

Asset Management Strategy 2024–2034



Executive summary

The London Borough of Lewisham's Asset Management Strategy (AMS) 2024–34 sets out the Council's ambition and key initiatives for the use and management of property in support of our Corporate Strategy.

Our General Fund estate includes approximately 760 assets that range across operational, community, commercial, land and housing (non HRA), along with around 2,400 garages.

The AMS will help to guide our strategic property decisions and interactions with corporate and service strategies and partnership opportunities, ensuring that future service needs are met and priorities for investment, maintenance or rationalisation of our existing estate, are identified.

Our vision is for

"A property asset portfolio that maximises opportunities for innovation, collaboration and inclusive growth whilst supporting the high quality delivery of services to our residents and communities, being financially and environmentally sustainable, underpinning our priority for safe, healthy and resilient communities now and into the future."

Our strategy sets out **four key strategic priority areas** to deliver our vision, and woven into these is the cross-cutting theme of 'A Sustainable Estate'.

Sustainable estate

Reducing carbon emissions from the Council's General Fund estate will make an important contribution to the Council's ambition for the borough to reach net zero by 2030. The Council will maximise opportunities to bid for funding by having pre-designed or "oven-ready" schemes,, as well as deliver incremental fabric improvements and energy reduction investment in the estate. We have already been successful in securing Public Sector Decarbonisation Scheme (PSDS) funding to deliver improvements to selected corporate and schools buildings.

The risk of climate change, including flooding and over-heating, will also be considered, particularly for operational buildings with vulnerable service users. A Property Carbon Reduction Plan for the Corporate estate will be developed, based on evidence and costed plans. The commercial estate is being assessed to ensure compliance with EPC requirements.



Air source heat pump at Dalmain Primary School

Asset optimisation

We will have the right properties in the right place to enhance services for residents through delivering our corporate Asset Transformation programme. We will introduce new ways of delivering services through a hub and spoke model which puts Councils services closer to residents and delivers a smaller more energy efficient estate. Systematic asset reviews will identify prioritised opportunities for better utilisation to enable service transformation as well as land supply for housing development, and disposals to release funds into the capital programme for ongoing investment in the retained estate.

A Corporate Accommodation Strategy will be developed to provide accommodation solutions that support the Council's ambitions around future workforce requirements. The commercial estate will be managed through annual lease reviews, disposals and acquisitions, and capital investment in line with EPC and sustainability requirements. A garage review is underway to consider options around future use and development opportunities. The strategy also sets out the Council's approach to disposals and acquisitions and the clear processes and governance that sit behind such decisions.



Regeneration and development

Lewisham is a thriving, ambitious borough. Regeneration is underway in our two main town centres – Lewisham and Catford – and opportunities for investment are emerging across the borough. Our assets will be used to actively support our boroughs development and regeneration through partnership, in-house or private development. Assets will also be harnessed to support creation of more physical environments with better use of public realm and high-quality green spaces.

Through careful meanwhile use our assets can help reinvigorate town centres and contribute to place shaping, provide affordable workspace, community uses and opportunities for culture and arts and help mitigate costs such as business rates and security.



Partnership working

Working with all sectors we will continue to deliver quality services to communities using assets in the right way to benefit our residents and the community. Collectively, we will embrace opportunities to collaborate and co-locate services, so that the overall public estate burden is reduced, and our residents benefit from fit for purpose buildings, with streamlined and joined up access to services. The AMS provides a framework to enable a more collaborative approach to be taken by the Council.

We will maximise use of our assets and wider opportunities to provide services for residents through working with One Public Estate and developing relationships with partner organisations to allow shared use and release of assets. Through the Community Asset Policy, a supplementary policy to this overarching strategy, we are working with voluntary and community groups to obtain the best options for the effective, long-term management and sustainability of community assets.



Corporate approach

Our assets will be treated as a Corporate Resource through the transition to a Corporate Landlord model, whereby the ownership of all assets and the responsibility for their management and maintenance is transferred from service departments to a centralised function. To support this, work is underway to create a functional asset database for the Council's non-housing assets which will provide a holistic spatial view of all assets owned by the Council. The Council's Corporate Estate Maintenance Programme (CEMP), informed by condition surveys, invests in and maintains the corporate estate to support longer asset life, improve energy performance, ensure compliance, and extend building lifespan. Given the capital expenditure needed, it is essential that the size of the portfolio is rationalised to still meet need, but to also allow the level of expenditure required for the retained

assets. Accessibility, health and safety and business continuity are also a top priority for the effective management of the estate.

This strategy is a cross-directorate owned strategy covering the period 2024–2034 to ensure effective delivery of the Council's short, medium and longer term priorities. It includes a high level delivery plan for the next five years, and will be reviewed annually to ensure it remains agile and adaptable to change. A detailed implementation plan with specific key performance indicators and measurable targets has been developed to track progress.

Case Study 1: Citizens House

Citizens House is an 11-home, genuinely and permanently affordable housing project in Sydenham which opened in 2023. The land for the project, previously an underused garage site, was provided by Lewisham Council and the site was developed by London Community Land Trust. Home prices are set at rates that are accessible for people on average incomes in Lewisham, and when residents move out, they must sell at a similar level, giving new local families a chance to buy a home they can afford. Citizens House is a major achievement as the first community land trust in London that has been directly created by the community using London CLT's unique affordability model. The process has developed local leadership, supported community organising and is an example of community wealth building. The project won London Building Awards 2023 'Best community engagement outcomes' category.



Introduction

Our **Asset Management Strategy (AMS) 2024–34** for the London Borough of Lewisham builds on the previous Strategic Asset Management Plan 2015–2020 and sets out the ambition and key initiatives that we will adopt for the use and management of General Fund property in support of the Council’s Corporate Strategy. Our ambition is for a sustainable estate that meets our diverse service needs now and for the future. Our assets are at the heart of the quality of service we offer our residents. They are also fundamental to the long-term financial sustainability of the Council and an opportunity to demonstrate our commitment to taking action on climate change and decarbonising the way we work.

The AMS will help to guide our strategic property decisions and interactions with corporate and service strategies and partnership opportunities, ensuring that we have clear priorities for where investment, maintenance or, where it makes sense, rationalisation, of our existing estate, is identified. The aims of the strategy are to:

- Set out a transparent and clear framework upon which decisions on use or management of our assets are made
- Support and enable our Corporate Strategy priorities by providing a structure and understanding of the role our property portfolio can play
- Put the needs of our residents at the centre of asset management decisions
- Provide context and support decisions on prioritising capital investment and development of a Capital Strategy
- Ensure transparency and sound financial management through understanding how best value can be achieved

A fresh approach is now needed in response to the key drivers and challenges that local authorities are facing, including:

- Limited resources which have to stretch that much further for the Council to continue delivering the services it needs to
- The climate emergency and the implications that has on our approach to asset management
- Energy and property management price increases including material prices and labour costs
- Different service operating models emerging from the pandemic and differences in how our residents and staff want to access them
- The significant demand for housing and opportunities to deliver inclusive growth and regeneration across the borough.

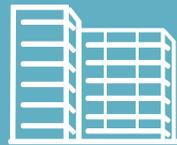
Assets must work hard for Lewisham, whether they are used in the delivery of day-to-day services to facilitate how the Council works, held for future regeneration opportunities, or as contributors of value to the provision of public services. Our property portfolio not only needs to support service delivery, but it also needs to respond to and plan for future changes in the way that we deliver those services and the need for an increasingly flexible and agile workforce. Balancing the demands and opportunities which our asset base must meet in order to respond to the needs of our residents, requires a holistic approach and recognition of the various, and sometimes competing, pressures for land and resources.

Our estate

We have over 760 assets split across a number of asset types including 280 operational properties where we provide services to our local residents including schools, libraries, youth centres and parks; 51 community assets; 218 commercial units which help to promote local business growth and employment; 26 residential (non-HRA) properties. There area also around 2,400 garages.



The Council owns a diverse range of land and property assets which is integral to the delivery of services and through which, in part, makes Lewisham a great place to live, particularly through our heritage and cultural assets as well as our high-quality parks and open spaces.



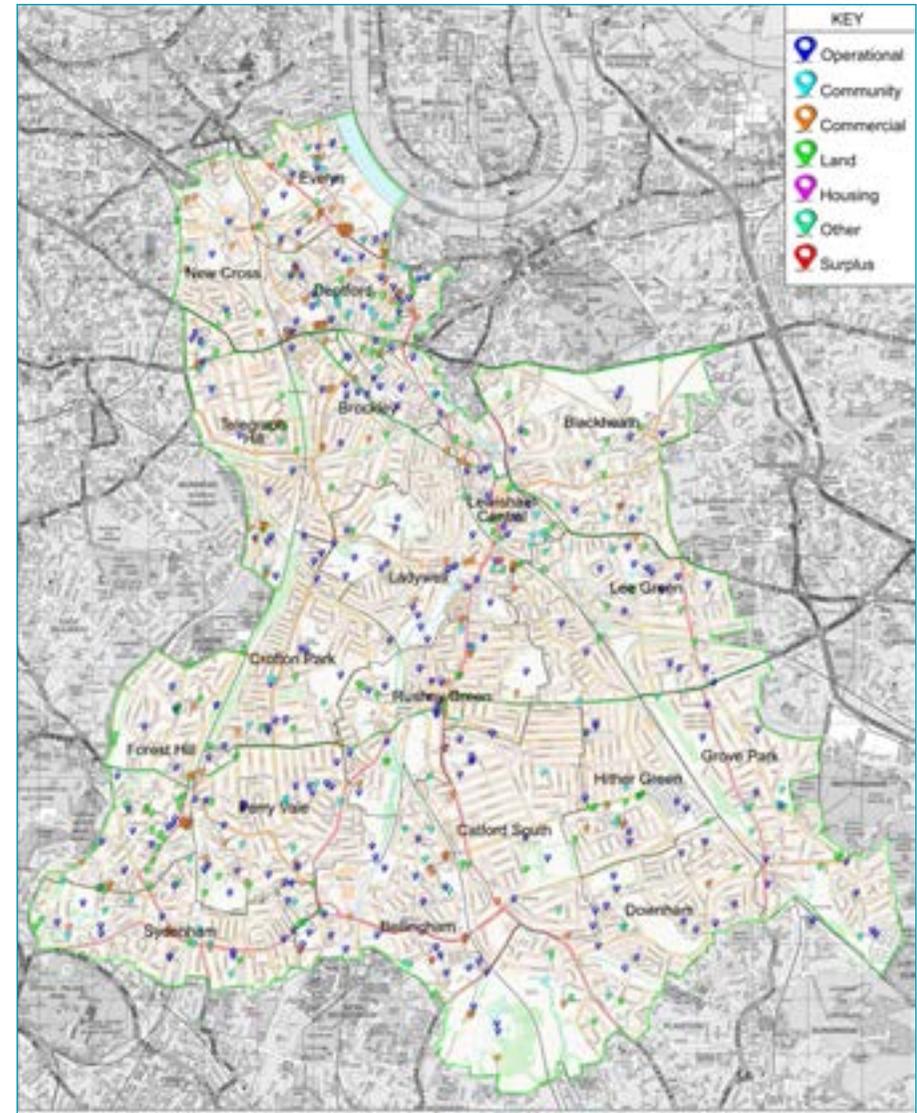
The estate held within the General Fund includes over 760 assets that range across operational, community, commercial, land and housing (non HRA). In addition there are around 2,400 garages within the estate.



Our fixed asset base, made up of property, plant and equipment in the General Fund, is currently valued at £1.4 billion.



The revenue cost to maintain and run the Council's corporate estate (that which it has direct responsibility for) is £7.1 million per annum.

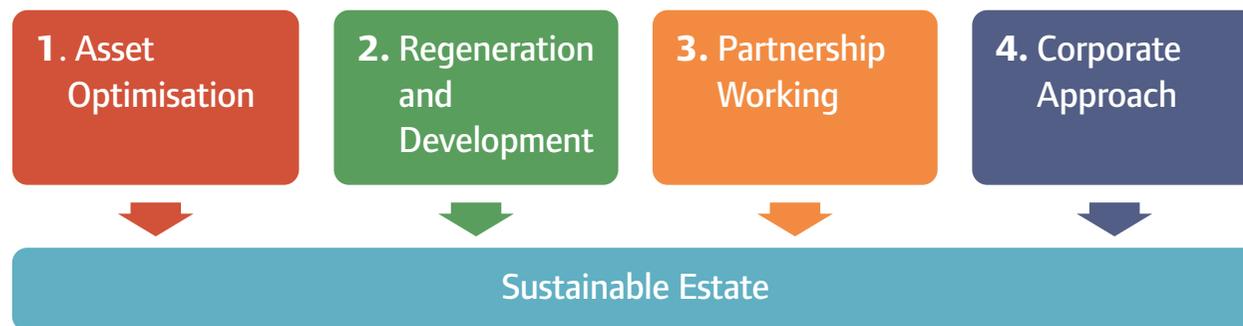


Vision and objectives

Our vision is for:

“A property asset portfolio that maximises opportunities for innovation, collaboration and inclusive growth whilst supporting the high-quality delivery of services to our residents and communities, being financially and environmentally sustainable, underpinning our priority for safe, healthy and resilient communities now and into the future.”

Four key strategic priority areas have been identified to help deliver our vision and support the delivery of our corporate priorities. Woven into these four strategic areas is the cross-cutting theme of ‘A Sustainable Estate’. Each of these priorities will help support greater sustainability in the use of our asset base and help create the resilient, modern estate needed to deliver the council services of the future.



<p>Our key objectives are:</p> <ul style="list-style-type: none"> ● Ensure property and land assets support the Borough's Corporate Strategy 2022–2026 	<p>To achieve our vision and objectives, the property and land portfolio must be:</p> <ul style="list-style-type: none"> ● Shaped through innovative thinking and bold decisions
<ul style="list-style-type: none"> ● Understand the Council's asset base, its challenges and opportunities and create a strategic framework for asset management to enable sound decision-making about the future use of Council assets 	<ul style="list-style-type: none"> ● Used to unlock strategic priorities such as inclusive growth
<ul style="list-style-type: none"> ● Support delivery of the Council's ambition to be net zero through decarbonisation of the property portfolio. 	<ul style="list-style-type: none"> ● Sustainable and efficient
<ul style="list-style-type: none"> ● Ensure Council assets are fit for purpose, compliant and accessible 	<ul style="list-style-type: none"> ● Modernised, fit for purpose and well managed
<ul style="list-style-type: none"> ● Maximise income opportunities and reduce financial liability of Council assets 	<ul style="list-style-type: none"> ● Cost effective and provide value for money
<ul style="list-style-type: none"> ● Adopt a One Public Estate approach to ensure wider use of the public sector estate for public good 	<ul style="list-style-type: none"> ● Right sized to deliver a manageable operational estate
<ul style="list-style-type: none"> ● Support decision-making about investment in and disposal of Council land and property, to ensure a leaner and more financially sustainable estate 	<ul style="list-style-type: none"> ● Commercially managed
<ul style="list-style-type: none"> ● Support the Council in ensuring sufficient land to deliver housing and supported housing programmes and support economic growth and regeneration across the borough 	<ul style="list-style-type: none"> ● Flexible and adaptable, responding to the modern and changing world
<ul style="list-style-type: none"> ● Support transformation of services and ensure 'no wrong front door' for our residents. 	<ul style="list-style-type: none"> ● Fully utilised and multi-functional

Strategic context

The Asset Management Strategy cannot be delivered in isolation to other overarching Council policies and strategies, as it is closely linked to the achievement of our strategic priorities.

The Council's Corporate Strategy 2022–26 sets out the ambitions for Lewisham and how they will be achieved. Above all, the strategy outlines the principles that sets out who we are as an organisation, our focus on equality, putting our residents at the centre of everything we do and ensuring transparency and sound financial management are embedded within all key decisions the Council makes. The 7 adopted priorities are:

Cleaner and greener

Strong local economy

Quality housing

Children and young people

Safer Communities

Open Lewisham

Health and well-being

The Asset Management Strategy (AMS) supports the Corporate Strategy through its approach to property and assets, the delivery of services, the generation of revenue and capital and in supporting sustainability, development and regeneration. It is intrinsically linked to the Council's Medium Term Financial Strategy and will also support any future Capital Strategy, regeneration plans and existing plans such as the Catford Framework Plan, in a facilitative manner (through the realisation of a more efficient use of assets), enabler (land to support regeneration schemes) and consumer (capital to support building improvements).

Strategies influencing the AMS and property decisions



The Council will need to be bold and innovative in its decisions around property and to push the boundaries in terms of the art of the possible. In using its property, the Council will achieve the following outcomes:



Civic presence using its own assets in new ways that provides an anchor attraction for other businesses and organisations and responds to the wider sense of social, economic and environmental value they can create.



Supporting the economy with around 2,500 public sector jobs based in Catford town centre, this presents the opportunity to provide local jobs for local people; to nurture and support local businesses through more affordable workspace, meanwhile and flexible space; and support footfall in the town centre through the Council's Accommodation Strategy to encourage staff to use local shops and cafés.



Place shaping by using assets and statutory powers (such as Compulsory Purchase Orders) to support regeneration plans; champion the Council's 'inclusive growth' aspirations; diversify the local economy and support the sectors set out in the Council's Inclusive Economy Strategy.



Driving innovation and collaboration through public services, exploring opportunities for co-location, One Public Estate and shared utilisation of buildings.



Supporting the net zero carbon 2030 ambitions through incorporating sustainable design principles to minimise its environmental impact.



Maximising funding and investment through securing section 106 and the Community Infrastructure Levy, and by having 'oven ready' schemes to respond to new government funding which often has tight deadlines.



Support growth, local businesses and jobs through its retail and commercial properties.

Our four strategic areas

Four key strategic areas, underpinned by the cross-cutting theme of 'a sustainable estate', have been identified to help deliver the AMS.

Asset Optimisation

We will have the right properties in the right place to enhance services for residents through:

- Delivering our corporate asset transformation programme to provide service challenge and rationalisation of the estate
- Including property within Service Plans
- Adopting a clear accommodation strategy to create more flexible workspace
- Commercially managed assets to generate sustainable income
- A leaner and more effective estate through disposal and acquisitions

Regeneration and Development

Assets will be used to actively support our boroughs development through:

- Use of assets to help regeneration through partnership, in-house or private development
- Creating high quality physical environments with better use of public realm and green spaces
- Stimulating economic development through support to local business and investment in assets

Partnership Working

Maximising use of our assets and wider opportunities to provide services for residents through:

- Working with One Public Estate
- Developing relationships with partner organisations to allow shared use and release of assets
- Work with voluntary and community groups and deliver the community assets policy to enhance provision for the community

Corporate Approach

Our Property Assets to be treated as a Corporate Resource through:

- Transitioning towards a Corporate Landlord Model
- Development of a single property database
- Developing management, maintenance, accessibility and Health & Safety plans for all operational and tenanted properties
- Ensuring business continuity

A Sustainable Estate

Sustainability is at the heart of our approach as a cross-cutting theme to support our Climate Emergency Action Plan ambition for Lewisham to be net zero by 2030. Through the delivery of our key strategic areas we will improve the energy efficiency and cost effectiveness of our existing estate by adopting sustainable design, enhancement and energy sourcing and by reducing energy consumption and electrifying heating and hot water.

Case Study 2: Old Town Hall public sector hub

Relocation of Council services into Laurence House released several floors in the Old Town Hall for alternative use. Following refurbishment of the building, a Public Sector Hub was created, with floors leased to partners including NHS and employment agencies. This has generated increased footfall within Catford town centre, in turn boosting the local economy and supporting shops, cafés, restaurants and the night time economy.

The hub has also enhanced partnership working of public sector agencies through co-location, generated revenue income for the council, and freed up back office space for clinical use by the NHS. The public sector hub is a first step in the delivery of the Catford Town Centre Framework, which will guide the development of new homes, shops and improvements to public space over the coming decades.



Summary of our portfolio

Our current asset base

The focus of this AMS is the estate held within the General Fund which consists of **761** assets. This does not include Housing Revenue Account (HRA) assets but covers assets which fall into the following seven main categories:

- **Operational assets** (direct or commissioned service delivery): Offices, libraries, learning and culture, day care, youth and early years, leisure and sports facilities, crematorium and cemeteries, parks, car parks, depot and recycling, schools and education.
- **Community assets** (main focus to provide community benefits): Community centres, Voluntary and Community Sector (VCS) occupied buildings, artist/cultural spaces
- **Commercial assets** (principally held to promote the growth of local businesses and jobs): Retail, industrial, nurseries, public houses, health clinics
- **Land:** Unspecified land, vacant, strips of land
- **Housing** (excluding HRA properties): Temporary accommodation, hostels, supported living
- **Other:** Toilets, landmarks, heritage assets, tunnels and railway arches, allotments, telephone kiosks
- **Surplus assets:** Vacant/surplus ready for disposal or development/regeneration

There is some cross over between these categories, for example parks and cemeteries could also be considered land but they have been categorised based on their primary purpose. Many community assets are on leases, but a distinction has been made with the commercial category due to their function usually contributing to the Council's corporate priorities. In addition to these assets, there are approximately 2,400 garages which form part of the commercial estate.

The Housing Revenue Account has a separate and recently adopted Asset Strategy. However, some assets do overlap between HRA and GF, for example, some community centres and therefore it is important to take an integrated approach when making decisions around future use. Highways and IT assets are not included within this strategy and the Catford Regeneration Partnership Limited (CRPL) properties are also outside of this strategy as these have a separate strategy and governance process.

Our assets by type



Operational Assets

Total: 280

- Adult Education: 3
- Adventure Playground: 5
- Car Park: 19
- Cemetery and Crematorium: 6
- Children's Centre: 6
- Civic and Office: 7
- CYP Residential: 2
- Day Centre: 3
- Depot and Recycling Centre: 3
- Hostel: 28
- Leisure: 7
- Library: 9
- Nature Reserve and Open Space: 9
- Parks, Playgrounds, and Open Space: 58
- Playing Fields: 6
- Register Office: 1
- School and Education: 95
- Storage: 2
- Theatre: 1
- Youth Centre: 10



Commercial Assets

Total: 218

- Advertising Hoarding: 2
- Church: 1
- Health/Dentist: 3
- Industrial and light industrial: 24
- Leisure: 3
- Nursery: 30
- Office: 15
- Public House: 2
- Residential and Guardians: 5
- Retail and Commercial: 124
- School: 1
- Studio, Art, and Workshop: 8



Land

Total: 143

- Park: 4
- Land: 139



Housing

Total: 26

- Residential (including Temporary Accommodation): 26



Other

Total: 39

- Clock Tower: 1
- Allotment: 33
- Right-of-Way: 2
- Toilet: 2
- Tunnel: 1



Community Assets

Total: 51

- Community Garden: 1
- Artist Studio and Art/Music: 5
- Community Centre/Space: 37
- Office: 7
- Playing Field: 1



Surplus

Total: 4

- Development Site: 1
- Surplus Assets: 3

Operational Assets

The operational asset portfolio includes assets used to deliver the Council's corporate and civic functions (offices, depot etc), help discharge statutory obligations (e.g. schools, libraries), and help deliver specific corporate objectives.

The operational estate includes offices, day centres, adult learning, libraries, youth and early years provision, schools and other education establishments, leisure centres, parks and playgrounds, and bereavement services. The management of operational assets varies – either managed by the Council's corporate Facilities Management (FM) service or an individual service; or commissioned to a third party to deliver on behalf of the Council. Those maintained or part-maintained directly by the Council form a sub-set of the operational estate and are known as the corporate estate. Assets not within the corporate estate are operated through formal contracts such as leisure centres and parks. The contracts are, however, monitored to ensure compliance and that the assets offer the required services and remain in a safe and compliant condition. At present, operational assets are held and accounted for by the relevant services and directorates using them. For example, school assets are held by the Directorate for Children and Young People, while offices and civic buildings and the operational estate are maintained by Corporate Resources.

Community Assets

Lewisham is fortunate to have a strong voluntary and community sector (VCS) delivering vital services for the borough's residents. As part of maintaining its presence and infrastructure, it is important for the VCS to access property at affordable rates within Lewisham. The Council uses several of its property assets to support the VCS, including community centres, artist studios, music and cultural spaces and sports grounds.

Assistance is sometimes direct by offering a fully maintained facility or in other cases assisting with concessionary / peppercorn rents. A number of challenges exist with the current use of Council assets for the VCS as many of the current arrangements have evolved over a period of time and are therefore not always consistent or transparent and can lead to the underutilisation of assets and concerns over the allocation of available space.

A range of tenancy / management arrangements have been adopted across the portfolio which in some cases has led to reduced resilience and sustainability within the sector due to a lack of long term lease commitments. There are also inconsistencies in the value attached to tenancies, which are not always reflective of the wider value of the activity that the asset supports.

The Council's Community Assets Policy seeks to address these concerns and aims to create effective, long-term management and sustainability of community assets.

Commercial Assets

The Council holds 218 commercial properties, consisting mostly of buildings on secondary and tertiary parades, often on Council estates around the borough. An important element of this portfolio is to provide affordable workspace to support local businesses.

Commercially managed assets are not primarily held to support service delivery but to support Lewisham's economic development and to generate sustainable income. They can also be held for strategic reasons such as future development and regeneration.

At the start of 2023, the commercial estate generated income of approximately £3million a year. This is in addition to the circa 2,400 individual garage units generating a further annual income of £1.3million. Most of the retail parades are situated beneath residential blocks or on estates. The portfolio also includes several light industrial units located at Forest Hill and nurseries dispersed across the borough. In recent years, the Council has added to the portfolio with new commercial units in Council led residential developments such as 1 Creekside.

There are also a number of offices within the general commercial estate, with the main one being the Old Town Hall in Catford, where five of the six floors are leased to public sector partners including Ingeus, South London and Maudsley (SLAM) and Lewisham and Greenwich NHS Trust. There are several examples of affordable workspace throughout the borough, including community and creative space as well as offices, with the most recent example being the space created in the old Town Hall where one floor is used by a workspace provider to support low-cost office and workspace provision for start-up businesses.

Land

The majority of land within this category comprises of small areas of unused and unspecified land.

Land in this category does not include formal parks, nature reserves or playgrounds but vacant, unspecified, small strips of land often on side of highways or in backland locations. These can provide important amenity value but are likely to have limited options for alternative use given the scale and dispersed nature of them. In some cases they may be a liability for the Council due to susceptibility to fly-tipping.

Housing Assets

The Council's Housing Revenue Accounts (HRA) portfolio of assets comprise approximately 19,800 housing units that are subject to a separate Housing Strategy.

The housing assets which sit in the General Fund are specialist in nature, and include temporary housing, hostels and supported living. In addition, there are 2,400 garages. There are a number of other assets within housing estates that sit in the General Fund, mainly consisting of community buildings and retail units which are considered within other categories.

Residential properties held within the General Fund includes hostels, supported living units and homes used for temporary accommodation. These are generally managed through the Housing Team or commissioned providers for repairs and maintenance and day-to-day allocations. The demand in all areas is increasing and therefore it is essential that residential accommodation in its various forms is a key consideration when undertaking the Asset Review process for underutilised or vacant Council properties.

The majority of the housing assets within the General Fund are held as Temporary Accommodation (TA) to address the growing need for better and more cost-effective accommodation to reduce the reliance on nightly accommodation. There is approval for the acquisition of up to 300 street properties by March 2026 under the Housing Acquisition Programme and a separate team has been set up to achieve this target. Additional TA units will be provided through direct delivery of new builds and also through partner organisations as detailed in the Procurement Strategy for TA Accommodation agreed in 2023.

Over 2,400 garage units are held within the General Fund, and as with most assets of this nature, they are generally no longer used for parking and garaging cars as they are usually too small for modern vehicles. Although they generate c£1.3million of revenue, this is not maximising their true potential, and a review is underway to consider options around future use.

Other Assets

This asset group includes a wide variety of smaller or low value assets such as public toilets, allotments and heritage assets.

Whilst such assets do not directly deliver key service functions, they do help to provide important amenity value for residents. Whilst these assets may not be subject to the same level of review as other categories, they still need to be considered within the overall asset strategy as they can play an important role in supporting the delivery of wider objectives.

Surplus assets

Surplus assets are those that are surplus to the Council's operational use and current requirements.

This strategy helps to set out clear processes around the identification of assets that are surplus to current requirements so that the decision-making process can be streamlined, and the future of such assets can be determined. This process, together with a better understanding of service requirements through the adoption of asset strategies within service plans, will lead to much quicker decision making as to the future of surplus assets. This should avoid them being held vacant which will help local economies, housing or community provision.

Catford Regeneration Partnership Limited (CRPL) assets are not considered within the context of this AMS.

CRPL is a wholly owned subsidiary of Lewisham Council. CRPL own and manage approximately 60 units. The company was originally created in January 2010 to purchase the leasehold interests in and around the Catford Centre in order to manage and regenerate the property to improve the economic, social and environmental well-being for local residents.

The portfolio includes Winslade Way shopping centre, various retail units on Catford Broadway and Rushey Green and approximately 20 residential properties above retail units, let

separately on Assured Shorthold Tenancies (AST). This generates an income of c£1m (before expenditure) and is managed through a team of professional advisors, including an in-house Asset Manager and external agents that oversee daily management of the assets and report to the Directors of CRPL.

The company is managed by two directors who are both officers of the Council with their primary duty as directors of the company, being to the company, and secondary duty to the Council. They operate under a director's

mandate and articles of association which contains a number of key shareholder reserved matters.

Under the mayoral scheme of delegation, officers and directors are not allowed to make decisions on reserved matters. The key objectives are on the effective management of the Centre, with a sustainable financial model ensuring that it continues as a going concern. Details of the current budgets, governance and objectives are contained within the Business Plan.

Case Study 3: Greenvale School

The Greenvale School expansion project provided a new special educational needs facility on a satellite site and is part of an ongoing programme to expand Special Educational Needs school provision in the borough. The school accommodates 93 secondary school pupils with severe learning difficulties for pupils in Key Stage 5 (aged 16-19). The design creates an exemplary learning environment geared towards older pupils that prepares them for the future through a tailored programme including life skills and work training. Secure bus drop off and pick up, range of play and sensory therapeutic activities and BREEAM Excellent standards were achieved. The project was shortlisted for the Building London Planning Awards 2023 'Best Borough-led Project' category.



A sustainable estate

A Climate Emergency Action Plan was agreed by the Mayor and Cabinet in March 2020, setting out our ambition for the borough of Lewisham to reach net zero by 2030. The Plan includes a range of radical actions across the Council's corporate estate, housing, transport and green spaces.

Reducing carbon emissions from the Council's operations and corporate estate will make an important contribution to our climate emergency ambitions. Through leading by example, the Council has committed to reducing its own carbon footprint which accounts for 3% of the borough's carbon emissions.

Delivering this is a hugely stretching goal and is reliant on long-term regional and national investment to deliver the shift and the pace desired.

The Council will maximise opportunities to bid for funding and will position itself to be able to respond quickly to future funding opportunities by having oven-ready schemes. We have already been successful in securing



Public Sector Decarbonisation Scheme (PSDS) funding to deliver improvements to selected corporate buildings. However external funding often requires significant upfront investment in preparing funding bids and is often reliant on match funding. Bidding for funding will need to be balanced with what can be achieved and considered in the context of the competitive nature of bidding due to the limited funds available and the time and effort involved.

The impact of climate change is identified as a risk factor that will impact our ability over the medium term to continue to use some of our buildings, particularly in relation to over-heating and potentially flood risk. Flood risk assessments will be undertaken corporately, and consideration given on a building by building basis as to what measures will be required to reduce over-heating. This should focus especially on operational buildings with vulnerable service users and be incorporated into the assessment of the future use and decision making on investment, retention and disposal of each asset.

In 2021 Lewisham Council was awarded approximately £3million from the Government's Public Sector Decarbonisation Scheme (PSDS) to fund heat decarbonisation and energy saving measures at five corporate sites: Brockley Rise, Grove Park and Granville Adult Learning Centres; and Leemore and Sydenham Community Centres. Works included a ground source heat pump (the first in a Council building) and three air source heat pumps, solar panels, replacement LED lighting, replacement double glazed windows, insulation to loft, wall cavities and pipework, upgraded building management systems and domestic hot water systems. The works will provide significant carbon reduction and the Council has benefited from the retrofit of its critical energy infrastructure which had reached, or passed, its useful life.

Costed plans for decarbonisation

The 2024 refresh of the Climate Emergency Action Plan commits the Council to setting out a costed plan for decarbonising the corporate, schools and commercial estate. Specialist consultants have surveyed 32 key sites within the FM maintained corporate estate to identify how their carbon emissions could feasibly be reduced, with a focus on the decarbonisation of space heating and hot water supplies. This has produced a list of required works with a budget cost of £29.2million. A crude estimate of the remaining corporate estate buildings to be surveyed suggests the whole corporate estate could cost in the region of £80million to £100million to decarbonise. The same approach has been adopted for 51 school and education buildings and has produced a list of easy wins (such as LED lighting and energy monitoring) with a budget cost of £45million through to full package of works to fully decarbonise requiring a budget of £164million. Given the likely financial pressures, a balanced decision-making process must be taken based on short, medium and long term of asset retention.

Energy Performance requirements for non-operational buildings

One of the key elements for the commercial estate to align with the Council's net zero ambitions will be through better building performance. The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (the PRS Regulations) set out a minimum energy efficiency standard (MEES). With effect from 1 April 2025, landlords of all commercial rented buildings in scope of MEES must present a valid EPC and from 1 April 2027, all commercial rented buildings must have improved the building to an EPC of at least grade C or register a valid exemption, and at least EPC rating of at least B by 1 April 2030. To comply with these requirements, an early assessment of all such assets will be undertaken and capital expenditure assessed to incorporate within the Capital programme or to help any decisions regarding asset disposal. A plan will be developed to ensure that EPCs are completed for all commercial assets, identifying what needs to be done urgently to meet a minimum Grade E to comply with current legal requirements for any tenanted properties and what work is required to be done to achieve a grade C by 2027 and grade B by 2030.

Property Carbon Reduction Plan

An evidence-based Property Carbon Reduction Plan for the Corporate estate will help the Council to reduce its own carbon footprint by increasing its readiness through incremental fabric improvements and positioning it well to apply for funds for heating works and for more affordable options that will come with technological advancements alongside a planned maintenance approach. It will also ensure that the Council can make informed decisions when essential plant or building fabric elements are in need of replacement. The plan will identify priority buildings for decarbonisation and will also look to the wider opportunities to tie in with potential heat networks especially within the Catford Masterplan and the Southeast London Combined Heat and Power Scheme for residential developments.

Case Study 4: Mayow Road

This residential led development is located on the edge of Mayow Park on a site previously occupied by a warehouse. Part of the Building for Lewisham Programme, this development has delivered 32 homes in total. 26 family homes provide temporary accommodation for homeless families, allowing them to move out of nightly paid accommodation. The remaining six homes provide supported living accommodation for residents with learning difficulties and/or autism, helping them remain in the borough and live more independent lives. This flagship project has been delivered in partnership with NHS England's transforming care programme and has helped to address acute housing need within the borough.



Strategic area 1. Asset optimisation

We will have the right properties in the right place to enhance services for residents through:

- Delivering our corporate asset transformation programme to provide service challenge and rationalisation of the estate
- Including property within Service Plans
- Adopting a clear accommodation strategy to create more flexible workspace
- Commercially managed assets to generate sustainable income
- A leaner and more effective estate through disposal and acquisitions

Corporate asset transformation programme

Whilst being a major resource with underlying associated value, the management of our property portfolio requires ongoing assessment and challenge over the use of our assets in order to maximise the benefits and value to our residents and communities. Without strategic management, buildings and assets can deteriorate and depreciate, and can have a negative impact on staff, users and wider communities and places. Challenging the need to hold assets is financially prudent, and it is essential that costs associated with assets are minimised and where and when appropriate, assets that are no longer fit for purpose or required, are sold to release funds into the capital programme for ongoing investment in the retained estate with the right buildings, in the right places to enable excellent service delivery. In this context, the Council must also seek out opportunities to reduce the operational portfolio

in order to have a more manageable estate and one that can be appropriately invested in to ensure that it is fit for purpose and sustainable.

Our Corporate Asset Transformation Programme has been established to identify prioritised opportunities for better utilisation of the Council's assets, land supply for housing development and to enable service transformation. We are seeking to introduce new ways of delivering services through a hub and spoke model which puts Council's services closer to residents and delivers a smaller more energy efficient estate.

The model seeks to co-locate services across the Council within appropriate settings to ensure we can deliver responsive local services at the point of need. Underpinned by a digital strategy we will ensure we provide an accessible offer to all our residents to better utilise and deliver a smaller estate moving forward.

Asset review

To underpin the approach to our strategic opportunities, a systematic Asset Review and gathering of service requirements is being undertaken across the Council's corporate, operational and office estate. This will provide the basis for the Corporate Estate Maintenance Programme and the proposed Capital Strategy by helping to shape how things are prioritised within the context of limited funding. It also identifies assets where disposal is considered an opportunity to provide capital receipt for the Capital Programme and reinvestment in core council objectives. To date, the review has concentrated on a small number of assets and sites focused on the 'low hanging fruit'. In the medium term, and in line with this strategy, it will continue to look across the estate to ensure efficient and appropriate use which maximises social, economic and monetary value using the Asset Review Process.

Service Infrastructure Requirement Reviews

The Council occupies and delivers core services from a wide range of buildings and there are significant opportunities to review how services are delivered in the future to best support residents in a flexible and increasingly digital world. Service infrastructure planning has a critical role, feeding into the Council's Infrastructure Delivery Plan and Capital Strategy and helping with the prioritisation of competing and limited funding. It will also ensure that Services understand the objectives around a Sustainable Estate relating to the buildings they occupy and that these are reflected in their future plans. Much has already been achieved but there is still more to be done and council services are at different stages of the journey in understanding and reviewing their service infrastructure requirements.

Corporate Accommodation Strategy

New working styles and different service delivery models have come into sharp focus over the last few years. The Council has already started to embrace these changes through the rationalisation of corporate offices. This has allowed the release of the old Town Hall to create a Public Sector Hub generating valuable short-term income.

The Council's main office space is centred in Catford, predominantly in Laurence House, 9 Holbeach Road, Eros House and the Civic Suite, all of which require some investment in the very near future. The Council's ambition is to consolidate its service needs into fewer buildings as part of the Catford Town Centre regeneration plans.

The pandemic caused a rapid transformation in ways of working and service delivery, accelerating existing trends in remote and agile working and generating additional opportunities to look at how services are delivered and where there might be opportunities for property rationalisation. In response to this, a long-term Corporate Accommodation Strategy will be developed to provide accommodation solutions that support the Council's ambitions around future workforce and workstyle requirements in a post-covid world.

The strategy will take a holistic approach and will have close interdependencies with the Council's Organisational Development Strategy and Digital Strategy in relation to agile and flexible working policies, cultural change and the underpinning technology to support this. It will also support Lewisham's Climate Emergency Action Plan with flexible and home working reducing the carbon footprint through the rationalisation of space and inclusion of energy efficient heating, lighting, wastewater and cooling systems across the Council's estate. We will ensure that any repurposed or new accommodation acquired for operational use will adopt best practice for sustainability through low energy use and waste recycling and use of renewable energy.

The Corporate Accommodation Strategy will take an innovative approach through:

- Reduction of the operational estate - consolidation into fewer, better-quality buildings including reducing the Catford campus.
- Where possible, exiting from expensive leases.
- Defining what the culture and identity of the Council will be when it comes to its workforce.
- Future proofing the estate to flex in line with technological advancements e.g. impacts of AI on the shape of the future workforce.
- Understanding the accommodation needs of the services.
- Exploring a Hub and Spoke model, providing touch downs in the community along with flexible workspace with a mix of collaboration space and space for agile working.
- Working with partners and through the One Public Estate programme to deliver innovative solutions to property that deliver quality services and explore opportunities for estate rationalisation and co-location.
- Using assets in a multi-purpose and flexible way providing suitable accommodation for Council services and communities through shared space and meanwhile spaces that enables the Council to interchange between office space, commercial lets, conference space / events etc and expand back into if needed.
- Longer term opportunities around the role of the Council's accommodation in supporting the regeneration plans at Catford.
- Embedding sustainable practices through identifying ways to reduce consumption such as opportunities for reduced operating hours, reduction in asset base, reduced cooling/heating whilst retaining a comfortable and compliant environment, use of different technologies to support lower energy use and the adoption of better construction and fit out methods such as the use of high insulation, low energy products.

Commercially managed assets

In addition to our operational assets the Council has 218 properties that generate income and help support economic growth and local employment.

The commercial estate will be managed through:

- Collection and management of clear data including:
 - Stock condition information to allow informed decisions over the short to medium term, including repairing/ dilapidation options in the lease
 - Building performance and the new energy performance requirements, with capital expenditure required
 - Rent payment history to identify any concerns with the tenant and ensure proactive income/debt collection
 - Reports on any outstanding reviews or lease renewals
 - Timely renewal of leases to existing tenants, looking at lease regears or utilising lease expiries/break options to refurbish or redevelop the asset.
 - Potential disposal options, either through letting or sale, with consideration to market conditions, the Council's current and future operational needs, redevelopment plans and condition of the asset.
- New acquisitions to maintain income streams and local employment opportunities through purchase of modern assets that will reduce future capital expenditure.
- Capital investment to comply with Health and Safety, accessibility, decarbonisation and EPC requirements.
- Issuing tenant packs to set out responsibilities and capture key accessibility, health and safety, Fire Risk Assessments, statutory testing and Insurance provisions.
- Assessing existing and potential telecom sites to maximise opportunities but also considering any longer-term redevelopment plans.
- Providing clear recommendations for each asset including where appropriate financial appraisals to clearly demonstrate benefits/ impact of any decisions

An updated report will be made on an annual basis with a refresh undertaken after six months for major assets, or more frequently in a volatile market, to ensure that opportunities are not lost.

In addition to the review of existing assets, this process will also consider the acquisition of new properties. To date, the Council has adopted a prudent approach to acquiring assets and has not purchased purely for investment purposes and therefore avoided many of the issues experienced by other authorities with larger investment portfolios. However, in some circumstances the need remains for potential acquisitions to support short, medium and long-term goals to either replace assets that have been disposed of following review, or to further enhance the current portfolio or service delivery where a need has been identified.

The commercial property management approach around capital investment will be in two stages.

First stage

Firstly, it will clearly set out the need for capital investment for income generating assets already owned by the Council to ensure that the revenue stream is maintained. This will also consider the potential disposal of properties where they are likely to remain as underperforming assets despite capital investment. This could be as a result of their deteriorating condition, sustainability issues or simply due to market changes.

Second stage

- A second stage will then identify commercial land and property investments which would maintain an income stream or support regeneration/employment or wider strategic opportunities. This process will be included within a wider acquisition strategy to include:
 - performance review based on industry benchmark standards
 - alignment with the Council's Corporate Strategy, Capital Strategy and Medium-Term Financial Plan
 - investment that is innovative, inclusive, aspirational and forward-thinking
 - investment criteria to identify suitable property investment opportunities,
- for example, place shaping, economic development, optimising regeneration opportunities
- financial viability which delivers sustainable income
- risk management that builds financial resilience through the creation of a diverse portfolio, balancing the requirement for income return with an acceptable level of managed risk
- governance arrangements that enable the Council to move at a timely pace in line with the market whilst providing a framework for decision-making.

Property acquisitions and disposals

Property acquisition strategy

To allow property investment to take place within a sound decision-making framework, the Council has a clear strategy for property acquisitions that supports regeneration commitments, service need and the Medium-Term Financial Strategy. This is underpinned by supporting processes and governance to ensure that when making acquisitions, the Council is not over-exposed to risks such as financial, commercial and reputational and can also act in a commercial way.

As part of any asset acquisition, the Council will consider the impact on its own portfolio of the acquisition or, where relevant, a disposal. The Council may look to acquire property for the following (non-exhaustive) reasons:

- Housing need – for temporary, specialist and social housing.
- Service need – both current and future identified needs.
- Strategic acquisitions for future development and regeneration in line with the council priorities and objectives.
- Investment – to generate income to support service delivery.
- Purchase or retain commercial properties that form part of mixed housing developments undertaken as part of the Council’s Housing Programme

In line with the Council’s Temporary Accommodation Procurement Strategy, the acquisition of properties suitable for temporary accommodation will be a key corporate focus.

The Council's strategy for property acquisitions is based on clear processes and evaluation criteria to inform the decision-making process on acquiring properties. It is based on the following basic principles:

Non-discretionary

- Compliance with the regulatory framework.
- Confirmation that the acquisitions have longer term regeneration or operational justifications and not purely short-term financial gain.
- Justifiable (business case) on its own merits and its relativity to the weighting and performance in the overall portfolio.
- Legal and agency advice is obtained and due diligence conducted to include full title report and Red Book valuation.
- Resource implications fully understood – to include any project management, future asset management requirements and ongoing maintenance/investment.
- Investment in the property confirmed to be compliant with the Council's corporate objectives and strategic objectives clearly understood.
- Market factors will be taken into consideration when purchasing, and at which phase of the property cycle the market is in at that time.

Discretionary

- Satisfactory quality of property. Turnkey opportunities versus shell and core.
- Potential future capital growth and where held within the commercial portfolio they will provide a balance of risk through portfolio diversification.
- Improving the local economy, local job creation.
- Increase in Council Tax/Business Rates etc.
- Strategic site assembly for wider regeneration objectives.
- New housing
- Location of property, consideration of acquisition within areas of borough where the Council has little or no presence.

Property disposals

Asset disposal is part of a range of tools or approaches which ensures effective asset management and as the requirements of the Council evolve, there will undoubtedly be significant opportunities to rationalise land and property. We have developed a clear process to ensure assets are disposed of in a structured and controlled way, to ensure best value for the Council and no long-term negative impact.

Disposal of unsuitable assets should be considered as a positive action, as receipts will help support the investment in retained assets so that they deliver better outcomes, reduce maintenance and running costs, unlock investment in decarbonisation through redevelopment and in some cases will offer opportunities for redevelopment to provide new housing or business premises to support the local economy.

It is key that once identified as a potential disposal and the property is vacant, the process is concluded swiftly to minimise any ongoing holding costs (such as business rates, security and ongoing maintenance) and depreciation in value, as well as avoiding reputational issues and anti-social behaviour.

There will be occasions when a delay in marketing is necessary to obtain the best possible price, either due to market conditions or the need to gain additional consents such as planning, where such benefits clearly outweigh the holding cost. If this is likely to be the case, then this will be identified as part of the initial business case and a clear meanwhile use strategy put in place to reflect the likely holding and marketing period.

A holistic approach will be taken to the allocation of capital receipts that is aligned with the wider Capital Strategy and the Council's strategic priorities and aims set out in the Infrastructure Delivery Plan (IDP). This strategy, alongside the Asset Disposal Process and Asset Review procedures provides the framework for a transparent and consistent approach to disposals as part of our overall approach to asset management.

This process will not only review the operational estate but also under-performing commercial properties that are not generating good returns or potentially could prove to be a liability in the medium to long term due to deteriorating condition or sustainability and energy performance issues, as well as current market

trends. In addition, the Council will review small pieces of land which hold no development potential or service use and seek, where practical, to regularise or dispose of them.

Due to the significant capital cost requirements for the decarbonisation of some older buildings, disposals can provide opportunities to unlock investment, with developers being subject to planning and building control regulations to make buildings more efficient and ultimately support the Council's Climate Emergency Action Plan.

Strategic Assets

A strategic asset is “an asset or group of assets that the Council needs to maintain the capacity to deliver its core services (but not necessarily in the way that they are currently delivered) or that support wider redevelopment priorities that will benefit local residents and economy”.

The Council will generally not sell “strategic assets”, however with the increasing financial pressures and need to carry out substantial work to many assets, support housing and regeneration schemes and have a more cost-effective estate, consideration should be given to each individual site.

The disposal of “strategic assets” should not be precluded if they have become unsuitable for the delivery of services but would suggest that suitable alternative buildings would need to be acquired. Similarly, strategic assets that are being held to facilitate redevelopment of an area can be released once the development plans have been progressed to a delivery stage.

Other assets

For all other assets, disposal will be considered as an option subject to a detailed Options Appraisal that will consider all alternative uses, declare the asset as surplus and identify the best disposal option as appropriate. The Options Appraisal template and disposal checklist will be used.

Before any disposal can take place, the asset must be declared “surplus”. If an alternative use is identified, the Property, Estates and Capital Programme team will work with the service area to consider the feasibility of the proposal to ensure that it is justifiable.

Garages

Over 2,400 garage units are held within the General Fund, and as with most assets of this nature, they are generally no longer used for parking and garaging cars as they are generally too small for modern vehicles. This has led to a number of alternative ad hoc uses which are not necessarily aligned to their location within housing estates, and in some cases anti-social behaviour, fly tipping etc has become a problem. Others are used for much needed storage for council house occupants. Although they generate c£1.3million of revenue, this is not maximising their true potential and when necessary repairs and management costs are reflected, the returns are very modest.

Some of these sites could provide new housing or small start-up business opportunities and a review has already been commenced and early engagement taken place, to consider options around future use and development and to assess the true net income generated and compare this to viable alternative uses. Any future uses



will depend on the location, local demand and costs but it is expected that alternative uses such as redevelopment for housing (both social and private), light industrial and creative studio type uses will be considered, as well as disposal.



This review and implementation will take some time to complete and therefore in the interim, the increase in rental charges will continue and any necessary repairs closely considered against the potential future uses for the site.

Case Study 5: Beckenham Place Park

Beckenham Place Park is a historic 96-hectare public park in Lewisham with a rich history dating back to the 18th century. Over time the park declined, the stables suffered arson and the Grade II* listed mansion was added to the 'at risk' register. The Council successfully bid for £8.8million to regenerate the park and transform it into a more diverse, naturalistic and dynamic landscape attracting wider audiences.

Restoration included the Homestead buildings which had burnt down, the pleasure gardens and formal gardens and recreating the lake, a central feature in Edwardian times, for wild swimming and boating activities. Visitor numbers have rocketed since its grand re-opening in 2019, and the visitor profile is significantly more diverse and reflective of the borough. After the largely acclaimed transformation of the western side of the park, the Council is now working on a programme of improvements to the Eastern side including new playground, wetland habitat, new activity and off-road cycling trails and extensive tree planting.



Strategic area 2. Regeneration and development

Assets will be used to actively support our boroughs development through:

- Use of assets to help regeneration through partnership, in-house or private development
- Creating high quality physical environments with better use of public realm and green spaces
- Stimulating economic development through support to local business and investment in assets

Use of assets to help regeneration

Lewisham is a thriving, ambitious borough with a young, vibrant population which provides a strong base of small and independent businesses. As London Borough of Culture 2022, Lewisham has already demonstrated what it has to offer and has established itself as a destination – a place to live, work, visit and invest.

Regeneration is underway in our two main town centres – Lewisham and Catford – and opportunities for investment are emerging across the borough. This is reflected in the framework to deliver the Council’s vision for the future of Catford town centre, the borough’s civic heart.

The majority of the Catford town centre development potential is on sites which are Council-controlled, allowing the Council to play an important enabling role in realising its potential and leveraging private investment. In the context of limited funding and the need to optimise opportunities for good growth, we must ensure

we make best use of our assets, rationalising where possible, to create opportunities around place shaping and to deliver financial efficiencies and drive down operational costs through more intensive use of assets.

Our Accommodation Strategy will support the Council’s ambition to consolidate our services into fewer buildings as part of the Catford Town Centre regeneration plans, providing accommodation solutions that support future workforce and service requirements to meet the needs of our residents.

The release of assets will also enable the Council to either generate revenue through letting properties to commercial tenants or selling them to release funds to the capital programme. Operating out of a reduced number of assets will release funds to reinvest in a smaller, better-quality number of buildings.

Maximising the strategic opportunities presented will require the Council to use its full range of powers and levers to make this happen.

Creating high quality physical environments

An open space review was carried out in 2022 to help inform the new Local Plan. Whilst this demonstrated that the Borough has over 350 open space and play areas, there are some corridors between New Cross Gate and Forest Hill and Lewisham, Grove Park and Bellingham where these are more limited and the creation of better high-quality space within these areas should be a key priority for any new development or regeneration projects. The creation of good quality open space as part of the physical environment is key to help generate better social, health and environmental benefits alongside an improved built environment. This can be achieved through better use of council owned assets alongside the use of planning policies within the new Local Plan for any new development.

Additional opportunities to improve the physical environment could be through investment within our housing estates to provide more amenities and safer environments or looking at partnership arrangements. The garage review will ensure these spaces are better utilised through development or repair and reinstatement, reducing anti social behaviour and fly-tipping. Opportunities to attract grant funding from the Football Foundation, Lawn Tennis Association and similar organisations could lead to improved facilities. The Council could either look to enter such agreements directly or through other community organisations through offering longer term lease agreements. Beckenham Place Park provides a great example of what can be achieved.

Stimulating economic development

The AMS supports local business to set up and grow and assists with market-making by attracting and supporting new types of economic activity through affordable rents and meanwhile uses. Due to changes to the Planning Use classes, there is now more flexibility, with the aim of encouraging diversification through a wide range of schemes including meanwhile uses. The garage review will also offer opportunities for micro-business start-ups and affordable workspace through either meanwhile or permanent adaptation of some suitable sites. Meanwhile uses should be considered throughout the borough, across town and neighbourhood centres, industrial workspace, offices, open spaces and other relevant assets.

Meanwhile use

Aligned with the Local Plan, the Council's meanwhile use aims are to:

- reinvigorate town centres and contribute to place shaping
- support local employment by providing affordable workspace for start-ups, micro-businesses and SMEs
- provide community uses and opportunities for culture and arts
- assist with market-making, by attracting and supporting new types of economic activity through affordable rents
- support local housing
- help to mitigate costs such as business rates and security

Whilst there has previously been a reliance on residential property guardians in Lewisham, and whilst still an option, the Council is now moving towards more innovative solutions, working with partners and the voluntary and community sector to maximise opportunities for cultural, community and employment space. A triage tool will support the assessment of what the asset could be used for, along with some standardised meanwhile use lease terms.

Lewisham's Affordable Workspace Strategy sets out the Council's approach for increasing affordable workspace in the borough and recognises the importance of meanwhile use on sites awaiting development or other uses. Any meanwhile use in the borough will be underpinned by a clear process as to who is responsible for an asset while waiting for a new use to commence. Meanwhile uses can carry risks and careful consideration must be given to ensure that they do not become a burden on local residents or undermine longer-term plans for sites. This includes being clear with the occupier, residents and selected members that meanwhile uses are temporary so that at the end of the agreement there is not an expectation to relocate or provide alternative options for them.

As part of developing the Council's approach to meanwhile uses, a clear 'Move-On' strategy

"Where possible, meanwhile use will be on a commercially viable basis. Where it may require subsidy to support new business development, employment or community ambitions, consideration must be given to availability of an appropriate budget to cover this. This subsidy should be reviewed at regular intervals to test the outcomes delivered for this subsidy and the necessity for it. Opportunities should also secure commitment from meanwhile space tenants to create social and economic value through their work, for example by running community events, workshops and projects that engage the local community".

will be incorporated to support tenants in maximising the opportunity and to ensure they are fully aware of the short-term nature of the use and what happens at the end of the agreed term. Meanwhile use break clauses will be put in place in the Council's favour, with meanwhile uses covering a period of 1-5 years only on a contracted-out basis. In exceptional circumstances, for example if there are longer term strategic transport or regeneration plans, which may not be realised within a standard meanwhile use period, the Council may consider longer arrangements which tie in with the timeframe for the eventual use.

Case Study 6: Leemore Community Centre

The Leemore Centre is a voluntary and community sector (VCS) advice and information hub in the heart of Lewisham. In 2016 refurbishment of the hub enabled the space to be shared between day care service for adults with learning disabilities and VCS groups who occupy offices and share open plan co-working space. The hub provides the public with access to information and specialist advice and support from trained advisors, as well as wifi and computer access. A number of community groups also hire the space for regular activities. This partnership and co-location approach supports vulnerable adults, offers a one stop shop for those seeking advice and information, and enabled the rationalisation of a number of other buildings.



Strategic area 3. Partnership working

Maximising use of our assets and wider opportunities to provide services for residents through:

- Working with One Public Estate
- Developing relationships with partner organisations to allow shared use and release of assets
- Work with voluntary and community groups and deliver the community assets policy to enhance provision for the community

Working with all sectors, whether public, private, academic, voluntary or community based, we will continue to deliver quality services to communities using property in the right way to benefit our residents and the community. Collectively, we must be in a position to embrace opportunities to collaborate and co-locate services, so that the overall public estate burden is reduced and our residents benefit from fit for purpose buildings, with streamlined and joined up access to services. Unlocking these opportunities requires partners and stakeholders to align time-scales, strategies and governance. The AMS provides a framework to enable a more collaborative approach to be taken by the Council.

Working with One Public Estate

One Public Estate supports local partnerships of public bodies to collaborate around their public service delivery strategy. Funds are allocated for initial feasibility as well as enabling stalled housing development sites to be brought forward through the Brown Land Release Fund. This creates opportunities to re-purpose surplus or underutilised public buildings primarily for the delivery of shared services, housing or redevelopment to promote local employment. The Council has been involved in four rounds of funding to date, including feasibility funding for the Catford Corridor site regeneration. The Council

is also an important partner in the Lewisham Regeneration Initiative, which aims to identify and bring forward sites for employment, housing and place making based around surplus assets across the Council, NHS and other government bodies.

Shared use and release of assets

The Council is a key member of the Lewisham Strategic Partnership which is producing a new Community Strategy with the aim to set its priorities from 2024. This will include a joined-up approach to property assets.

The Council is also a member of The Lewisham Health and Care Partnership Board (LHCP) which aims to improve health and social care by establishing economies and efficiencies through shared property planning. The partnership has previously enjoyed success in bidding for One Public Estate funding and will continue to work together to identify future opportunities. Successful relationships have also been established with Community Land Trust partners which has led to the development of alternative housing options such as Citizens House. It should be recognised that this form of partnership only works if the Council is prepared to provide the land element without receiving a capital payment.

Community Assets Policy

The Council is fully committed to using assets to form long-term partnerships with suitable VCS organisations, in order to create stronger, more cohesive and more sustainable communities. The Community Assets Policy seeks to:

- Align the use of community assets with the Council's corporate priorities
- Obtain the best options for the effective, long-term management and sustainability of community assets
- Regularise current and future tenancy arrangements, strengthening security of tenure.
- Demonstrate consistency and transparency in the relationship between the Council and the Voluntary and Community Sector (VCS) where the Council provides accommodation to VCS organisations
- Strengthen the sustainability and resilience of the VCS, increasing its opportunities to generate new sources of income that sustain local activities and maintain premises for community use
- Develop a consistent set of criteria for allocating assets to tenants that wish to manage them

The principles in the Community Assets Policy set out the Council's expectations for the use of its community assets and also serve to protect these buildings for use by future generations. Community assets will:

- Serve the aspirations and needs of Lewisham's diverse communities
- Enhance social and community interactions and civil participation
- Be well utilised
- Be cost-efficient through their effective management by robust and financially resilient organisations
- Be embedded as part of the local infrastructure
- Remain open and inclusive to Lewisham's communities
- Used primarily for 'not-for-profit' activities and enterprise, and
- Meet the Council's strategic priorities

The Council will transition away from direct and indirect management of its community assets. Leases will therefore replace all other forms of agreement where it is appropriate to do so. The Council will safeguard community assets by retaining their freeholds unless there are exceptional circumstances whereby an asset becomes surplus to requirement. If this is the case, and in line with the Asset Review, the Council will determine how best the asset can be utilised to meet its wider social, economic and environmental objectives.

Case Study 7: Children leaving care specialist residential provision

Two vacant council owned properties were identified in 2022 to provide supported accommodation to 16 and 17 year old children in care, and Care Leavers aged 18+ to prepare them for adulthood and independence. This provision will reduce significant budget pressures procuring high-cost semi-independent provision and will expand the Council's use of alternative, high quality, lower cost housing provision that provides the appropriate level of support for these children. The refurbished buildings will be complete and welcome the first children in 2024.



Strategic area 4. Corporate approach

Our Property Assets to be treated as a Corporate Resource through:

- Transitioning towards a Corporate Landlord Model
- Development of a single property database
- Developing management, maintenance, accessibility and Health and Safety plans for all operational and tenanted properties
- Ensuring business continuity

Corporate Landlord Model (CLM)

Having assets held by different directorates can create several challenges for ensuring that assets are used in the most efficient manner both from a cost and service delivery point of view. In line with the best practice identified by CIPFA and many other local authorities, the Council will move towards the implementation of a Corporate Landlord Model.

The concept of a Corporate Landlord is that the ownership of all property assets and the responsibility for their management and maintenance is transferred from service departments to a centralised function within the Council. The Service departments become corporate tenants and make use of the property or land to deliver services. The Corporate Landlord function is to ensure the service departments are

provided with the right accommodation that is well maintained, compliant, safe and well managed.

Adopting this centralised approach will maximise the opportunities identified through the service infrastructure planning by taking a holistic view and allowing services to focus on service delivery. By centralising the responsibility for property, it is easier to see the effect that one property move or change has on the remainder of the estate, identify any potential gaps and control “unofficial” moves, repairs and maintenance as all such matters will need to be approved by the Corporate Landlord team.

Due to the complexity involved, this is a medium-term goal and will need to be undertaken through a number of manageable steps as the identification and transfer of budgets and correct resourcing, which will be key to the success of this model, will take some time to complete.

The development and operation of a Corporate Landlord Model (CLM) is based on the following key areas:



If the CLM approach is to be successful, it is essential that the budgets are transferred in a realistic way to ensure that they are fit for purpose and will cover the anticipated costs. The identification of budget lines and true spend on a property will be key to the successful implementation of this model. CLM most commonly fails where the budget transfers are not realistic as the corporate teams are then unable to deliver to service expectations.

Appropriate resourcing will also need to be considered to allow the function to be centralised within the Property teams through the establishment of a Corporate Landlord team. This is likely to be a medium-term goal as the identification and transfer of budgets and the resourcing are likely to take some time to complete.

The high-level steps for delivery are as follows:



The adoption of this strategy is the first step to achieving a CLM basis as it helps to identify and draw together the key elements to deliver an overarching framework.

Data management

Currently there is no single point of truth for data held by the Council on non-housing properties and their performance, with data being held locally within departments and in varying formats to meet their specific needs.

It is essential that accurate data is available for all assets so that the true cost of holding a particular property is known. This is not an easy task and will require the collection of data from a variety of sources. This will give the Council a true indication of the cost of holding each individual asset and

the benefits that they offer and therefore help with decisions over which assets to retain, invest in or sell. In addition, a full understanding of the revenue generated and opportunities that may exist can be better monitored to help identify key actions such as lease renewals, rent reviews and holding costs for vacant properties. It will also allow better reporting on rent collection and arrears.

To this end, work is underway to create a functional spatial asset database for this Council's non-housing assets. The system will incorporate a GIS mapping tool linked to the Local Land and

Property Gazetteer (LLPG) which will allow for information such as ownership information and other data sets to be held and managed. The aim is to create a single consolidated asset database for the Council which will have links to other systems such as housing, finance and insurance data. A key part of the database is the ability to provide a holistic spatial view of all assets owned by the Council to help inform strategic decision making around asset use.

Corporate Estate Maintenance Programme

The Council's Corporate Estate Maintenance Programme (CEMP) invests in and maintains the corporate estate to support longer asset life, improve efficiency and energy performance, increase safety and compliance, reduce repair costs and minimise interruptions to critical operations due to building or equipment failure. It is closely aligned with the Asset Review process to ensure that investment is made in the right buildings. A detailed schedule of works is developed, categorised and prioritised, informed by condition surveys which are updated every 5 years. The condition surveys capture a detailed understanding of the condition of all assets including cost budgets for both building fabric and mechanical and electrical components to allow a more planned and proactive approach to managing buildings, for example the roll-out of LEDs across the estate. In addition, climate change will be considered in forward planning maintenance within the estate, particularly in relation to heating and flood risk, ensuring that investment is prioritised for buildings used by the most vulnerable service users and residents.

Currently £8.7million from the Council's Capital Programme has been committed across 2020

– 2026, but a more realistic financing of the CEMP will be required to enable a properly planned capital programme of investment and improvement based on condition survey data. This will be linked to the Asset Review, so that the buildings that form part of the long-term estate are prioritised and where there is a short-term requirement this needs to link to basic health and safety. Service infrastructure plans are critical to informing the CEMP and future funding applications, ensuring prioritisation of funding in the right places and informing the Council's longer term Capital Strategy.

Given the likely capital expenditure needed across the estate, it is essential that the size of the portfolio is reduced to allow the level of expenditure required for the retained assets. The capital generated through sales or revenue through the letting of surplus property can help meet the expected costs.

Property Management

There are approximately 95 buildings across 66 sites where the Council's Facilities Management (FM) Services Team maintain statutory and regulatory compliance responsibility. Typically, this includes planned preventative maintenance (PPM), statutory compliance, business rates, cleaning, electricity, gas, response repairs, waste collection and water. Local contract arrangements are in place for services such as leisure, along with some day centres, temporary accommodation and hostels and are therefore excluded from these figures.

Accessibility

People with disabilities now make up about 20% of the population and therefore it is essential that their needs are fully considered when looking at council assets and services. A new Disability Action Plan was published in 2024 by the Government, reflecting the current legal requirements to give guidance to government bodies and local councils regarding access to buildings as well as services. With the increasing delivery of council services through alternative digital platforms, it is important to recognise that any plans to reduce the number of operational assets or change the way services are delivered should fully reflect the need for additional IT

capability either to allow remote working or delivery through websites and phone apps.

For physical assets the Council, in common with any owner, is required to make reasonable adjustments to its properties so that residents and staff with disabilities are not at a substantial disadvantage when using council buildings. This can sometimes require obvious alterations such as the provision of disabled and changing places toilets, level access or lifts, but given the range of disabilities this could also include more subtle changes such as the provision of hearing loops, quiet space, sensory room, signage within and en route to the building or suitable colour contrasts to help visual impairment and these must all be considered when proposing changes. Such alterations should also extend to other assets such as public spaces and playgrounds so that the width of gates and pathways, provision of disabled WC's and parking are all present where possible.

The Council is undertaking an audit of the majority of its corporate buildings to assess compliance and to understand what remedial works may be required.

As of 2024, the primary statutory instruments driving statutory compliance for property asset are:

Health & Safety at Work etc. Act 1974

Managing Health & Safety at Work Regulation 1999

The Regulatory Reform (Fire Safety) Order 2005; and new fire safety legislation as of 1 October 2023 in relation to Responsible Persons

The Building Regulations 2000 (as amended)

The Control of Substances Hazardous to Health COSHH Regulations 2002 and Amendment 2003

The Control of Asbestos Regulation 2012

The Health & Safety Executive Approved Code of Practice (ACoP) Guidance on Legionnaires Disease, the Control of Bacteria in Water Systems L8

Equality Act 2010 access to buildings and services

The new Building Safety act 2022 that came into force in April 2023, introducing new duties for the management of fire and safety in high-rise residential buildings following the Grenfell Tower disaster

Health and Safety

Ensuring the health and safety of residents, staff and others using the Council's buildings is the top priority for the effective management of the corporate estate. It is also important that management of the asset portfolio ensures compliance with current legislation, environmental, social and economic change and legal agreements to minimise the Council's exposure to risk. The Council must be prepared to flex and provide additional resources (capital and staff) to respond to immediate health and safety priorities, where applicable, with recent examples including changes following the Grenfell Tower disaster, the requirements of the Building Safety Act and the renewed focus on RAAC (Reinforced autoclaved aerated concrete).

An important element of maintaining fit for purpose buildings is to embed better health and safety compliance within our building management processes with clear designation of responsibilities between corporate teams building managers and our tenants. This includes a specific requirement for an Asbestos duty holder and Fire responsible person to be clearly identified for each building.

The Council will ensure that the following statutory responsibilities are met and can be demonstrated through the information held on each asset:



Corporate Estate

A robust process for the corporate estate has already been adopted and is managed through the Council's Health and Safety (H&S) Compliance team. All necessary statutory testing is carried out through either consultants or the FM team. The H&S team carry out quarterly site visits for all properties and undertake building audits on a rolling annual programme. This is particularly important in response to the changes in building use and new ways of operating from assets post Covid-19. A report to all Directorates is made on a quarterly basis feeding back relevant details as to the testing completed and any identified risks. An additional report is made three times a year to a committee of councillors that specifically covers buildings that are used by members of the public. In addition, clear guidance through the use of building inductions and formal property guides will be adopted for each building so that it is clear as to where health and safety responsibilities lie as these may be split between the corporate teams and site managers.

Tenanted Estate

At present there is a range of responsibilities within leases for statutory and fire safety duties in respect of leased properties. This is in part due to historic arrangements where Council staff may have been present.

A review of all current leases will be undertaken to assess tenant liabilities and a tenant's Property Guide will be issued to clearly identify responsibilities. The tenants will then be asked to provide key documents such as Fire Risk Assessments (FRA) and evidence that all statutory testing has been undertaken. Where the tenant is not able to arrange for such work to be carried out, the Council will arrange for the FRA or testing to be undertaken if the occupational agreements allow and recover the costs. Voluntary and Community organisations moving onto or already on leases will have annual compliance checks undertaken by the Corporate Health and Safety Team. The report will be shared with the organisation who will be responsible for any rectification works but support and guidance will be provided. VCS organisations must designate a "Site Responsible Person".

At present there is no single point for data and therefore it is not always clear as to the responsibilities of various parties which can lead to an element of risk. The adoption of a central database to both assess liability and record the data received will greatly improve the process and remove risk.

There are separate H&S teams for Schools and Housing and these teams need to be linked to ensure that a consistent approach is adopted across all areas.

Business Continuity

The Council's Corporate Business Continuity Policy sets out how critical services and activities will be delivered in the event of an Emergency or Business Continuity Disruption. Overall responsibility for Business Continuity Management (BCM) lies with senior management, however, BCM issues are considered and implemented at Corporate and Directorate Service level. Assets play a vital role in delivering BCM in an emergency (e.g. rest centre, Gold command room) but can also be the cause of an emergency requiring BCM (e.g. power outage at main office building). The Council's assets played an important role in the recent Covid-19 pandemic, providing spaces for vaccinations, testing, food hubs and so on. A number of buildings were also closed during this period, and commercial income was impacted.

The Asset Review and any proposed disposals should consider business continuity and any impact on the Council's resilience to ensure this is fully considered. Whilst the disposal of under-utilised offices may make commercial sense, if this is the designated disaster recovery space

for the main office function then an alternative would have to be identified which could make the disposal less attractive. When considering disposals or changes to assets, it is therefore essential to weigh their impact on the Council's ability to provide business continuity. Some factors to consider include:

- **Criticality of assets:** These might include infrastructure, technology, location or facilities crucial for service delivery.
- **Risk Assessment:** Will it affect the council's ability to respond to emergencies?
- **Contingency Planning:** to mitigate any negative impacts on business continuity that might arise from asset disposals. This should include full cost to re-provide and time-scales.
- **Stakeholder Involvement:** to provide valuable insights into the potential impacts of asset disposals.
- **The Council uses assets for other statutory functions** such as polling stations, and this should also be considered when undertaking the Asset Review.

Case Study 8: Broadway Theatre

The Council invested £7million in the upgrade of the much-loved Grade II Broadway Theatre in Catford in 2022. The restoration of the borough's cultural gem plays an important part in the regeneration of Catford town centre and an ongoing legacy of Lewisham's Borough of Culture year. The refurbishment included improving accessibility, upgraded seating and bars, new energy efficient mechanical, electrical and fire alarm systems, technical upgrades and new digital signage and stonework cleaning on the exterior. The project has future proofed the theatre to meet the needs of a 21st century audience. The project was also highly commended in the Building London Planning Awards 2023 'Best heritage or culture' category.



Delivery plan

The delivery plan below provides a set of high-level workstream priorities to ensure that the Council can meet the vision and objectives set out in this strategy. A detailed implementation plan with specific key performance indicators and measurable targets has been developed to track progress.

	Year 1	Years 2-5
A sustainable estate	<ul style="list-style-type: none"> ● Produce a corporate estate property carbon reduction plan informed by data, to support incremental improvements including identifying assets 'shovel ready' for funding opportunities ● Develop a plan for the completion of EPCs for all assets ● Secure additional capacity to provide the ongoing technical support needed to prioritise actions and secure grant funding. 	<ul style="list-style-type: none"> ● Set out a costed plan for decarbonising the corporate estate ● Deliver an accelerated roll out of half hourly meters across corporate buildings and schools ● Secure funding for decarbonisation projects from internal and external sources ● Deliver necessary rectification and/or disposal of commercial assets following EPC review
Asset optimisation	<ul style="list-style-type: none"> ● Development of Asset Transformation programme to include service infrastructure reviews and deep dive property reviews ● Review opportunities for hub and spoke model of delivery and develop plan for individual buildings ● Continuation of Asset Review Process to include identifying pipeline of potential disposals ● Adoption of asset use and requirements as a core section of the Council's annual Service Plan Template ● Development of a Corporate Accommodation Strategy ● Establish formal process for reporting asset performance of commercially managed assets 	<ul style="list-style-type: none"> ● Ongoing delivery of Asset Transformation programme including implementing plans for roll out of hub and spoke model ● Ongoing delivery of Asset Review process ● Delivery of Corporate Accommodation Strategy to include agreed space requirements for future service needs; and rationalisation across estate underway as appropriate ● Commencement of repurposing of existing assets to facilitate hub and spoke model ● Undertake in-depth review of each commercially managed asset ● Explore innovative solutions for meanwhile use and opportunities for affordable workspaces

	Year 1	Years 2-5
Regeneration and Development	<ul style="list-style-type: none"> ● Identify opportunities to better utilise garage sites through garage estate review ● Continue to explore innovative meanwhile uses and lessen reliance on guardianships, and develop meanwhile triage tool and standard lease terms for meanwhile occupation 	<ul style="list-style-type: none"> ● Update plans for the future use of Wearside Depot, building on previous studies ● Continued review of garage sites and delivery of initial review tranches
Partnership Working	<ul style="list-style-type: none"> ● Ongoing exploration of One Public Estate opportunities with partner organisations ● Review of voluntary and community sector occupation of council assets and regularisation of tenancies 	<ul style="list-style-type: none"> ● Continued Review of voluntary and community sector occupation of council assets where leases are due to expire
Corporate Approach	<ul style="list-style-type: none"> ● Develop a Centralised Asset Management Database ● Undertake a structured review of each commercial site to include EPC requirements, tenant H&S liabilities and produce a tenant property guide ● Develop framework and roadmap for delivery of Corporate Landlord Model including identifying resource as required 	<ul style="list-style-type: none"> ● Develop and implement approach for a Corporate Landlord Model ● Establish a rolling 5-year condition survey programme for corporate estate ● Embed a five-year cycle of financing of the CEMP, linked to the Asset Review Process

Governance

The AMS is a cross-directorate owned strategy, ensuring that future service needs are met and priorities for investment and maintenance in, or rationalisation of our existing estate, are identified. It sits within the Council's Inclusive Regeneration division with oversight provided by the Regeneration & Capital Board, a cross directorate board which oversees the Council's strategic approach to capital, infrastructure and growth resources. The Asset Review Board will provide challenge and scrutiny and drive forward the strategy to ensure it delivers its agreed outcomes and benefits.

Service areas within each directorate will support the delivery of the AMS to ensure assets are fit for purpose and meet the relevant legislative and other standards for the efficient uses of buildings for operational delivery. They will also be expected to fully engage and support the process of implementing the Corporate Landlord approach.

The performance of property assets will be reviewed on a regular basis through the

governance structure set out above. To help deliver this strategy, Services will promote asset management through:

- Embedding asset management into their Service Plans to deliver a forward-thinking approach to asset requirements
- Adopt a transparent approach to Service Challenge to identify where assets can be used more effectively
- Adopt carbon and energy management planning and practice
- Be open to change with co-location and sharing facilities when appropriate to maximise use of buildings.

It is important that this strategy remains agile and adaptable to change. A yearly review will be undertaken to ensure that the strategy sufficiently captures changes in service delivery and enables the Council to remain responsive to external pressures and demands, and monitor progress in delivering the implementation plan.

Equalities

As a public body, the Council is required by law to demonstrate 'due regard' in making decisions with respect to:

- Tackling discrimination
- Advancing opportunities for those who share a protected characteristic and those who do not
- Fostering good relations between those who share a protected characteristic and those who do not

How the Council manages and uses its asset base may have an impact on protected characteristics and consideration should be given when making decisions.

To this end, Equalities Analysis Assessments (EAA) will be undertaken with regards to specific changes or decisions relating to assets and related service delivery where it is relevant to do so. For example, the consolidation of two services across two buildings into one building; or the development of garage sites. The EAA will systematically analyse the proposed change and identify what affect, or likely affect, will follow from the implementation of that change for different groups in the community. Equality Analysis Assessments are concerned with anticipating and identifying the equality consequences of decisions and service delivery, and ensuring that, as far as possible, any negative consequences for a particular group are eliminated, minimised or counterbalanced by other measures.

Case Study 9: Lewisham's Levelling Up Programme

The Council secured over £19million to revitalise Lewisham Town Centre from Round 2 of the Government's Levelling Up Fund in 2023, combined with a further £5million match funding from the Council. Lewisham's historic market will be transformed to support local traders and encourage visitors. Lewisham Library will be renovated to create a new cultural and business hub and safeguard the future of this vital local service, support SMEs and improve the hospitality offer. The funding will also be used to make the high street greener, safer and better connected, with new access routes through the town centre, more pedestrian crossings, improved cycle infrastructure, new lighting and CCTV and refurbishment of the iconic Grade II listed Clock Tower. The project will be complete in 2026.

