

Agenda item:

Warwickshire Joint Audit and Standards Committee Report Summary

Meeting Date: 22nd January 2025

Subject: Estates Management

Contact details:

Calum Walmsley – OPCC Strategic Estates and Asset Manager

Nathan Moore – Warwickshire Police Head of Business Operations

Purpose of the Report:

The purpose of this report is to provide the JASC with an update on the current position of Estates Activity and give further detail on the strategic aims of the Estate on behalf of the Police and Crime Commissioner and Warwickshire Police. The report provides detail around the roles and responsibilities of the OPCC and Warwickshire Police Estates team and the governance arrangements in place to support this. The report also outlines the details of the draft Estates Strategy for 2025-2030, along with providing assurance on the risks associated with the delivery of the capital estates programme.

Recommendation:

That the Joint Audit and Standards Committee note the contents of the report.

Introduction:

The Police and Crime Commissioner for Warwickshire (PCC) is custodian of the Warwickshire Police estate. Warwickshire Police occupy the estate, utilising the premises for operational policing purposes and supporting staff functions.

The estate is made up of 22 freehold properties across 12 locations and 13 leasehold sites.

The PCC owns the two Warwickshire Justice Centres in Leamington Spa and Nuneaton. The Justice Centres.

The Justice Centres are occupied by Warwickshire Police and other partner agencies including His Majesties Courts and Tribunal Service, The Crown Prosecution Service, Probation and Warwickshire County Council along with commissioned services such as Victim Support and Cranston.

To deliver successful law enforcement and community safety across Warwickshire, the Office of the Police and Crime Commissioner (OPCC) and the Warwickshire Police Estates Management Teams play critical roles in ensuring that policing services operate smoothly and efficiently through the effective management of resources and collaborative working.

The physical infrastructure is fundamental for day-to-day operations across Warwickshire Police with the OPCC having strategic, and Warwickshire Police having operational, responsibilities for Estates.

Ways of working

The Corporate Governance Framework refers to the Estates and Asset Management activities. The PCC has delegated responsibilities to the OPCC Chief Executive, and to the Director of Enabling Services. These delegations demonstrate the direct relationship between the OPCC and the force Estates function, which is led by the Director of Enabling Services.

Scheme of Delegation

Delegations from the PCC

- To the Chief Executive: To make arrangements, in consultation with the PCC, for dealing with strategic matters in respect of land or buildings and structures thereon, including acquisition, disposal, redesign and major reconfiguration.
- To the Director of Enabling Services - To undertake the day-to-day management of physical assets subject to the provision of financial regulations. The Director of Enabling Services will ensure reporting into the PCC as per the arrangements detailed in this document.

Contract Regulations

- No agreements relating to renting or leasing of premises or licences to occupy (even at nil cost) may be accepted without reference to the Head of Business Operations and approval by the PCC.

The following defines the role and responsibilities of both the OPCC and Warwickshire Police in discharging their duties in relation to estates.

OPCC Responsibilities:

1. Strategic Oversight: Aligning a 5-10yr Estates strategy with the PCC Police and Crime Plan. This strategy will detail how the Estate will be invested in, developed, managed and achieve sustainability, ensuring it is fit for purpose and the future of Warwickshire Policing.
2. Budget Management: Overseeing the Estates and Facilities police budget, ensuring funds are allocated appropriately, using established governance arrangements, scrutinising financial reports and working with Business Operations to adjust finances to ensure fiscal responsibility.
3. Community Engagement: Acting as a liaison between the police and the community, gathering public feedback to inform the management of police estates and facilities.
4. Performance Monitoring: Holding the Chief Constable and Enabling Services Directorate accountable for the efficiency and condition of police buildings and

facilities along with the monitoring of progress with delivery of programmes of works.

5. Lease Management: Implementing lease management across the leasehold estate, ensuring leased premises continue to meet operational policing requirements whilst maintaining value for money.
6. Asset Disposal: Identifying and completing the disposal of property and land to achieve best value and generate capital income.
7. Securing capital funding: Bidding for and claiming of S106 developer contributions. The seeking grant funding to support delivery of projects.
8. Partnership Working: Acting as the strategic lead with partner organisations such as Local Authorities for collaborative working on initiatives such as Sustainability, One Public Estate, and Blue Light Collaboration.

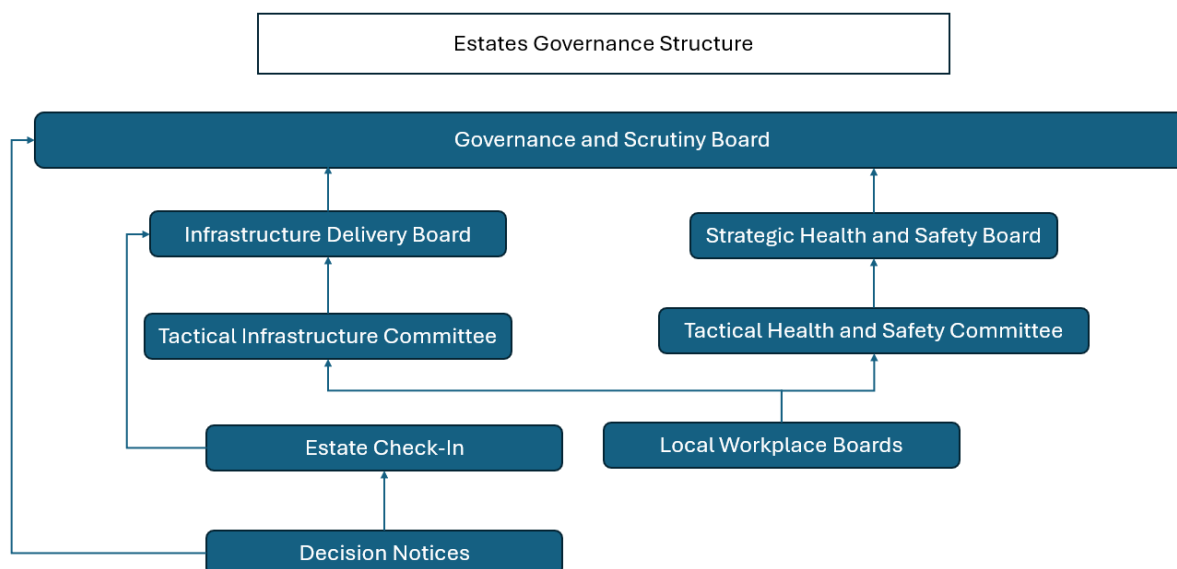
Warwickshire Police Estates Management Team Responsibilities:

The Warwickshire Police Estates Management Team have more operationally focussed responsibilities.

1. Annual delivery plan: Development of an annual programme of works for the Police estate, to include both capital replacement and revenue maintenance works.
2. Asset Management: Delegated responsibility from the PCC to undertake Proactive and reactive maintenance, refurbishment and management of police properties, ensuring they are well maintained, meet the needs of the force, are compliant with statutory health and safety requirements whilst maintaining the health and wellbeing of all employees.
3. Resource Allocation and Utilisation: Responsible for assessing the spatial needs of policing and staff units / functions and making recommendations for land and building use, modifications, mergers, decommissioning of facilities (free and lease hold) or acquisitions.
4. Strategic Planning: Contributes to long-term planning regarding the physical assets of the police through 3 yearly condition surveys, aligning the 5yr capital spending plan to the Estates strategy with the objectives outlined in the Police and Crime Plan.
5. Sustainability Initiatives: To monitor, control and minimise the Warwickshire Police environmental impact, implementing improvements, promoting energy efficiency and environmentally friendly buildings and facilities; whilst complying with all relevant legislation, regulations and agreements.
6. Undertake the procurement, site management and delivery of revenue and capital projects as identified in the business plan and approved by the PCC.
7. Data collection and maintenance: Ensuring data and records are collated maintained in relation to the elemental information on the estate, for example, component replacement dates, or ad-hoc surveying requirement such as RAAC.

Governance

Robust governance of the estate is essential to ensure that the buildings continue to meet the needs of operational policing, and to ensure the services remain effective. A tiered structure has been developed to ensure accountability, and that governance is maintained from an operational level through to strategic management.



Mechanism	Frequency	Attendees
Governance & Scrutiny Board	Monthly	PCC, DPCC, OPCC SLT & Warwickshire Police SLT
Infrastructure Delivery Board	Monthly	OPCC SLT & Warwickshire Police SLT
Tactical Infrastructure Committee	Monthly	Service Managers, Superintendents & OPCC Estates Manager
Strategic Health & Safety Board	Quarterly	OPCC SLT & Warwickshire Police SLT
Tactical Health & Safety Committee	Quarterly	Service Managers, Superintendents & OPCC Estates Manager
Estates Check-in	Monthly	Head of Department & OPCC Estates Manager
Local Workplace Boards	Quarterly	Representatives from all departments, units and work areas
Decision Notices	Change Request	From Warwickshire Police Estates Team to the PCC

Decision making

It is essential that there is clarity around the formal authorising of decisions to proceed with work.

If the following criteria are met, a decision notice must be completed and signed off by the Chief Officer responsible for Enabling Services, OPCC Chief Executive, OPCC Chief Finance Officer, and final sign off completed by the PCC.

- The annual delivery plan
- Any new or emerging projects identified outside of approved annual delivery plan process
- Any spend that is expected to be in excess of £25k.
- Leases / section 106s applications / planning applications?
- Any other spend that is likely to, or has the potential to, attract specific community interest or could be contentious due to the nature of the works.

Decision notices are discussed initially, at Estate Check In meetings between the Head of Business Operations and the OPCC Estates Manager. Further discussion with the respective senior leadership teams then takes place at the Infrastructure Delivery Board prior to decisions being presented to the PCC for final sign off.

The OPCC are also consulted on all force policy and procedures relating to estates and health and safety.

The estates ways of working are reviewed annually.

Estates Strategy 2025-30

A joint PCC and WP estates strategy has been developed and a copy is attached in appendix 1. Public consultation on the draft strategy is scheduled for January 2025 with adoption of the strategy prior to the end of March 2025.

The estates strategy has been formulated from reviewing the current position of the estates function, including performance and delivery of projects to date, obtaining and understanding the needs of operational policing and meeting regulatory and Governmental requirements.

The Estates strategy aims to support to deliver on the aims of both the Police and Crime Plan, and Warwickshire Police's Fit for the future strategy. Aspirational elements have been included within the strategy, including sustainability objectives, securing capital funding to delivery on the estate priorities and improving partnership working.

The strategy is made up of 5 key objectives:

We will provide a modern, visible and fit for Policing Estate: Making the best use of the existing freehold estate to deliver flexible spaces for the changing needs of policing. Ensuring that town centre visibility is maintained and that access to services is continued for the people of Warwickshire.

We will be sustainable: Reviewing the existing property portfolio for its energy efficiency, to develop plans for a road to net zero carbon.

We will achieve Value for Money and Generate Capital Contributions: Reviewing procurement processes, asset disposal options and securing additional funding streams such as S106 developer contributions and grant funding.

Our estates will be health and safety compliant: Developing a pro-active view towards health and safety and ensuring 100% compliance with our statutory responsibility.

We will work in partnership with others: Making and maintaining partnerships with Local Authorities and other blue light services via One Public Estate. We will consult with

the public, Parish Councils and other affected bodies as to our work on estates to seek views and shape the projects we deliver.

An action plan is currently being developed with operational deliverables to measure the progress against the overarching strategy.

There are several key Challenges to the delivery of the strategy:

Backlog maintenance: There is a substantial element of the programme of works within the 5-year plan that is back log maintenance required for the continued use of some buildings following several years of lack of investment. Therefore, aspirational elements of the strategy may have to be delayed facilitating the essential works to be completed due to the funding available within the medium-term financial plan.

Mitigation: Prioritisation of the works based on health and safety requirements, operational policing need of the buildings.

Availability of Funding: The Medium-Term Financial Plan for 2024 includes for £xx in capital funding to deliver estates projects over the 5-year period. This is based on current condition surveys and back log maintenance and does not cover additional projects yet to be identified. For example, decarbonisation works to meet net zero goals.

Mitigation: Where possible, projects will be reviewed to cross supporting other elements of the strategy. For example, when a boiler requires replacement, alternative heating methods would be explored to get best value for money and improve upon the sustainability of the building. Each week, planning lists are reviewed to ensure that any opportunity to bid for funding from S106 developer contributions are maximised to secure additional funding. Grant opportunities are also reviewed to contribute towards existing identified projects.

Staffing resources to deliver: Recruitment and retention of suitably qualified staff to undertake the management and maintenance of the remains a risk to the ability to deliver the volume of works required to the estate within the strategy.

Mitigation: External support is being provided via consultancy to ensure that progress is being made against the requirements of the Estates delivery plan.

Rising construction and maintenance costs: Costs of construction and material rose considerably between 2020 and 2024 by. A continued increase in costs minimises the amount of works that could be completed against the plan.

Mitigation: Inflation has slowed, and interest rates have reduced slightly during 2024. Exploration of entering longer term procurement contracts enables an element of control over the future delivery of planned programmes of works. This also offers better value for money, as cost efficiency can be obtained by continuity of work for suppliers and contractors. Projects will all be reviewed for value engineering where possible, and standardisation of components and specifications will enable easier cost planning.

Sustainability targets: Government sustainability targets are stretching and based on the diverse portfolio of properties owned by the PCC, it may be difficult to achieve at all to some premises.

Mitigation: A sustainability assessment of the existing estate is being conducted free of charge by Midlands Net Zero Hub, a Government funded organisation. This is free of charge and will enable a baseline to be created along with suggestions on how to reach net zero by 2050. This will also enable a cross referencing of decarbonisation works against the planned maintenance programme, and the ability to have funding ready schemes when additional funding is released by Government.

The risks and challenges to the delivery of the strategy will be closely monitored and mitigated against, where possible. The action plan will be reviewed annually to ensure that the actions allocated have progress achieved and remain valid.

Investment Decisions

The complexity of Investment decisions within the Police estate of Warwickshire, necessitates a structured approach that balances safety, value for money, and environmental sustainability. This is achieved through a decision notice process where-by the Estates team will make informed recommendations for investment and if in agreement, the PCC will sign off the decision notice/s for projects and works to proceed.

Health & Safety

The Health and Safety of our workforce is paramount in any investment decision concerning the estate, the criteria for ensuring safety include:

1. Condition surveys of all freehold premises: Conducted to assess the current buildings condition as well as identify any potential problems that may arise in the future. This information is used to inform the 5yr capital spending plan and decisions about repairs, maintenance, and improvements.
2. Risk Assessments: Condition surveys identify vulnerabilities within existing facilities enabling the Estates Team to mitigate risk and prioritising for investment decisions. The risk assessment process includes evaluating the structural integrity of buildings, safety features, and the adequacy of the resource for policing operations and staff functions. Emergency action and reactive responses maybe required.
3. Safety Audits: To determine the areas that require enhanced security measures or facility upgrades. Investments can be prioritised based on recommendations from audits including CCTV, penetration testing, information assurance assessments etc., ensuring that resources are allocated where they are most needed to protect both police personnel, assets, information security and the community.
4. Compliance with Regulations: Ensuring that police facilities meet legal and regulatory safety standards are crucial. Investments are prioritised based on the necessity of compliance with health and safety regulations, fire safety, and other relevant legislation.

Value for Money

With the continuation of constrained budgets in the public sector, ensuring responsible procurement and value for money is essential for optimising the limited resources available to Warwickshire Police. The criteria for assessing value for money include:

1. Cost-Benefit Analysis: Each potential investment undergoes a cost-benefit analysis to ascertain the expected financial return against the initial outlay. This analysis considers both direct financial implications and indirect benefits, such as enhanced operational efficiency, organisational development and expansion and the ability to then forecast the requirement of future investment.

2. Long-Term Sustainability: Investments should not only address immediate needs but also consider long-term sustainability. This involves evaluating lifecycle costs, including PPM / maintenance, operational expenses, and potential for future upgrades.

3. Community Impact: Value for money is also assessed by considering how investments will benefit the community. Engaging with community stakeholders and soliciting feedback can provide insights into the public's perception of value, ensuring that the police estate aligns with community needs and builds trust.

Environmental Sustainability

As societal awareness of environmental issues grows, integrating sustainability into investment decisions is increasingly vital. The criteria for environmental sustainability include:

1. Compliance with Environmental Legislation: Warwickshire Police must ensure that any investment aligns with national and local environmental laws, such as the Climate Change Act and the Environmental Protection Act. This compliance is crucial not only for legal reasons but also for fostering public trust and demonstrating a commitment to responsible governance.

2. Energy Efficiency and Carbon Footprint Reduction: Investments in the police estate should prioritise energy-efficient technologies and practices. This includes the adoption of renewable energy sources such as solar panels, providing electrical vehicle charging infrastructure, as well as retrofitting existing buildings to meet higher energy efficiency standards. By evaluating potential investments through the lens of their ability to reduce carbon footprints, Warwickshire Police can significantly contribute to the region's climate goals.

3. Sustainable Construction Practices: When considering new constructions or refurbishments, sustainable building practices are essential. This includes using environmentally friendly materials, implementing waste reduction strategies, and ensuring that buildings are designed to promote sustainability. The use of green certifications, such as LRQA, LEED or BREEAM, can help guide these decisions and ensure that investments are environmentally sound.

4. Community Engagement and Stakeholder Input: Warwickshire Police can gather insights from residents, businesses, and environmental groups to understand their concerns and aspirations. By incorporating community feedback, we can ensure that our investments not only meet operational needs but also resonate with the values and priorities of the community we serve.

5. Life Cycle Cost Analysis: Investment decisions should be informed by a comprehensive life cycle cost analysis, which considers the total cost of ownership of an asset over its entire life span. This includes initial capital costs, maintenance expenses, and environmental impact costs. By focusing on long-term sustainability rather than short-term savings, Warwickshire Police can make more informed investment choices that benefit both the operations, the PCC and the environment.

Risk Management

Held within the OPCC Risk Register is Risk *RR041 'Delivery of estates plan not achieved'*.

The extract below from the risk register shows the entry from November 2022 and the resulting scoring from assessment of the risk.

OPCC COMBINED RISK REGISTER			RISK DETAILS					GROSS RISK ANALYSIS					
Ent. No.	CURRENT RISK STATUS	DATE RAISED	RISK HEADING	RISK DESCRIPTION	AREA OF SERVICE	CURRENT RISK CLASSIFICATION LEVEL	RISK OWNER	NARRATIVE		GROSS SCORE			ASSURANCE OR ACTION
								LIKELIHOOD	IMPACT	1 Lowest	2 Medium	3 Highest	
RR41	OPEN	11-Nov-22	Delivery of Estates Plan	That the force do not deliver the estates programme as agreed, resulting in underspend, increasing deterioration of the sites, and continued frustrations for the workforce in respect of suitable accommodation	Estates	3. Strategic	Calum Walmsley	This is moderately a risk for the force, who are working to improve the processes and systems to ensure delivery is possible	The impact of this is mostly financial as the costs of remediation activity would continue to increase. There would also be an impact on staff wellbeing which could have a longer term affect on retention	3	3	9	Assurance

A gold group was established to offer further scrutiny to the delivery of estates projects, meeting monthly to highlight any slippage in the delivery of projects and discussing mitigating actions required.

In order to mitigate this risk, in financial year (FY) 2023/24, the Estates Team embarked on a more robust process to plan for capital spend. Condition surveys were conducted to all freehold premises to assess the elemental condition of the buildings, and the priority planning of identified works was more in-depth and rigorous, this was fully supported by the PCC.

Subsequently, the decision-making process and governance concluded in July 2024 with a 5-year programme of works agreed and included for within the medium-term financial plan.

A final decision notice to complete year 1 projects was submitted and agreed by the PCC.

Although the initiation of capital projects started later than anticipated, all parties were comfortable that the governance that had been applied to the process was correct and proportionate and in line with the estates ways of working as detailed earlier in this report.

In total, 19 capital projects have been tendered and procured since July 2024, an exceptional effort from the Estates and Procurement Teams at Warwickshire Police.

Therefore, the conclusion of projects from 2023/24 and newly initiated projects from 2024/25 ensure that condition survey recommendations have been actioned and our "5yr Capital Estates Plan" is on track.

The conclusion of some projects from financial year 2024/25 will slip into financial year 2025/26 by 2 months, due to delays outside of the control of the estates team (These include planning permission delays, contractor availability and ecology surveys). However, all monies will be accounted for and no underspend is forecasted.

Looking forwards, Warwickshire Police Estates Team have begun the process for planning the capital projects for financial year 2025/26, which will be reviewed by the OPCC Estates Manager in the first instance and be ready for final submission and discussions at the January 2025 Infrastructure Board.

It is envisaged that the sign off of the project list for the 2025/26 projects will be submitted as part of the budget setting process for sign off in February 2025, with procurement processes to start in March 2025. This earlier start on the procurement of the capital projects will enable a timelier and smoother completion of the programme of works over the financial year.

The delivery continues to be risk assessed as amber due to the nature of capital projects related to estates and facilities (materials, lead in times with contractors, adverse issues beyond our control etc.) however, from a process and governance perspective,

Warwickshire Police Estates Team are in a very efficient and productive place to achieve all that is required based on condition survey planning.

Condition surveys are planned to be repeated in financial year 2026/27 which will confirm and consolidate years 4 and 5 of this term of planning and will subsequently inform a further 5yrs of programmes and projects.

With the addition of the monitoring and progress reporting being presented via governance boards as detailed above earlier in this report, there is continued assurance that good progress is being made against the identified delivery plan. The gold group has been disbanded with the implementation of the monthly Infrastructure Delivery Board.

PROGRESS						
PROGRESS		NET RISK ANALYSIS				
ACTION STATUS	NOTES/UPDATES	NET SCORE			ASSURANCE OR ACTION	LAST UPDATED
		Smallhood	Impact	Risk Level		
Mainly on Track	<p>17/1 The force have established a Gold Group to address this risk, met for the first time on 17/1. 22/2 Gold in progress. 25/05/24 - In addition to GG meetings, fortnightly meetings are taking place to review progress on projects and works.</p> <p>20/06/24 -Being monitored via twice monthly estate catch ups, featured report on GPB monthly, Gold Group to be disbanded. OPCC representation on Infrastructure boards.</p> <p>12/7/24 Capital 5 year programme now agreed. The monitoring of the progress is to be done via monthly estate catch up and GPB. Financial monitoring to be included to also manage the expenditure including committed and forecast spend. 13.09.24 Good communication established with the force FM team to ensure progress is being made. Open dialogue in regards to delays/issues being raised ad-hoc as required. 10/10/24 Ongoing discussions with the Estates team on progress against programme. Concerns with resource issues currently to deliver this, however progress is good against programme apart from unavoidable delays due to bats on some projects. Revised budget monitoring has been requested to ensure that an accurate forecast is produced. 9.12 budget monitoring has been updated. Good governance established over the estates function. SEAM to have more involvement in the capital budget setting process for 25/26</p>	3	3	9	Assurance	09/12/2024

Conclusion

The management of the estate's functions of both the OPCC and Warwickshire Police has, over the past 12 months, undergone significant improvement. With new resources across both teams, the establishment of clear governance arrangements and clarity on the scope of works for identified projects, this has enabled a focus and drive to complete essential maintenance works to improve the facilities for the delivery of operational policing.

The estates strategy will enable a suitable and measurable action plan to be created to take the delivery of the estates function to the next level, ensuring that the premises are maintained safely, effectively and efficiently, protecting the buildings for the future of policing or creating additional funding to be used in the right places.

It is requested that the Joint audit and standards committee note the content of the report.