Mark L/ Kate H	Link to Budget (B3) and vacant mgt strategy (E2). Review commenced – FM to lead