

Derbyshire Police & Crime Commissioner

Asset Management Strategy 2021 - 2036



Police and Crime Commissioner for Derbyshire.

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Foreword

My role as Police and Crime Commissioner is to set the policing priorities in Derbyshire. My Police and Crime Plan sets out a clear commitment to driving efficiencies within the police force. I have spoken to many people across Derbyshire to listen to what they want from their policing service, and the one thing I heard repeatedly was they wanted strong local policing and better value for money. Residents want to know that the funding they provide for policing is being spent wisely, carefully and will deliver on their priorities.

To deliver the services that we all expect, the police need to have a steadfast and versatile estate which provides the foundation for strong local policing throughout Derbyshire. We have seen the resilience of police officers and staff, who have worked hard and shown innovation throughout the pandemic, despite the challenges it has presented. It has also shown that the way people work has fundamentally changed. Our estate must be fit to support this, yet still be reflective of the service we aim to provide, and that the public expect their police force to deliver.

This document details how the force will deliver a modern and sustainable Asset Strategy. One that will manage resources and support the effective procurement of services. Investing in technological advances will help us to deliver long term and practical efficiencies. Above all else, it places a high value on the proper management and spending of taxpayer money. This is a practice that the Chief Constable and I will ensure is at the heart of all we do in Derbyshire.

Driving efficiencies is key strategic priority in my Police and Crime Plan for a reason. Reducing financial waste allows us to reinvest directly into our front-line policing services. The services that together, deliver on my priorities:

- Strong Local Policing
- Neighbourhood Crime and Anti-social Behaviour
- Improvements to Road safety
- A Robust Approach to Rural Crime
- Victim support & Safeguarding
- Driving Efficiencies

These are the priorities the people of Derby and Derbyshire have told me matter to them most. This Asset Strategy provides the sound approach to our Estate which will allow us to make Derby and Derbyshire a safer place for everyone.

Angelique Foster

Angelique Foster

Police & Crime Commissioner for Derbyshire

Introduction:

Asset management

Strategic asset management can be defined as the activity of aligning property assets with the strategic aims and direction of the organisation and adding both financial and non-financial value to the organisation as a result.

The principal aims of strategic asset management are:

- **The activity of alignment** – the processes, systems, people, finances, culture and data should be working together with a single objective in mind.
- **Whole life perspective** – the entire asset life cycle should be considered through acquisition, operation and management to disposal, optimising use throughout.
- **Strategic objectives** – the organisation should have a clear view on its direction of travel expressed in such a way that the asset manager can respond constructively. In some instances, the asset manager may even help to determine the direction of travel.
- **Adding value** – the asset manager should improve and/or increase the outputs or impact of the organisation in measurable terms (whether those terms are monetary or non-monetary). Table 4 sets out key objectives for adding value and how they can be measured.

Drivers for change within the public sector

Drivers coming from within the public sector or emanating from outside are suggesting that the 'old ways' of managing property assets need to be adapted for several reasons, just as public sector operating models are having to evolve. The forces for change include:

- **Sustainability and climate change** – sustainability has been on the agenda for several decades now and has been a catalyst for asset management transformation. From often being an 'any other business' issue, sustainability is now a strategic issue for many. It raises questions about how and where we work and challenges the rationale for property asset platforms as we know them at present. At the same time, the operational efficiency of buildings and their internal infrastructure continue to be day-to-day imperatives to combat waste. Decarbonising property assets and facing up to climate change through the pursuit

of net zero carbon policies are also now strategic issues for the property asset manager. They require short-term action to be taken in the context of long-term perspectives.

- **Technology and data** – advancements in technology and data analytics such as artificial intelligence, sensor technologies, the Internet of Things (IoT), building information modelling (BIM) and digital twins are changing the way in which we look at our assets and our demand for capital formation.
- **Constrained resources** – to help alleviate budget constraints, many public sector organisations including central government bodies have sought to reduce public sector spending and, simultaneously, identify opportunities to commercialise their assets. At the same time, other spending in the public sector has been increased to stimulate growth, especially in attempts to recover from the economic shock of a pandemic.
- **Operating models** – to help meet the challenge of austerity and post-COVID recovery, but also to take advantage of new IT-enabled modes of public service delivery, new models of service delivery are being tested. Some models will require radically different property platforms to be effective in terms of, for example, their reduced scale or their wider geographic distribution across the community being served.
- **Collaboration** – historically generated organisational boundaries (and associated funding streams) between local public sector organisations, or between local and central government, have occasionally created unhelpful silos, inefficiencies or an uncoordinated map of service delivery to communities. While barriers are being broken down through more collaborative asset management (perhaps involving the sharing of space, asset management resources or even budgets), there is still much room for improvement.
- **Service transformation** – collaboration on asset management can be a trigger for the streamlining of service delivery. A streamlined service within an organisation or between organisations will inevitably have implications on the shape, scale and location of a new and optimal asset platform.
- **Place-making** – the public sector is often in a position to directly influence the nature and pace of economic development activity. Through investment in the public realm it may be possible to stimulate regeneration and breathe new life into

declining town centres and deprived zones within cities.

- **Adaptability** – COVID-19 has shown that public service delivery is not entirely contingent on the real estate platforms that had previously been in place, built up over many decades, or even centuries in some instances. The pandemic has shown that real estate, IT and HR managers can work collaboratively to create more agile modes of public service delivery and to support a hybrid model of working that for many combines remote working with attendance at the workplace. A transition to 100% homeworking may even be appropriate for some. It has highlighted the importance of adaptability across the entire spectrum of asset management, from setting a strategy to redefining spaces in workplaces.

Police and Crime Plan:

Under the Police Reform and Social Responsibility Act 2011 the Derbyshire Police and Crime Commissioner (DPCC) must produce a Police and Crime Plan which sets out the Commissioner's strategic police and crime objectives for Derbyshire.

The Police and Crime Plan for Derbyshire can be found at www.derbyshire-pcc.gov.uk/Document-Library/Your-PCC/Police-Crime-Plan/Derbyshire-Police-and-Crime-Plan.pdf

Medium Term Financial Strategy:

The purpose of the Medium-Term Financial Strategy (MTFS) is to provide information to the DPCC, Members, officers, the public and other stakeholders on the DPCC's planned revenue and capital expenditure and its financing over the next four years. It supports affordable, sustainable service delivery through the planned use of revenue budgets, capital budgets, reserves and balances.

Asset Management Strategy:

Vision:

'...To provide a modern, flexible, sustainable and resilient workplace in which we can work together to enhance the quality of service delivery to our communities through collaboration and effective working'

The Asset Management Strategy is the planning process for the DPCC to enable the systematic preparation and assimilation of information in order to optimise the deployment and utilisation of land, buildings and other assets. Much of the day-to-day information for the strategy will be contained in an asset management database. The Asset Management Strategy is a living document and will develop on a 5-year planning cycle over the next 15 years, reviewed and updated annually.

The Asset Management Strategy provides:-

- A methodology to respond to operational needs, aims and objectives
- An overview of property aims and objectives
- An environmental statement
- Statement of current portfolio
- Key areas for change
- Statement of proposed future portfolio
- Preferred options for key areas of change
- Investment governance and decisions
- Implementation programmes

The Planning Cycle:

The DPCC will undertake an annual review of the feasibility opportunities for wider estates sharing in Derbyshire. This may be directly with partners or through established programmes such as the 'One Public Estate Programme' (OPE).

Where opportunities are identified, the DPCC will consider the range of appropriate options that deliver both value for money and effective customer services for people in Derbyshire.

Where opportunities are approved by the DPCC and delivered through an alternative vehicle such as the OPE, they will be reported through both the governance structure of the delivery vehicle and through the DPCC governance structure.

The five-year cycle is the principle on which work on the plan will be based. The cycle has begun with a complete refresh of AutoCAD drawings of estate buildings and assets, building condition surveys, building suitability and sufficiency assessments and regulatory inspections and checks are in progress. The end of the 5-year cycle will denote need to refresh this information to ensure that the decision-making processes are correctly informed.

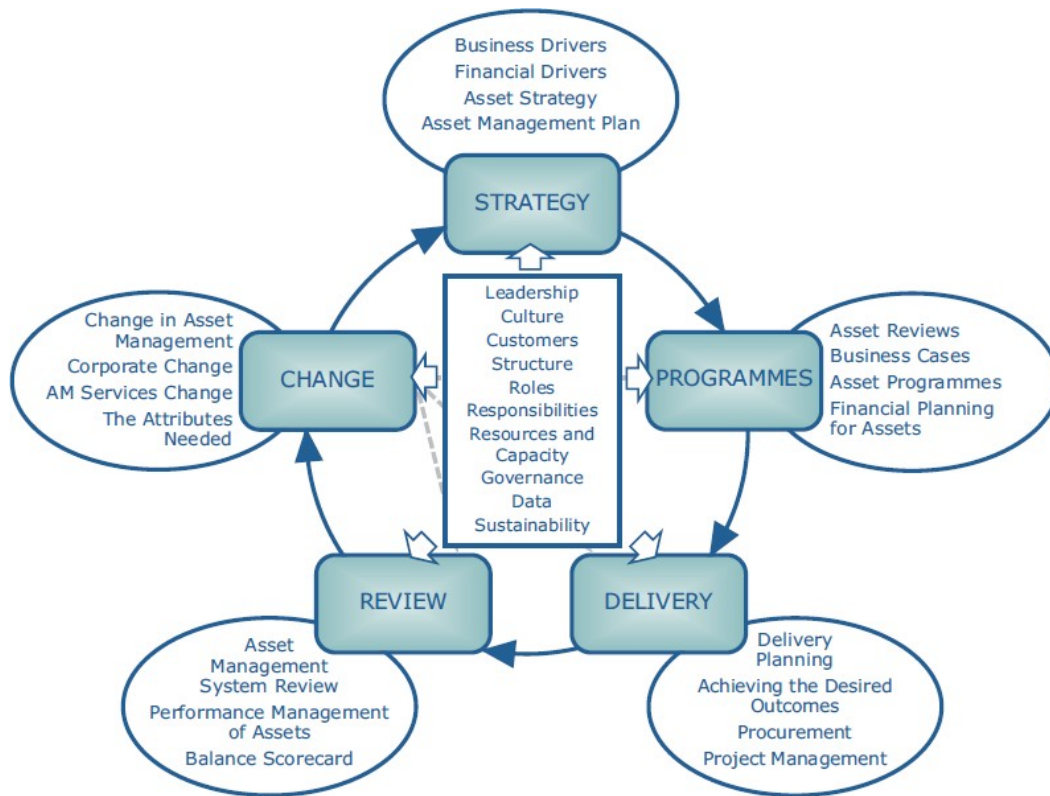
The recent Asset Condition Surveys and supporting assessments have identified that a backlog in investment has accrued requiring an overall investment of £17.8m over the next five years. Suitability and sufficiency assessments indicate an overall shortfall in investment of £205m.

The Asset Management Strategy will assist the DPCC in targeting and utilising resources effectively and investing appropriately to ensure that the DPCC's assets contribute towards the continuous improvement of Service delivery for Derbyshire Police, its partners and the Communities it serves.

For example, during 2019 adaptations have been made to an existing Operational facility to provide a victim focussed facility for Sexual Assault Referrals (SARC) and during Q1 2020, a surplus temporary building at Headquarters was adapted and refurbished to enable the delivery and roll out of a wider Taser programme to safely equip Officers on duty. During 2020/21 a new PPU building was taken on lease at Chesterfield.

The Asset Management Cycle:

This diagram explains how the Asset Management Strategy reacts to changes to ensure that it delivers for the business needs of the DPCC and its partners. The cycle is integrated into the DPCC governance arrangements to ensure that the necessary due-diligence is observed when changes are implemented.



Strategy:

The Asset Management Strategy is the process by which the DPCC will resource Operational Service Delivery and Support assets and enable effective and efficient service delivery to the communities of Derbyshire.

Future service delivery needs will be determined by the work currently being undertaken in respect of demand management and the target operating model.

This may prompt land searches and acquisitions to enable future new buildings in advance of programmes of funding where the opportunity will support future Operational Service Delivery.

Programmes: Current Funded Programme, future SNT projects and Departmental Projects to 2025/6:

| | Ref | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 | |
|---|-----|------------------|------------------|------------------|------------------|------------------|--------|
| EXPENDITURE | | | | | | | |
| Building Works | | | | | | | |
| Co-Locations schemes with DFRS | | - | 150 | - | - | | |
| SNT Building Refurbishments | | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | |
| Business Continuity - Security Issues & UPS | | 130 | 254 | 120 | 120 | 120 | |
| Derby East LPU Accommodation | | 2,618 | - | - | - | | |
| North East Division Accommodation | | - | - | - | - | | |
| North West Division Accommodation | | - | 150 | 5,700 | 5,150 | | 11,000 |
| North Accommodation | | | 4,000 | 10,000 | 11,000 | 10,000 | 35,000 |
| HQ Changes to Old Hall/Multi purpose Hall | | | 1,000 | 5,000 | 3,500 | | 9,500 |
| Ilkeston Accommodation | | | 3,500 | | | | 3,500 |
| Other Refurbishment/Replacement Projects | | 2,608 | 1,913 | 500 | 500 | 500 | |
| Total Building Works | | 6,556 | 12,167 | 22,520 | 21,470 | 11,820 | |

Currently the DPCC has approval to undertake a detailed feasibility study and possible associated land acquisition to build a Hub Police Station in the central High Peak in the vicinity of Chapel as part of a wider plan for that community that also includes police stations in Buxton and Glossop. As assessment of Custody provision is currently also underway to look at the most cost effective, operationally efficient solution to service delivery, following the closure of Buxton and Chesterfield Custody Suites.

Delivery:

Projects will be delivered by the Assets Capital Construction Team in conjunction with their professional advisors.

To ensure that projects deliver the Force priorities, individual business cases will be developed in consultation with the Strategic Estates Board; approved by the Design Board and monitored through the Operational Assets Programme Board.

Any reports by exception will be reviewed by the Design Board as appropriate.

Review:

The overarching programme will be reviewed annually and changes may be made to reflect any changing needs and priorities of the DPCC or external influences that may affect progress. Under the direction of the DPCC and Chief Constable, the Strategic Estates Board will provide an overview of the direction and priorities, commissioning further work and feasibility reviews of future developments. Property and land transactions are notoriously slow and project scores and ranking may from time to time be influenced by windfall opportunities where land and/or buildings become available and meet operational needs elsewhere in the programme.

Change:

This strategy will be reviewed annually to take account for political, economic, social,

community and technological changes or changes in demand that impact on operational policing.

Asset Management Strategy:

Statement of Context:

This strategy has been developed to provide a focus on the future needs of the DPCC and its partners including how the strategy can serve to deliver, where appropriate to do so, the needs of the partners in the most economic, efficient and prudent manner.

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Asset Management Structure:

A flow chart showing the key processes of Asset Management is shown in figure 1. In summary this includes:

- Review of the existing assets (Independent 5 Yearly Stock Condition Survey) – to assess condition, suitability, sufficiency, regulatory needs - timeliness(*opportunity*)
- Review of areas of duplication
- Review of the existing needs
- Review of future needs – demand management
- Development of financial models to meet the future needs
- Options appraisals
- Business case for preferred options and seek appropriate approval for funding
- Implementation

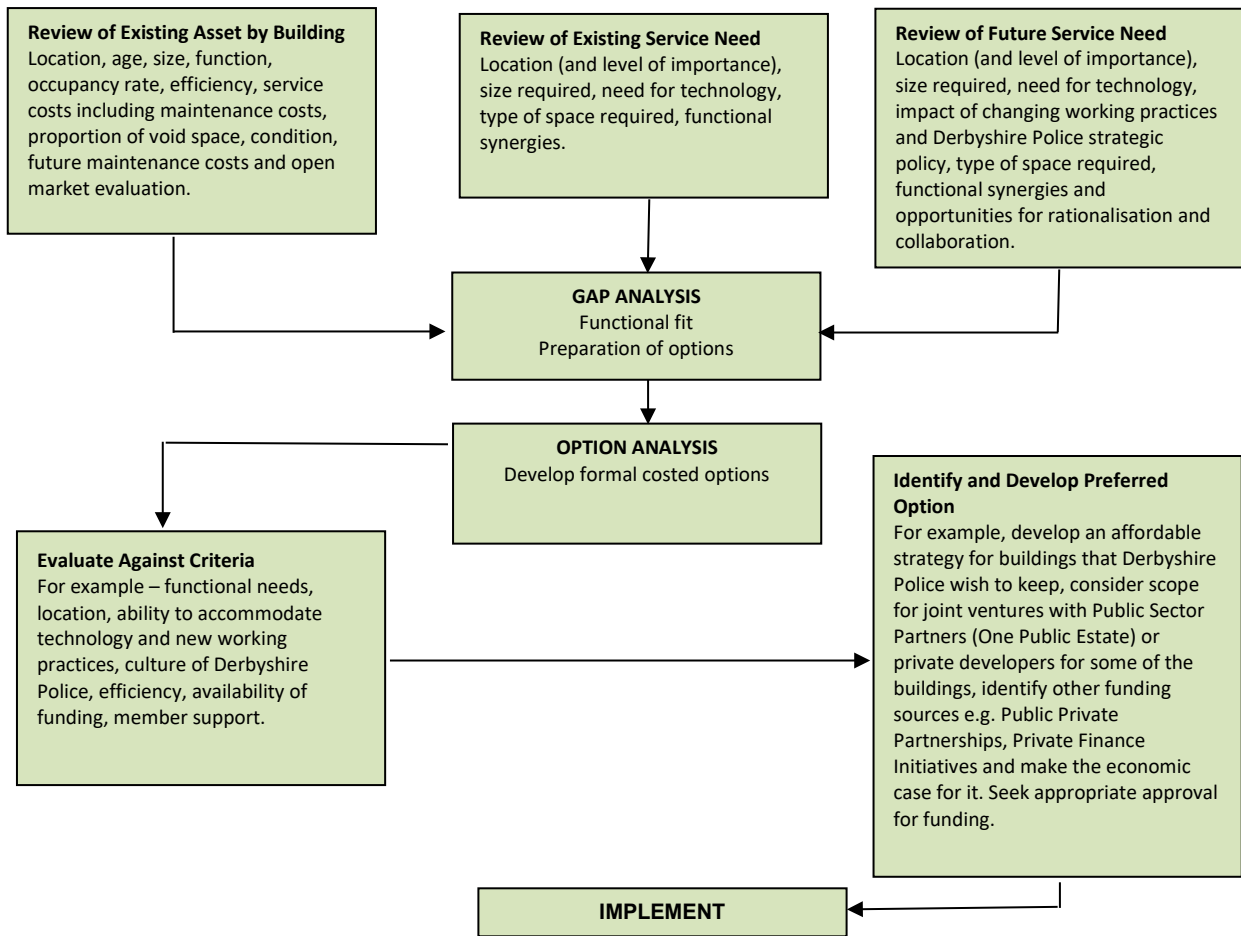
Statement of Current Portfolio:

The portfolio condition surveys were updated during August – September 2019 and are hosted on the Concerto – Asset Management Database.

The condition surveys identify the current backlog and have been used to support the development of the capital strategy for maintenance and building replacement by following the Asset Management Structure at Figure 1.

Headline Suitability and Sufficiency assessments were completed in Q3-2021, however these have since been updated in an agreed format and have been prioritised into the updated 15 – year plan.

Figure 1 - ASSET MANAGEMENT STRUCTURE



Management of Shared Assets:

The DPCC and Derbyshire Fire and Rescue Authority (DFRA) manage the joint assets including the Joint Police and Fire Headquarters (JPFH) and Joint Training Centre (JTC) through a partnership vehicle -DPFP LLP. The DPCC and Chair of the Fire Authority chair the meetings of DPFP LLP on a rotational basis and have a management board that represents both organisations equally.

Corporate Management and the Role of the Corporate Property Officer:

The DPCC, DFRA and DPFP LLP will designate a Corporate Property Officer (CPO). The CPO will report to the DPCC, DFRA and DPFP LLP Operational Board and on request to the DPFP LLP Management Board.

The Corporate Property Officer has a nominated role to oversee all property, asset and estates management functions for the three organisations and deliver an effective and efficient Asset Management Strategy that considers the needs and priorities of all three organisations.

The CPO will report via the approved governance arrangements to each organisation.

Procurement:

Procurement will be undertaken in accordance with UK, European and Local Government Procurement Regulations and will be undertaken by or in full cooperation with the Procurements Departments within the DPCC and DFRS.

Where possible procurement activity will be co-ordinated to enable contracts to service the requirements of DPCC, DFRS and DPFP LLP in order to benefit from economies of scale in procurement, contract management and financial management.

Contracts Jointly Procured to date include:

| Ref | Job | Awarded | Stage |
|------------|--|----------------|--|
| DP0191 | Water testing/ Legionella | | Waiting spec |
| DP0193 | Air Con & Vents | | May lump into mechanical PM/RW to decide |
| DP0164 | Gates, Barriers & Roller Shutters | | Currently evaluating |
| DP0548 | Planning Consultants | | Currently being tendered |
| DP0558 | Office Cleaning, Window Cleaning, Specialist Cleaning (Cells & Cars) & Washroom Services | Awarded | |
| DP0588 | Net Zero | Awarded | |
| DP0589 | Clay X Fire Refurb | Awarded | |
| DP0590 | Heanor Fire Refurb | Awarded | |
| DP0601 | Pest Control | Awarded | |
| DP0548 | Estates Prof Services | Awarded | |
| DP0591 | Waste Recycle | Awarded | |
| DP | Confidential Waste Shredding | | To be tender Feb 2022 |
| DP0485 | Removals | Awarded | |
| | Lift Service & Maintenance & Call Out | | May split into various suppliers not tender as a whole estate |
| DP0660 | Glossop New Build Fire Station | | PQQ out to tender |
| | Matlock New Build Fire Station | | Not started |
| DP0665 | Duffield Fire Replacement Windows & Doors | Awarded | |
| DP0666 | Fire Risk Assessments | | Out to tender |
| DP0656 | Asbestos Removals | | To be tendered Feb 2022 |
| DP0625 | Asbestos Surveys & Sampling | Awarded | |
| DP0264 | Professional Services (Make, DYSE Tottys, EP, ESD, Long ODonnells) | Awarded | |
| DP0424 | Electrical Framework (Europa & Overton) | Awarded | |
| DP0570 | Mechanical Framework (Hallamshire & Heatpro) | Awarded | |
| DP0569 | Building Works upto £350K (Tour, Pidcocks & Stobuild) | Awarded | |
| DP0526 | Generators Service & Maintenance | Awarded | |
| DP0584 | Ascot Drive Kitchen Refurb for Fire | Awarded | |
| DP0581 | Staveley Fire station Lighting Upgrade | Awarded | |
| DP0571 | Renishaw Car Park & Internal Upgrade | | On hold |
| DP0667 | Fire Extinguishers, Fire Alarms Dry Risers, & Emergency Lights | | Have spoken to Europa & Overton |

Environment:

The DPCC recognises the threat posed by climate change and of the need for Derbyshire Police to play its role in contributing to reducing carbon emissions. All new buildings will be constructed in accordance with the Building Research Establishment Environmental Assessment Method (BREEAM) to a rating of Very Good.

This assessment will consider issues such as:

- Energy
- Land use and ecology
- Water
- Health and Wellbeing
- Pollution
- Transport
- Materials
- Waste
- Management

The commitment will start with the 2021 – 22 capital strategy.

The DPCC with DFRA and DFPF LLP jointly completed their baseline assessments of their respective CO2 emissions and set out an environmental strategy and action plans during Q4 2021/2.

TABLE 1 - DATA MANAGEMENT

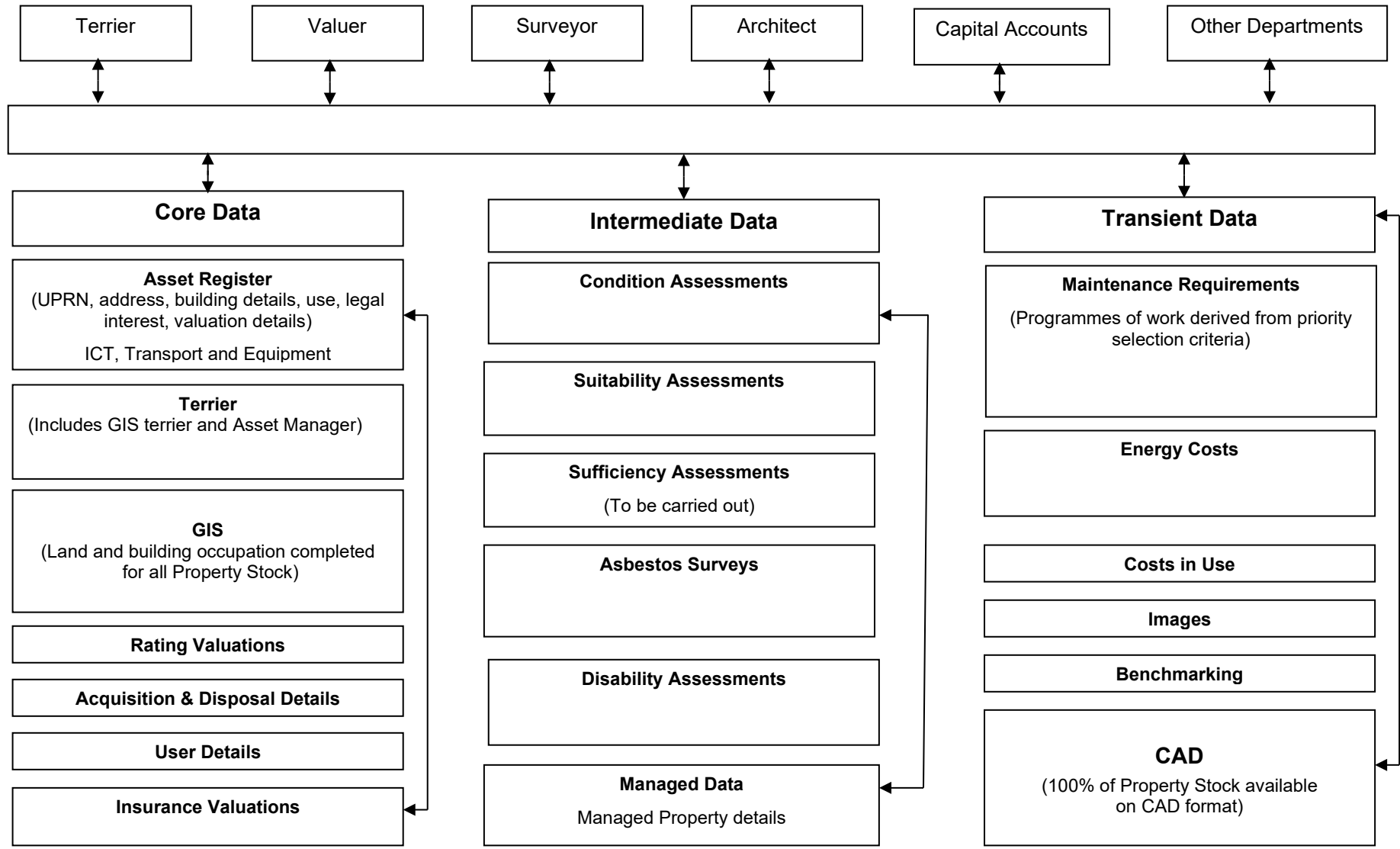


Table 2: Condition Priority Data:

| Priority | Condition |
|---|--|
| 1 (Urgent work to prevent closure of premises or serious risk) | D Life expired (Serious risk of imminent failure) |
| 2 (Essential work required within 2 years) | C Poor (Exhibits major Defects) |
| 3 (Desirable work required within 3-5 years) | B Satisfactory (Performing as intended but minor repairs required) |
| 4 (Long term work outside the 5-year period) | A Good (Performing as intended and operating efficiently) |

TABLE 3 – CONDITION PRIORITY EVALUATION

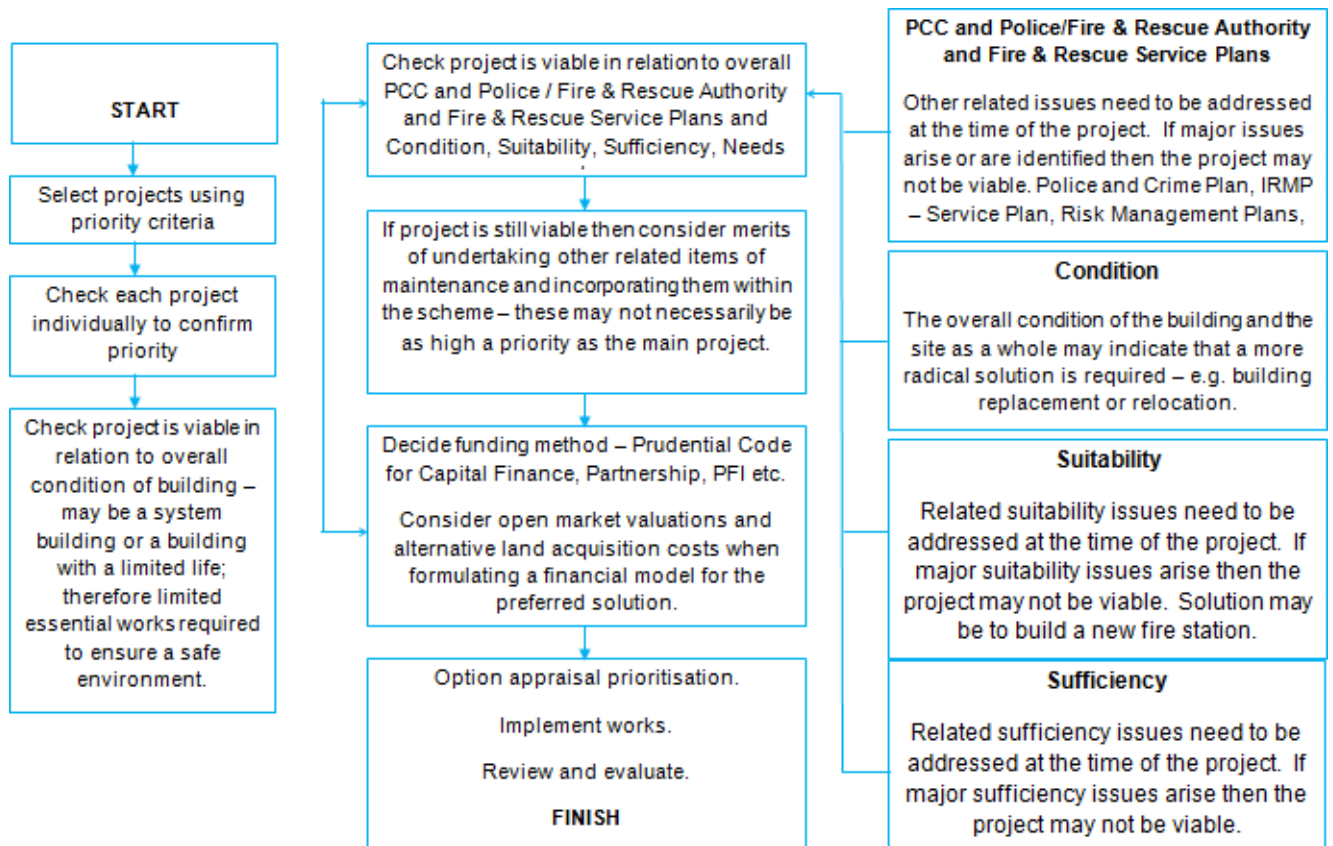


TABLE 4 – VALUE ADDED THEMES FOR EFFECTIVE ASSET MANAGEMENT

| Value add theme | Demonstrated by |
|------------------------------------|--|
| Staff satisfaction | User satisfaction ratings. Sickness and absenteeism levels. |
| Front-line service delivery | Fitness for purpose of assets. Flexibility of assets to adapt to service requirement changes. |
| Revenue generation | Increase in revenue streams. Reductions in bad debts and voids as a result of active asset management. |
| Economic development | Gross value added as a result of projects and programmes. Jobs created. Increases in rental and capital values as a result of economic development activity. |
| Public sector collaboration | Extent of space shared by partners and personnel involved. Service delivery benefits through integration. |
| Operating costs | Efficiencies through smarter procurement and contact management. Space reduction by enabling flexible working. |

| Value add theme | Demonstrated by |
|----------------------------------|---|
| Sustainability | <p>Reductions in whole life CO₂ emissions, commuting times/ distances and travel at work.</p> <p>Property running cost savings.</p> <p>Reductions in the cost of dealing with waste.</p> |
| Social value | Social value generated – in financial, other quantifiable or non-quantifiable terms. |
| Capital | <p>Value of receipts obtained from surplus assets.</p> <p>Level of investment in assets and the improvements delivered or the risks managed.</p> |
| Community | <p>Improved community outcomes, e.g. health and educational attainment.</p> <p>Satisfaction level with service provision by community.</p> |
| Risk management | <p>Reduced downtime or loss of service capacity.</p> <p>Reduced asset failures.</p> |
| Openness and transparency | <p>Increased accessibility to public and other users of space.</p> <p>Use of public sector assets by community groups.</p> |
| Government policy | <p>Extent of support provided, e.g. surplus land made available for new housing units.</p> <p>Progress towards achievement of net zero carbon commitments.</p> |