

ASSETS AND PROCUREMENT COMMITTEE



Thursday, 21 March 2024

Democratic and Members' Services
Emma Duncan
Service Director: Legal and Governance

10:00

New Shire Hall
Alconbury Weald
Huntingdon
PE28 4YE

Red Kite Room, New Shire Hall, Alconbury Weald
[Venue Address]

AGENDA

Open to Public and Press

CONSTITUTIONAL MATTERS

- 1. Apologies for absence and declarations of interest**
Guidance on declaring interests is available at
<http://tinyurl.com/cc-conduct-code>
- 2. Minutes of the Assets and Procurement Committee held 16 January 2024 and Action Log** **5 - 16**
- 3. Petitions and Public Questions**

KEY DECISIONS

- 4. Procurement of water and wastewater services** **17 - 28**
- 5. Land and Property Strategy 2024-29** **29 - 66**

OTHER DECISIONS

6. **Commercial, Commissioning and Procurement Framework** 67 - 92

7. **Assets and Procurement Committee agenda plan and appointments to Outside Bodies** 93 - 94

8. **Exclusion of Press and Public**

To resolve that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed information relating to the financial or business affairs of any particular person (including the authority holding that information)

KEY DECISIONS

9. **Cromwell Leisure Park**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

10. **Lease renewal of the Queen Mary Centre, Wisbech**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

11. **Lease of land at Whitehall Farm, Littleport for a battery energy storage system**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

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Public speaking on the agenda items above is encouraged. Speakers must register their intention to speak by contacting [Democratic Services](#) no later than 12.00 noon three working days before the meeting. Full details of arrangements for public speaking are set out in Part 4, Part 4.4 of the Council's Constitution: [Procedure Rules hyperlink](#)

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The Assets and Procurement Committee comprises the following members:

Councillor Ros Hathorn (Chair) Councillor Catherine Rae (Vice-Chair) Councillor David Ambrose Smith Councillor Alex Beckett Councillor Chris Boden Councillor Simon Bywater Councillor David Connor Councillor Steve Count Councillor Lorna Dupre Councillor Stephen Ferguson Councillor Mark Goldsack Councillor Neil Gough Councillor Peter McDonald Councillor Elisa Meschini Councillor Lucy Nethsingha

| | |
|------------------|---------------------------------|
| Clerk Name: | Dawn Cave |
| Clerk Telephone: | 01223 699178 |
| Clerk Email: | dawn.cave@cambridgeshire.gov.uk |

Assets and Procurement Committee

Date: 16 January 2024

Time: 10.10am-11.30am

Venue: New Shire Hall

Present: Councillors Ambrose Smith, Beckett, Boden, Bywater, Connor, Count, Dupré, Ferguson, Gough (substituting for Cllr Nethsingha), Hathorn (Chair), McDonald, Meschini, Rae (Vice Chair) and Sharp (substituting for Cllr Goldsack)

26. Apologies for Absence and Declarations of Interest

Apologies were presented on behalf Cllrs Goldsack and Nethsingha, with Councillors Sharp and Gough substituting respectively.

27. Minutes of the meeting held 28 November and Action Log

The minutes of the meeting held 28 November were agreed as a correct record.

At the request of the Chair, officers provided an update on the former Mill Road library. They advised that following the withdrawal of Centre 33, Mill Road library would be remarketed in the next few weeks. The plan was to market for twelve weeks and consider recommended bids at the June Committee meeting. Consideration would be given to bids with demonstrable financial resources that would deliver environmental and social outcomes, as well as a financial receipt. Bidders would need to consider the purchase cost, which was guided at £700K, as well as the cost to refurbish, which could be more than £1M. The building had been registered as an Asset of Community Value (ACV), but this lapsed in July 2023. It could be reregistered after 06/02/24. This would mean that a qualifying community interest group could serve a Notice of Intention to bid which would trigger a six month moratorium during which the Council could not complete a sale. However, this did not mean that the sale should be postponed: the sale could continue, and if registered as an ACV, the Council would not be able to complete a sale and a qualifying community group would have six months to prepare a bid.

In response to a Member question, it was confirmed that the former library could be repeatedly registered as an ACV, even after it was sold by the Council. Another Member observed that there was a right of challenge to the ACV by the property owner. Officers advised that it had not been challenged last time, and that no party had yet reregistered.

28. Petitions and Public Questions

There were no petitions or public questions.

29. East Barnwell Community Centre and library redevelopment - update on the development being led by Cambridge City Council

The Committee considered an update on the replacement of the East Barnwell Community Centre with early years provision and the nearby library in Cambridge, being led by Cambridge City Council.

There was a longstanding Council aspiration to replace the Community Centre facilities, but it had been difficult to make this scheme financially viable. The City Council owned properties adjacent to the site. In September 2022, the Strategy and Resources Committee had approved a collaborative arrangement with the City Council, for a combined scheme including reprovisions of the community space, library and early years provision. The proposal was for the County Council to sell its Freehold interests at the site and make a £500K capital contribution to the redevelopment of a new community centre and library by the City Council. These facilities would be leased back to the County Council on a 125 year lease at a Peppercorn rent. The planned phases of the City Council scheme and the funding arrangements were noted. The Committee also noted that the scheme was heavily dependent on £9M of Homes England funding being awarded. A planning application has been submitted and a decision was expected in May or June. The County Council had carried out a Red Book valuation to assess the returns for investment, i.e. the assets plus the £500K contribution, and the difference in the valuation was marginal. The benefits and risks of the proposal were briefly outlined.

Councillor Bulat spoke to the Committee as Local Member. She thanked Members and officers, and also community members and community groups for progressing the project to this stage, a process which started over a decade ago. She was very pleased with what had been achieved so far, but stressed the need for an outcome. It was important for the County Council to focus its discussion on the library and nursery provision. Whilst there were other outstanding issues on City Council parts of development, and Committee Members had received representations from City Councillors alluding to some of these aspects, the focus of the Committee report was rightly on the County Council facilities. The feedback received from the local communities on the County Council's elements had been overwhelmingly positive. She hoped that the Committee supported this project and this resulted in a positive outcome that benefits East Barnwell and Abbey communities, as well as communities further afield.

A Member queried the statement in the report *"The value of the new assets is £5k less than the market value of the old assets, £745k, plus the proposed £500k contribution."* It was clarified that the difference was £5K, not £505K.

A Member advised that he was Co-Chair of the Bottisham Village College Governing Body, and that school was already admitting children from this area of Cambridge. He asked where funding would come from to educate those children. Officers advised that there was Section 106 funding to fit out the early years provision and the library, and this S106 funding was coming from developments in the wider area. Officers were unable to comment on the broader educational funding and admissions considerations for schools, which was a matter for Education colleagues.

A Member noted that the Council was disposing of a Freehold and in return receiving a long Leasehold. He asked why Leasehold was the preferred option, and what provision there would be for renewing that Leasehold? Officers explained that the 125 year lease was the best deal available, the original offer had been for a 25 year lease. Officers would need to

take legal advice on extending that Lease further. In the valuation calculations, the long lease plus £500K equated to the returns in terms of value.

In response to a Member question it was confirmed that this was a lease with the City Council, and that the City Council was responsible for the structural parts of the building and maintenance, and the County Council was responsible for the internal works. A Member commented that he was surprised to note that there were no plans for what happened at the end of the 125 year lease, and asked if Sections 24-28 of the Landlord and Tenant Act 1954 had been taken into consideration. Officers confirmed that once Heads of Terms had been agreed, this detail would be finalised by the solicitors, Bevan Brittain.

Given Members had some concerns on this issue, Councillor Dupré proposed that recommendation (c) be amended to read:

c) To delegate agreement to the final lease terms for the new Preschool and Library to the Executive Director of Finance & Resources **in consultation with Chair and Vice Chair of Committee** if grant funding is secured.

Her reasoning would that this would give the Committee reassurance that there was Member oversight on this matter.

One Member objected to the use an amendment, pointing out that amendments to recommendations should be made in advance of the meeting in line with the Constitution. Another Member noted that the Chair had discretion to permit amendments to ensure the efficient or proper discharge of the Council's business, and in this case it was in the interest of the public purse. Responding, the Member pointed out that the Constitution stated that this was *in exceptional circumstances*. He queried the inconsistent application of the Constitution on amendments, and requested that further guidance and advice was provided by the Monitoring Officer on this matter, and that the rules on amendments were not selectively applied. He commented that if these types of amendments were going to be permitted, the Joint Administration should request that the Monitoring Officer reviews the Constitution to reflect this. **Action required.**

A Member commented that the Council had originally considered redeveloping this site itself, and that the joint solution with the City Council had delayed the project by ten years. He felt that the City Council was looking to secure affordable homes at the County Council's expense. There were a number of unresolved issues, and he felt that the proposal to delegate was being made at too early a stage.

In response to a Member comment, officers remarked that they had worked very hard on a County Council only solution for this site, but it had not been possible to make the scheme viable due to its small size. The Chair commented that this was an opportunity to significantly improve the offer on the Council's site. A Member commented that he had outstanding concerns about the education funding aspects and questions around the lease.

It was resolved by a majority to:

- a) note that that the viability of the redevelopment scheme is dependent on approx. £9m funding from Homes England;
- b) approve the freehold disposal of East Barnwell Community Site; the surrender of its freehold interest in Barnwell Library and an area of highway land if grant funding is secured, on a 'less than best' basis (insofar as that is the case) on the grounds

that the scheme, as a whole, will deliver significant social and economic wellbeing improvement to the local area;

c) delegate agreement to the final lease terms for the new Preschool and Library to the Executive Director of Finance & Resources **in consultation with Chair and Vice Chair of Committee** if grant funding is secured.

30. Business and Financial Plan 2024-2029

The Committee received the report which summarised the business plan proposals, as presented to the Strategy, Resources and Performance Committee on 19 December 2023. The report covered proposals within the Assets and Procurement Committee's remit, including the rationalisation of the Council's office estate, the development of Libraries Plus, the governance of the Council's capital programme, and the continuous improvement in the Council's procurement process and saving opportunities as a key part of the Council's longer term financial planning.

It was noted that the Land and Property Strategy would not be considered by the Committee until March, enabling the Strategy to be further developed in the intervening period, which would include Member workshops. Some of the proposals in the report were for Member scrutiny at this stage, prior to approval at full Council in February. A Member asked why the Land and Property Strategy was not coming to this Committee meeting, if it impacted on the budget? Officers confirmed that the Strategy did not have direct budgetary implications on the budget being considered, and the matters set out in this report were not affected by that Strategy.

Commenting on the overall report, a Member observed that whilst it provided an accurate view of inflation estimates and other factors, the whole point about the Business Plan was that everything was interrelated, and it was very difficult for Members to consider items in isolation. He observed that the report presented "the world as we see it, moving forward", but did not refer to failures of the Council in delivering its objectives in the prior period, e.g. delays to solar generation schemes. Officers cited examples in the report where there were corrections to previous estimates e.g. the operating costs of New Shire Hall.

There was a discussion around commercially sensitive schemes where sites were being developed, and how Members should assess these. Officers confirmed that there were a number of developments e.g. in relation to Rural Farms, which were currently going through the procurement process, and it was undesirable to indicate the budget to potential bidders. Officers were happy to share with Members, confidentially, the detail of these schemes. The Member had a particular concern regarding Local Members being given full confidential information, where relevant. Officers advised that the Member/Officer Protocol clearly set out those instances where Local Members should be kept informed of developments in their area, and agreed to ensure relevant local issues were communicated with Local Members, where that was appropriate. **Action required.**

The Chair commented that she was pleased with the report, which she felt was extremely accessible. She noted that the approach of identifying efficiencies and maintaining assets

better was in line with a recent National Audit Office report picking this up as a failing in government. Given the changes to the ways in which people were working, office rationalisation was a sensible way forward.

On property rationalisation, a Member suggested that there would potentially be some very large sums of money involved, and a deep dive on those capital receipts would be very welcome. Officers indicated that the appendices had some indicative values, and reports would be brought back on relevant projects.

It was confirmed that all implications sections had been signed off. A Member asked that this should be made clear in future reports.

The Executive Director of Finance and Resources summarised the debate as follows: *There were no recommendations arising from the Asset and Procurement Committee debate of the Business and Financial Plan item. However, one point of clarity was sought around those items identified in the paper and other papers relating to ‘confidential schemes’ and how these would be shared with Local Members. It was noted that the reason for phrasing some schemes as confidential was due to ongoing bids for work being or due to be submitted, and not wishing to highlight the assumed budget. Members will receive more information as part of the 30th January Strategy, Resources and Performance Committee to help identify schemes for local members. No other comments were passed for clarity or raising to the Strategy, Resources and Performance Committee.*

Councillor Ambrose Smith commented that these proposals form part of the Joint Administration’s overarching Council budget, and would need to be voted on without the Conservative Group’s support.

It was resolved by a majority to:

- a) consider and scrutinise the proposals relevant to this Committee within the Business and Financial plan put forward by the Strategy, Resources and Performance Committee 19 December 2023;
- b) recommend changes and /or actions for consideration by the Strategy, Resources and Performance Committee at its meeting on 30 January 2024 to enable a budget to be proposed to Full Council on 13 February 2024.

31. Asset Management and the Maintained Schools Estate

The Committee received a report on the management of the Maintained Schools Estate.

The Council had 112 Maintained schools. Additionally, there was now a complex educational landscape due to academisation, and also complexities relating to Faith owned buildings across the county. The Council had a duty to ensure that school buildings were sufficient and appropriate for education, and feedback from the Department of Education (DoE) suggested that Cambridgeshire had a good schools estate, but there were still a whole range of conditions issues. Due to the limitations on funding available, the Council’s focus was on “Warm, Safe and Dry” as its first aspiration for schools. The Council had oversight on upkeep, and also statutory compliance responsibilities such as Health and Safety and Legionella, where it audited and reviewed arrangements to ensure compliance. It also maintained overall responsibility on asbestos. The report also covered the decarbonisation agenda, where schemes were realised through loans and funding from

Salix or the Council directly, to improve schools' carbon footprint, the condition and suitability of buildings, and save resources.

The report also covered school organisation and the planning for school places. There were areas of population and decline within the county, and these were monitored carefully to meet needs. The report also outlined the Section 77 legislation, which covers the sale of school playing fields.

The Chair asked about the letter written to DoE about the challenges about RAAC. Officers advised that the Council had been very proactive in surveying its buildings for RAAC issues, and had written to the Regional Director of the DoE about reimbursement of those costs. No response had been received, but a scheme had subsequently come forward nationally, whereby claims could be made for up to £4000 per school, but only for surveys carried out between 31/08/23 and 01/11/23. The Chair commented that it was disappointing, and that the Council was effectively being penalised for being proactive. Another Member asked officers whether if this decision would be appealed, explaining that he was on a DLUHC national group and could identify if this was an issue with other authorities. Officers indicated that a letter from the Committee Chair would be helpful in this regard, as would the support of the county's Academies Chief Executives' group, and any additional support Members could provide through their contacts would be appreciated. **Action required.**

Noting that the reference to the school decarbonisation programme being delivered to nine schools, a Member asked for further information on the timescales. Officers agreed to provide a written response. **Action required.**

A Member commented that the report gave the impression that the way the Council guards school assets was weak, probably due to the complex arrangements that it was required to work within. Officers commented that with regard to Academies, the Council had to work within the confines of national policy and the restrictions due to the leases. Whilst the Council has oversight, its rights were limited e.g. to inspect and review sites. The alternative of retaining ownership of the building and charging rent had initially been considered, but historically the Council had opted out of this type of arrangement as it was too complex. Considerable time was spent with Academy CEOs regarding issues such as access and joint use of sporting facilities, and it was important that the Council continued to audit and challenge cyclically. The Member commented that some sort of regularisation to the cyclical programme would be beneficial.

A Member queried the Salix decarbonisation projects, noting that funding was released in waves, usually with a very limited bidding window, and substantially oversubscribed. He asked if it was possible to receive advance notice when such Salix funding waves were being announced? Officers believed this was already the case, but agreed to confirm. **Action required.**

A Member asked if there a review of school properties when they were academised, at the time of handover? He also asked about school playing fields, and asked whether any playing fields had been disposed of recently. Officers advised that there was an assessment based around the "Safe, Warm and Dry" test, and there was government funding made available to Academy Trusts to maintain properties. In terms of capital receipts, he was unaware of any disposal of school playing fields in recent years, and the requirements of the Section 77 legislation were carefully adhered to. One of the County's Primary Schools had recently closed, and the disposal of that School's playing field would be subject to Member scrutiny. Any hard standing would be subject to negotiations with the

DoE as Secretary of State approval was required, and this acted as a strong deterrent to the development of playing fields. Any disposal that was agreed had to improve school outcomes.

A Member spoke on the investment in decarbonisation of the school estate, noting that the first meeting of the Environment and Green Investment (EG&I) Committee in 2021, the Joint Administration had put forward and agreed a package of measures to come forward. For Academies, the Council offered advice on decarbonisation, but not funding. The Government were looking for all schools to become academies by 2030, so there was a question around the Council providing clean energy solutions on buildings that it did not have control over. The E&GI Committee had already considered one difficult case where a school on the decarbonisation programme had, whilst it was going through that programme and the funding identified, indicated that it was academising. In that case, the Multi Academy Trust had itself withdrawn from the decarbonisation programme. Another Member commented that whilst welcoming the Joint Administration's decarbonisation programme, this followed on from the previous administration's ambitious decarbonisation scheme which had secured government funding and reduced costs for schools.

In response to a question about the service provided to non-maintained schools, officers advised that this was a service which non-maintained schools would welcome, and the way forward would probably be more collaborative e.g. collective procurement arrangements. This would be kept under review going forward as there was increasing academisation.

A Member welcomed the work on decarbonisation, and commented that it was crucial to have joined up thinking, noting a new central heating system had been installed in Great Gidding School Primary School, a year before that school closed. The Member also thanked the presenting officer, Jonathan Lewis, on behalf of Members for his hard work and guidance. Jonathan was leaving the Council to take up a new role.

It was resolved unanimously to:

Acknowledge the implications of sufficiency planning and statutory restrictions on the use of the schools' estate for the Council's Land and Property Strategy 2024-29.

32. Committee Agenda Plan, Training Plan and Appointments to Outside Bodies

The Committee reviewed the Committee Agenda Plan.

The Committee noted that two workshops would take place on 16 February and 1 March workshops. Members were also reminded that Procurement training had gone live.

It was resolved to:

- a) note the agenda plan.

Chair

Assets and Procurement Committee Minutes - Action log

This is the updated action log as at 13th March 2024 and captures the actions arising from the most recent Assets and Procurement Committee meetings and updates Members on the progress on compliance in delivering the necessary actions.

Assets and Procurement Committee minutes of 18th October 2023

| Minute | Item | Officer | Action | Comments | Status |
|--------|--|------------------|---|--|-------------|
| 6. | Reinforced Autoclaved Aerated Concrete (RAAC) school buildings | Chris Ramsbottom | It was suggested that it may be worth lobbying central government, possibly through CCN, on the additional burden the RAAC surveys of Academies had placed on Councils. | The DfE wrote to all councils confirming they would pay for RAAC surveys carried out between certain dates: due to CCC's proactive approach, the large majority of our surveys were completed before this timeframe and as such could not be claimed for. A claim to the DfE has been made for those surveys within the timeframe. | Complete |
| 9. | Procurement Governance and Performance Report | Clare Ellis | Waivers: Member asked if a list could be provided by quarter, to cover the previous eight quarters, so any trends could be monitored, and that information was provided on (i) number of waivers as a percentage of contracts let in the period, and (ii) the value of contracts subject to waiver, grouped in bands. | The waiver information will be provided to the March meeting. | In progress |

Assets and Procurement Committee minutes of 28th November 2023

| Minute | Item | Officer | Action | Comments | Status |
|--------|---|----------------|---|--|---------|
| 20. | This Land – publication of Shareholders Agreement | Michael Hudson | A Member asked officers to carefully consider the governance issues and potential conflict of responsibility that | Officers are meeting at the end of January to review the governance arrangements and Committee will be | Ongoing |

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| | | | existed as a result of having a Councillor as a Director. | updated in one of the next two upcoming meetings with options. | |
| 21. | Provider Selection Regime | Clare Ellis | Officers to check whether Adults & Health Committee would receive a report on this issues. | Scheduled for January Adults & Health Committee meeting. | Complete |
| 22. | Major Energy Projects – Progress Update | Sheryl French | A Member asked if there were benchmarks for payback periods. Officers advised costs for 1 MW of installed capacity across equivalent solar farms could be provided as a benchmark. | | |
| 22. | Major Energy Projects – Progress Update | Sheryl French | Request to provide the Business Plan, time/cost metrics and current position of energy projects for Members. | Annual forecasts for income for each of the large projects could be provided. Forecasts for 2024/25 for the large energy projects will be sent through by the end of February 2024. However, please note, figures will go up and down according to the market and global pressures on energy supplies. We will provide updates annually at year end, comparing forecast to actuals. | In progress |
| 22. | Major Energy Projects – Progress Update | Sheryl French | Actual income figures for Triangle Farm and St Ives to be provided once those schemes started generating. | Triangle Farm/North Angle information circulated to Committee on 08/01/24. St Ives info to be circulated when available. | In progress |
| 23. | Procurement Performance Report | Clare Ellis | Update on review of risk management of the Council's largest/highest risk contract to be provided in a future Committee report. | | Ongoing |

Assets and Procurement Committee 16th January 2024

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|-----|--|---------------------------------------|--|--|----------|
| 29. | East Barnwell Community Centre and library redevelopment | Emma Duncan | Request that the Monitoring Officer reviews the Constitution with regard to amendments. | <p>The Monitoring Officer advised that the current position on amendments at Committee is as follows: Amendments at Committee are required to be notified in advance. No other amendment may be moved at the meeting except where the chair may permit, at their absolute discretion, in exceptional circumstances and to ensure the efficient or proper discharge of the Council's business, a further amendment or amendments to be moved.</p> <p>Committee Chairs will be advised of this requirement and the matter considered at Constitution and Ethics Working Group and Committee as a future agenda item.</p> | Complete |
| 30. | Business and Financial Plan 2024-29 | Chris Ramsbottom/ John Macmillan | Ensure relevant local issues were communicated with Local Members, including confidential information, where relevant, e.g. rural estate developments. | This is being undertaken as part of the Member engagement protocol. | Complete |
| 31. | Asset Management and the Maintained Schools Estate | Councillor Hathorn/ Jonathan Lewis | Letter from Committee Chair to government regarding penalisation of the Council due to its proactive approach on RAAC. | Letter sent to the Secretary of State for Education on 27/02/24. | Complete |
| 31. | Asset Management and the Maintained Schools Estate | Sheryl French | Queried a reference to the school decarbonisation programme being delivered to 9 schools, and asked for further information on the timescales. | Nine CCC maintained schools have had low carbon heating projects delivered using Public Sector Decarbonisation Scheme (PSDS) Phase 2 and Phase 3a grant funding. All nine are practically complete and the heat pumps are operational. Formal completion has been signed off (one project in March 2023, | Complete |

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|-----|--|---------------|---|--|----------|
| | | | | <p>three projects in October 2023) for four of the nine schools. Formal completion at the remaining five schools is awaiting rectification of one faulty heat pump and connection of remote access to heat and electricity sub-metering in order to enable remote monitoring of heat pump performance.</p> <p>PSDS Phase 3b grant funding has been secured for heat pump at a further 13 schools (6 Diocese of Ely Voluntary Aided schools and 7 Council maintained schools). Subject to acceptable business cases these projects would commence in summer 2024 and complete by the end of March 2025.</p> | |
| 31. | Asset Management and the Maintained Schools Estate | Sheryl French | Query as to whether advance notice was received on Salix funding waves. | <p>The Council receives the same notice of forthcoming Phases of Salix funding as all other public sector bodies.</p> <p>Phase 3c was announced in July 2023 for applications in October 2023.</p> <p>Phase 4 of PSDS was announced on 29th February 2024. Guidance on application requirements are to be published in summer 2024. The application deadline has not yet been announced (best guess October 2024), but funding will be for the 25/26 financial year onwards.</p> | Complete |

Procurement of water and wastewater services

To: Assets and Procurement Committee

Meeting Date: 21 March 2024

From: Executive Director, Place and Sustainability

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2024/040

Executive Summary: This report considers options for procurement of mains water and wastewater services for the Council's sites (those assets where the Council is liable for water and/or sewerage bills) for 27 October 2024 onwards, after our current contract expires.

Recommendation: The Committee is recommended to

a) Approve the use of the new ESPO framework (no. 1008_23, ref 1181) for water, wastewater and ancillary services to enter into a contract for those services effective from the date after the Council's current contract expires.

b) Delegate authority for awarding and executing a contract for the provision of mains water and wastewater services starting 27 October 2024 for a period of up to 3 years (and extension periods if required) to the Executive Director Place and Sustainability in consultation with the Chair and Vice Chair of the Assets and Procurement Committee.


Officer contact:

Name: Sarah Wilkinson

Post: Carbon and Energy Manager

Email: sarah.wilkinson@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1. Report authors should evaluate the proposal(s) in light of their alignment with the following seven ambitions  Strategic Framework 2023-28.
- 1.2. Ambition 1: Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes.

Monitoring and reducing the Council's water consumption will have a small but positive effect on monitoring and reducing the Council's scope 3 (indirect) carbon emissions.

2. Background

- 2.1. Cambridgeshire County Council is responsible for water and wastewater (i.e. sewerage and drainage) bills at approximately 100 sites, including offices, libraries, community centres and farms. The Council spends approximately £150k to £280k on these services per year, and in total uses approximately 100,000 to 200,000 cubic metres of water per year across all sites. The wide range in costs is due to changes in usage. A contract is currently in place for these services but will expire in October 2024.
- 2.2. The water retail market for non-household premises in England was opened to competition in April 2017; meaning that businesses, charities and public sector organisations are now able to shop around and switch retail service provider for their water and wastewater services – similar to the electricity and gas markets. There are currently 19 different licensed retailers serving non-household customers with premises in England. These are a mixture of water company subsidiaries and new entrant independent companies. These retailers now provide all meter reading, billing, account management and customer service functions to all non-household premises. 'Wholesale' regional water companies still maintain the physical supply, treatment and networks infrastructure (and continue to provide retail services to household customers).
- 2.3. In July 2019, the Commercial and Investment Committee agreed for Cambridgeshire County Council to progress with a water services procurement in early 2020. The Council participated in an aggregated secondary competition under the Crown Commercial Services (CCS) Water, Wastewater and Ancillary Services (RM3790) framework in 2020. Castle Water Ltd were the successful supplier, and the Council entered into a contract with Castle Water to supply all Council premises with water and wastewater services for a period of two years commencing 1st August 2020. However, the Council experienced a number of issues with poor customer service from Castle Water during that period.
- 2.4. In March 2022, Strategy and Resources Committee agreed to enter into a contract with Wave (under the ESPO framework that was available at that time) to supply water and sewerage retail services to all sites where Cambridgeshire County Council is liable for the bills, with effect from August 2022. That contract is due to expire on 26 October 2024. There are no extension options available within the current contract.
- 2.5. The Council approved its updated Climate Change and Environment Strategy in February 2022, which includes a strategic priority of water management, water availability/security

and flood risk. This recognises that we are in a water scarce region and includes a commitment in our action plan to minimise water waste.

- 2.6. The intended outcome of this report is a decision on how to procure water and wastewater services to be delivered to Council sites from 27 October 2024 onwards. (This is about the billing retailer and will have no direct effect on physical water supplies.)

3. Main Issues

- 3.1. Pricing: Costs of water and wastewater services for non-household customers are made up of a wholesale element and a retail element. In general, wholesale charges make up 90% to 97% of the total price paid for water and wastewater services by non-household customers in England. Many retailers set their tariffs on a 'wholesale plus %' method, and margins for retailers in this market are small. The wholesale charges are regulated by Ofwat, fixed by the wholesaler, passed on by the retailer and are the same no matter which supplier we use. For that reason, overall prices will vary relatively little from one supplier to another.
- 3.2. Wholesale water charges, which make up the vast majority of costs, are largely driven by Ofwat's five-yearly price review. The next water industry price review, called PR24, is currently underway. 'Draft determinations' are due to be published in May/June 2024, with final determinations in December 2024. These 'determinations' assess the business plans and set the overall levels of investment, service and revenue from bills for the 17 wholesale water companies in England and Wales (and retail bills for household customers).
- 3.3. For customers not in a contract or "in the absence of otherwise agreed terms", retailers may set their tariffs up to a maximum 'default tariff' rate which is set by the regulator, Ofwat, through the Retail Exit Code (REC). This code specifies price caps for all but the very largest of water users. These price caps would apply to all of the Council's sites if we were not in a contract. The overall difference in costs between the highest and lowest priced supplier tariffs is hence likely to be very small. Pricing is therefore not a strong incentive to switch suppliers.
- 3.4. Greater financial savings are more likely to be realised by reducing water consumption than by switching suppliers. It is therefore beneficial to seek a supplier able to help the Council better understand and monitor water consumption across our property portfolio, identify high water using sites and detect any potential leaks earlier.
- 3.5. Whilst the Council's water consumption is already fairly low, further reducing our water consumption would also be beneficial for the environment, both directly, by helping balance water demand to available supply, and indirectly, by reducing the associated carbon footprint of water supply and treatment. The Environment Agency have categorised Cambridgeshire as "seriously water stressed", so there is a challenge in our region to manage the balance of water supply and demand. In 2022-23, the carbon footprint associated with the supply and treatment of the water and wastewater supplies used by the Council was estimated at 23 tonnes CO₂ equivalent. This does not include carbon emissions associated with energy used to heat water.
- 3.6. One of the best ways to reduce water consumption is to detect (and repair) any leaks on pipework earlier. High consumption is likely to be noticed sooner if meters are read more

frequently. All non-household water retailers are obliged to read all meters twice per year, but more frequent meter reads can be provided for a small extra charge. Alternatively, automatic meter reading devices (AMR) can be fitted to provide daily or hourly data. These are more expensive but are likely to be worthwhile for high consumption sites or those prone to leaks (such as sites with older pipework or rural estate sites with long pipework lengths over fields).

- 3.7. Since August 2022, the Council has received water and wastewater retail services from Wave. This includes a dedicated account manager and regular reports on metering and billing issues, with support to resolve any queries. Bills are consolidated across the Council's property portfolio, with site level consumption data also provided.
- 3.8. Property / resources implications. This contract will determine which company the Council needs to contact for any queries and issues relating to new mains water/wastewater connections, water metering / meter reading or water/wastewater billing matters.
- 3.9. Public health. There are no public health implications of this decision because this contract is for a retailer and does not affect the physical supply of water or wastewater services. However, a good retailer may be able to aid in pushing the wholesaler to resolving any supply issues should they occur.
- 3.10. Procurement implications. The recommended option ("option A") is to enter a new contract for supply from 27 October 2024, under the new Eastern Shires Purchasing Organisation (ESPO) framework (no. 1008_23, ref 1181). This new ESPO framework is a joint procurement between public sector buying organisation partners ESPO, West Mercia Energy and YPO. This framework started in September 2023 and runs through to 31 August 2027, with customers able to join at any time within those dates. (Contracts under the framework can extend beyond the framework end date.) The framework enables access to services through direct award with pre-agreed terms and conditions and is free to access. An advantage of this option is that there would be no need for the Council to run any procurement process, because ESPO and their other partners have already run a complete procurement process that is fully compliant with UK procurement law (OJEU award notice: 2023/S 000-021854). This would save considerable time and resource. This framework is open to all public sector organisations. The Council is a member authority of ESPO so would also benefit indirectly from making use of this framework.
- 3.11. There is a single supplier on this framework, which is Wave Utilities ("Wave"), who are also the Council's current supplier. Wave is the trading name of Anglian Water Business (National) Limited, a joint venture between the business retail arms of Anglian Water and Northumbrian Water. ESPO have assessed the supplier during the procurement process for their financial stability, track record, experience, customer service delivery and technical & professional ability. Since Wave are the Council's current supplier, no switching would be required, making the process easier to administer.
- 3.12. The Council have carried out some market engagement during 2023 and 2024, to gather information on the offer from ESPO/Wave and other potential options.
- 3.13. The ESPO framework package on offer from Wave includes a dedicated account manager and a range of billing and payment options. Wave's 'Active Water Management'® service to monitor water consumption is also included in the framework rates at no additional cost. This can potentially provide savings by spotting high or unusual consumption early, that

may indicate leaks. This service may be beneficial to the Council. In addition, the offer includes supplier performance monitoring, reporting, access to an online portal, and some social value initiatives. Wave have also stated that they “are committed to achieving net zero emissions and net zero waste to landfill by 2030.” A range of (chargeable) optional extra services (such as additional meter reads, Automatic Meter Readers (AMR), leakage detection and repair, water audits and emergency planning) are also available if required. Information on pricing from Wave is in confidential Appendix A.

3.14. The proposed timetable is as follows:

- Nov 2023 to Mar 2024 – research into options and market engagement
- 21 March 2024 – committee decision
- April to June 2024 – prepare and sign new contract
- 27 October 2024 – new contract comes into effect
- 31 March 2027 – contract initial end date (opportunity for extension)
- 31 March 2028 – contract extension end date

3.15. The contract length would therefore be approximately 2 years and 5 months, with the possibility of a further 12 month extension. This is longer than the previous contract (approximately 2 years and 3 months) because the longer time period aligns with the financial years. Also, the non-household water retail market is now more mature, the supplier and service are better known and a longer contract is therefore more desirable.

3.16. The total contract value over that 41 month period would be likely to be approximately £925,000, with a potential range of £550,000 to £1.8m (based on recent and historic usage and current prices). The actual value will depend mostly on the volume of water used. This could change depending on the Council’s property asset strategy, the proportion of employees working from council premises, and on whether any water leaks occur on the Council’s pipework.

4. Alternative Options Considered

4.1. The following alternative potential options have been identified:

4.2. Option B: Do nothing. Our current contract ends on 26 October 2024. If we did nothing, the contract would end and following that date, Wave would continue to be our supplier until such time as we elected to switch to a new supplier, but no contract would be in place. This means that prices and service levels would revert to the default levels. This option is not recommended because it may not be compliant with procurement regulations, and in any case it would be more advantageous to enter into a contract.

4.3. Option C: Use an alternative framework. Crown Commercial Services (CCS) also currently have a water services framework (which we have previously used from 2020 to 2022) but the current one is due to expire in 2024. At the time of writing, no details were yet available about whether or when a replacement framework will become available, so this option is not

yet available, but is likely to become available closer to the time of our contract expiry. The current CCS framework, (unlike the ESPO one), does not allow for direct award and requires a secondary competition. This option therefore has more complexity and more unknown factors at this stage. In addition, with a secondary competition and unknown suppliers, there is greater risk involved to customer service levels (based on past experience), and greater administration required for switching. Furthermore, as discussed above, due to the regulatory situation with the water market, there is little price difference between suppliers.

- 4.4. Laser Energy (owned by Kent County Council) also offer a suitable water framework (number Y22013) which runs until 28 February 2026, with contracts allowed to extend beyond the framework end date if desired. This framework enables either further competition or direct award. The four suppliers on the Laser framework are Wave Utilities (the Council's current supplier), Advanced Demand Side Management (ADSM) (an independent supplier), Business Stream (a subsidiary in the Scottish Water group) and Water Plus (a joint venture owned by United Utilities and Severn Trent). Direct award can be based on the highest scoring supplier at framework tender stage overall (Business Stream) or in individual areas of price (ADSM), quality of service (Wave) or continuity of supply of existing services (Wave for the Council). However, carrying out a direct award to Wave through the Laser framework would offer no advantage over going to Wave through ESPO. There is also a small additional benefit of using ESPO because the Council is a member authority. Alternatively, to direct award to either Business Stream or ADSM would be taking a risk on an unknown supplier as well as incurring the administrative burden of switching.
- 4.5. Wave are also the sole supplier on the North East Procurement Organisation (NEPO) framework (framework reference NEPO311), so similarly there is likely to be no advantage in using this compared to ESPO. (NEPO are governed by twelve local authorities in the North East of England.)
- 4.6. Option D – run a full procurement in-house to procure a supplier directly, without using a framework. This option is not recommended because it would take a lot of time and resources and would provide no benefit.

5. Conclusion and reasons for recommendations

- 5.1. Option A (using the new ESPO framework) is recommended, because this option provides everything that the Council requires from this service, the supplier has a good track record and the option is the most straightforward to administer. Also, there will be very little difference in price between any of the options.

6. Significant Implications

6.1 Finance Implications

Total revenue expenditure of approx. £270k per year, depending on water usage. This should be within existing budgets. Prices and more details are in the confidential appendix.

6.2 Legal Implications

There are no legal implications other than procurement/ contractual matters discussed above in section 3.

6.3 Risk Implications

There are no significant risks arising from the proposed recommendations in this report.

6.4 Equality and Diversity Implications

There are no equality and diversity implications.

The Equality Impact Assessment reference number is CCC585401944.

6.5 Climate Change and Environment Implications (Key decisions only)

Having a reliable supply of water and wastewater services is essential to keep our buildings operational. Although the physical services would be the same no matter who our retailer was, the retail service can be helpful in aiding swift resolution should any supply issues occur.

A good water retailer can help the Council to reduce its water consumption through advising on leakage detection and water efficiency services, as well as presenting bills in a way that allows the Council to easily spot changes to consumption.

Reducing water consumption will have a small but positive effect on reducing the Council's scope 3 (indirect) carbon emissions and supporting local water management and biodiversity.

7. Source Documents

7.1 [water and wastewater retailers serving England | Open Water \(open-water.org.uk\)](#)

[Water, Wastewater and Ancillary Services \(espo.org\)](#)

[2024 price review - Ofwat](#)

[Retail-Exit-Code-v7.0-clean.pdf \(ofwat.gov.uk\)](#)

[Water \(laserenergy.org.uk\)](#)

[Water Retail Services | NEPO](#)

EQUALITY IMPACT ASSESSMENT - CCC585401944

Which service and directorate are you submitting this for (this may not be your service and directorate):

| Directorate | Service | Team |
|-----------------------|---|-----------------------|
| Finance and Resources | Property, Facilities Management and Building Compliance | Facilities Management |

Your name: Sarah Wilkinson

Your job title: Carbon and Energy Manager

Your directorate, service and team:

| Directorate | Service | Team |
|--------------------------|-----------------|------------------------|
| Place and Sustainability | Energy Services | Carbon and Energy Team |

Your phone: 01223729157

Your email: sarah.wilkinson@cambridgeshire.gov.uk

Proposal being assessed: Procurement of water and wastewater services for Council sites

Business plan proposal number: n/a

Key service delivery objectives and outcomes: Ambition 1: Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes. Monitoring and reducing the Council's water consumption will have a small but positive effect on monitoring and reducing the Council's scope 3 (indirect) carbon emissions. The Council approved its updated Climate Change and Environment Strategy in February 2022, which includes a strategic priority of water management, water availability/security and flood risk. This recognises that we are in a water scarce region and includes a commitment in our action plan to minimise water waste. Cambridgeshire County Council is responsible for water and wastewater (i.e. sewerage and drainage) bills at approximately 100 sites, including offices, libraries, community centres and farms. The Council spends approximately £150k to £280k on these services per year, and in total uses approximately 100,000 to 200,000 cubic metres of water per year across all sites. The wide range in costs is due to changes in usage.

What is the proposal: This report considers options for procurement of mains water and wastewater services for the Council's sites (those assets where the Council is liable for water and/or sewerage bills) for 27 October 2024 onwards, after our current contract expires. The recommendation is to utilise the new ESPO framework (no. 1008_23, ref 1181) for water, wastewater and ancillary services to enter into a contract for those services effective from the date after the Council's current contract expires. This is about the billing retailer and will have no direct effect on physical water supplies.

What information did you use to assess who would be affected by this proposal?: The

water retail market for non-household premises in England was opened to competition in April 2017; meaning that businesses, charities and public sector organisations are now able to shop around and switch retail service provider for their water and wastewater services – similar to the electricity and gas markets. There are currently 19 different licensed retailers serving non-household customers with premises in England. These are a mixture of water company subsidiaries and new entrant independent companies. These retailers now provide all meter reading, billing, account management and customer service functions to all non-household premises. ‘Wholesale’ regional water companies still maintain the physical supply, treatment and networks infrastructure (and continue to provide retail services to household customers). In July 2019, the Commercial and Investment Committee agreed for Cambridgeshire County Council to progress with a water services procurement in early 2020. The Council participated in an aggregated secondary competition under the Crown Commercial Services (CCS) Water, Wastewater and Ancillary Services (RM3790) framework in 2020. Castle Water Ltd were the successful supplier, and the Council entered into a contract with Castle Water to supply all Council premises with water and wastewater services for a period of two years commencing 1st August 2020. However, the Council experienced a number of issues with poor customer service from Castle Water during that period. In March 2022, Strategy and Resources Committee agreed to enter into a contract with Wave (under the ESPO framework that was available at that time) to supply water and sewerage retail services to all sites where Cambridgeshire County Council is liable for the bills, with effect from August 2022. That contract is due to expire on 26 October 2024. There are no extension options available within the current contract. Since August 2022, the Council has received water and wastewater retail services from Wave. This includes a dedicated account manager and regular reports on metering and billing issues, with support to resolve any queries. Bills are consolidated across the Council’s property portfolio, with site level consumption data also provided. Also looked at current water billing information and site list. The Council have carried out some market engagement during 2023 and 2024, to gather information on the offer from ESPO/Wave and other potential options.

Are there any gaps in the information you used to assess who would be affected by this proposal?: No

Does the proposal cover: All staff countywide

Which particular employee groups/service user groups will be affected by this proposal?: Property team and energy team will be the main teams affected - this could change who we need to contact regarding any water billing or metering issues. This contract will determine which company the Council needs to contact for any queries and issues relating to new mains water/wastewater connections, water metering / meter reading or water/wastewater billing matters. Building users should not notice any change. There are no public health implications of this decision because this contract is for a retailer and does not affect the physical supply of water or wastewater services. However, a good retailer may be able to aid in pushing the wholesaler to resolving any supply issues should they occur.

Does the proposal relate to the equality objectives set by the Council's EDI Strategy?:No

Will people with particular protected characteristics or people experiencing socio-economic inequalities be over/under represented in affected groups: About in line with the population

Does the proposal relate to services that have been identified as being important to people with particular protected characteristics/who are experiencing socio-economic inequalities?: No

Does the proposal relate to an area with known inequalities?: Don't know

What is the significance of the impact on affected persons?: There will be no impact on any people.

Category of the work being planned: Procurement

Is it foreseeable that people from any protected characteristic group(s) or people experiencing socio-economic inequalities will be impacted by the implementation of this proposal (including during the change management process)?: No

Age: The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Disability: The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Gender reassignment:

The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Marriage and civil partnership: The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Pregnancy and maternity: The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Race: The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Religion or belief (including no belief): The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Sex: The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Sexual orientation: The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Socio-economic inequalities: The proposal has no impact on actual physical water supplies. It is solely about which water retailer the Council is in contract with.

Head of service: Sheryl French

Head of service email: sheryl.french@cambridgeshire.gov.uk

Confirmation: I confirm that this HoS is correct

Land and Property Strategy 2024-29

To: Asset & Procurement Committee

Meeting Date: 21 March 2024

From: Executive Director Finance and Resource

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2024/053

Executive Summary: The Committee is asked to approve the Land and Property Strategy 2024-2029. The strategy will provide the framework for property to align with the vision and ambitions of the council's Strategic Framework.

Recommendation: It is recommended that the Committee:

- a) approve the Land and Property Strategy 2024-29.

Officer contact:
Name: Chris Ramsbottom
Post: Service Director Property
Email: chris.ramsbottom@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 The Land and Property Strategy 2024-29 will deliver a property portfolio which will mean every service area can deliver their functions effectively and efficiently for the benefit of the residents and communities of Cambridgeshire.
- 1.2 The strategy is aligned and contributes to the vision and seven ambitions of the councils Strategic Framework by managing property strategically as a corporate asset.
- 1.3 The land and property portfolio directly and indirectly support each of the seven council ambitions.

2. Background

- 2.1 Cambridgeshire County Council (CCC) is currently without an up-to-date committee approved Land and Property Strategy.
- 2.2 CCC own and lease a diverse portfolio of land and property and the way we manage these assets have a direct impact on the quality of services that we deliver for the community.
- 2.3 In the context of national, regional, and local change post pandemic, the council requires a new Corporate Land and Property Strategy. The council's move to an agile way of working has changed the dynamic and need for some elements of the property portfolio and this strategy will address the requirements of the portfolio through asset challenge and the refreshing and embedding the corporate landlord model of asset management.
- 2.4 The council previously commissioned The Chartered Institute of Public Finance and Accountancy (CIPFA) to carry out a Property Asset Management Health Check within CCC, and the report was received in May 2021. It highlighted actions for change and improvement. The Land and Property Strategy will provide the framework to both address the actions and required changes which remain.
- 2.5 The cost implications of the Land and Property Strategy are part of the business planning process and associated targets for the Accommodation Improvement Programme are agreed within the Business and Financial Plan 2024-2029.

3. Main Issues

- 3.1 The Committee is asked to approve the Land and Property Strategy 2024-2029. This strategy will enable property decisions to be made in line with the council's Strategic Framework. Property decisions need to be transparent and subject to challenge. They need to be effective at both operational and strategic level and have a clear governance process.
- 3.2 Land and property work is carried out in accordance with recognised industry guidance and statutory and compliance legislative requirements. The buildings are maintained in a safe and compliant manner. However, the lack of an overarching strategic framework, means the approach to commissioning repair and maintenance work within the operational portfolio

has been predominantly reactive. The strategy will provide the structure to move the focus of investment to a more planned preventative model.

- 3.3 The strategy will provide an effective framework to enable the council to prudently target its investments through the Corporate Landlord model and align this with the strategic principles.
- 3.4 The strategy details how it will align and contribute to other key enabling strategies within the council, notably the Council People Strategy, Climate Change and Environment Strategy, Medium Term Financial Strategy, IT and Digital Strategy, Capital Strategy and Sustainable Procurement Strategy.
- 3.5 The strategy has four guiding principles which will drive the policy and delivery of the council's land and property portfolio to ensure it is fit for purpose for the needs of the council and its communities. The strategy informs what we intend to do, and what we will achieve by applying the principles.
- 3.6 The strategy details the strategic fit and how this aligns within the decision-making governance of the council. A Strategic Property Board which will oversee the delivery of the strategy and an operational Corporate Landlord Stakeholder Group will be constituted to ensure property is linked cross council both strategically and operationally. These groups will have cross council membership at officer level and report through the decision-making governance process shown within the strategy document.
- 3.7 The strategy endorses the approach that property and assets are a corporate resource, and they are delivered through an appropriate and embedded corporate landlord model, which centralises the decision making and budgetary responsibilities to the Landlord (Property) with service areas tenants within our assets.
- 3.8 Property is an enabler for the council to embrace new ways of working through agile, flexible, and efficient use of assets. The requirement within the Business and Financial Plan is that revenue costs will reduce, and capital receipts achieved via a reduction in our portfolio. This will be realised through the delivery of the Accommodation Improvement Programme which is part of the councils Corporate Change Programme. The programme will deliver a Hub, Spoke and Satellite model.
- 3.9 The key operational areas which as part of the Corporate Landlord model, will deliver the strategic outcomes are explained within Appendix A of the strategy. These are headlined as:
 - Measuring Performance and Delivery
 - Asset Challenge Process
 - Maintaining the Assets
 - Working with Partners
 - Engaging with our Communities
 - De-Carbonisation Carbon Net Zero
 - Enabling Service Areas to maximise Delivery.
- 3,10 The strategy will provide the framework to:
 - Effectively manage the commercial investment portfolio.

- Baseline the current carbon footprint of all assets and programme the decarbonisation of the assets in a prioritised manner to reduce their impact.
- Generate capital receipts to support the capital programme.
- Manage all assets strategically and corporately.
- Through asset challenge retain only those suitable and sufficient assets which are supporting council ambitions.
- Maximise opportunities for partnership through One Public Estate (OPE) programme. Working with public sector partners remains a key driver to enable innovation across the public estate and create real opportunities for savings linked to new shared ways of working.
- To support change management programmes which enable the council to work more flexibly and efficiently, aligning with new delivery models.
- To reduce revenue impacts across the portfolio.
- Populate the new Computer Aided Facilities Management (CAFM) Concerto system to hold all property data within one platform and utilise this to report and measure performance and make decisions based on evidential data.
- To work closer with communities to empower them to thrive. Work with communities to improve their resilience by allowing the use of Council assets by the community to deliver change and social value.

3.11 A delivery action plan is included within Appendix B of the strategy.

3.12 The strategy has a strong focus on community and partnership working:

- (a) Consider all options to share assets with other public bodies and explore all OPE opportunities.
- (b) Continuing to communicate and consider with communities and elected members potential for Community Asset Transfer where it delivers the best outcomes for all parties.

3.13 There has been service area consultation and two member workshops as engagement.

4. Alternative Options Considered

4.1 The alternative option would be to do nothing and continue to manage and operate our land and property estate without an up-to-date relevant Property Strategy. This is not recommended as development and management of land and property without alignment to the council's Strategic Framework, and the vision and ambitions within in, would increase the risk of an inefficient and ineffective estate and poor service delivery. The council would also not fully maximise opportunities to increase income and reduce revenue cost within the portfolio.

5. Conclusion and reasons for recommendations

5.1 The opportunities to strategically use our land and property to support the council vision and ambitions are significant and the strategy will provide the corporate framework to enable our portfolio to be:

- Suitable and Effective
- Place Shaping
- Sustainable and Greener
- Work closer with Communities and Partners

6. Significant Implications

6.1 Finance Implications

There are no direct financial implications connected with the adoption of the strategy.

However, the proposed Land and Property Strategy will enable an evidenced based need for the current property portfolio and provide asset challenge, this process alongside the change programme will enable asset rationalisation to be realised which will reduce revenue spend, deliver capital receipts, and reduce the carbon footprint of the portfolio.

There is a savings target included within the Business and Financial Plan 2024-29. This will be achieved through the delivery of the Asset Improvement Programme.

6.2 Legal Implications

There are no direct legal implications connected with the adoption of the strategy, although, the Land and Property Strategy will improve the governance processes and will be viewed from a strategic and corporate perspective. Improved procurement and legal adherence will be an outcome from taking a more strategic, one council and long-term planned outcome focused approach.

6.3 Risk Implications

The current strategic risk in not setting and approving a coherent strategy to deliver a corporately owned property portfolio is that property will not be aligned and supporting the council vision and ambitions contained within the Strategic Framework. The portfolio will not be efficient and effective and financial revenue savings and income contributions will not be delivered. The councils Corporate Landlord model would not be embedded and the contributions to the carbon net zero targets will not be corporately focused. We would not maximise the opportunities of partnering with other public bodies or local communities.

6.4 Equality and Diversity Implications

The Strategy will provide the framework for corporate property decision making. The equality implications for each individual project will be assessed and recorded on a specific project-by-project basis.

6.5 Climate Change and Environment Implications

Sustainable and Greener assets is one of the four clear guiding principles within the strategy by which we will shape and manage our land and buildings.

To ensure our current property and future estate portfolio is sustainable and net carbon zero in design, construction, operation, and final disposal and meet the 2030 ambitions of the council:

- We will ensure that property is as sustainable as possible in design, construction, operation, and maintenance to contribute to the Councils net carbon zero ambitions.
- We will aim to reduce energy and water consumption, and CO2 emissions, using renewable energy where appropriate.
- Minimise waste.
- Use whole life considerations in our business case developments for construction projects reducing energy and water consumption and carbon emissions.
- Invest in our portfolio to minimise the carbon impact and decarbonise.
- Align with the Climate Change and Environment Strategy.
- We will understand the property portfolio carbon baseline impact and the financial impact of decarbonisation and achieving net zero.
- Identify opportunities to invest in innovative technologies and maximise opportunities within our Rural Estate.
- Look at community energy opportunities.

7. Source Documents

7.1 None

Our Land and Property Strategy

2024-2029



Executive Summary

Land and Property play a vital role at a strategic level in enabling the delivery of the organisations corporate vision and seven ambitions within the Strategic Framework 2023-28. Our portfolio is valued at £764m and generates £10.5m in income each year. This supports the council to provide essential services within our communities.

After our staff, our property and land assets are one of the council's largest resources and is a key element in enabling change in the delivery of our services. We are working more efficiently, flexibly and with smart technology and this will be reflected in how we develop and define our property portfolio.

The purpose of the Land and Property Strategy 2024-29 is to provide a framework to enable the safe, effective, efficient, and environmentally sustainable management of a portfolio of assets. The strategy and its associated delivery policies provide the council with a structured approach to respond to service needs and priorities.

Effective and efficient asset management will ensure that our estate is sustainable and able to support future service change. Cambridgeshire County Council owns and/or operates over 850 individual land and building assets, including one of the largest county farm estates in the country

with 33,000 acres of land alongside an ambitious commercial investment portfolio. We are in a challenging economic period and therefore there is a need to focus on the best use of resources, making it an imperative that the council utilises its land and property estate effectively and efficiently.

One element of the Council Change Programme is the Accommodation Improvement Programme, this programme will initially focus on the office and library portfolios and will deliver a Hub, Spoke and Satellite model which will reduce the current number of office assets and increase the efficiencies and flexibility for colleagues in how and where they work.

Our aim is to operate a portfolio that is sustainable, safe, and compliant whilst ensuring that land and buildings assets are held for a clear purpose whilst embracing opportunities to reduce cost, maximise return, collaborate and co-locate services, so that the residents of Cambridgeshire benefit from a joined-up access to services at a locality place base level.

Cambridgeshire County Council Corporate Approach:

Strategic Framework 2023-28.

The Land and Property Strategy underpinned by associated delivery policies will provide a structured approach to making decisions as to how the council's property and land portfolio will be used and how it will respond to changing service and community needs and priorities.

It will support and contribute to Cambridgeshire County Councils Strategic Framework, its vision to 'create a greener, fairer, more caring Cambridgeshire' and the seven ambitions of the council.

Our assets will enable safe and effective delivery of services and the development of an affordable and sustainable property estate for the long-term future of the council.

The Land and Property Strategy is an organisational enabling strategy and how it contributes within the Strategic Framework and enables the council's approach to business planning is shown within the two visuals.

The Cambridgeshire County Council approach to business planning

Our Vision and 7 Ambitions drive everything we do. They are enabled by our key Ambition-focused strategies and organisational strategies, which shape our operational plans, delivery and performance management.



24 Cambridgeshire County Council Draft Strategic Framework 2023 - 2028

The Cambridgeshire County Council Vision

We will deliver this vision by being Closer to our Communities, taking a 'decentralised' approach to our relationships with our partners, communities and residents, so that Cambridgeshire can become greener, fairer and more caring in the ways that are most suitable to the variety of people and communities we serve.

To do this we have SEVEN ambitions:



Delivering these ambitions often involves us working with all our partners including the voluntary sector, businesses and communities to tailor services around people, families and the communities they live in.

Cambridgeshire County Council Draft Strategic Framework 2023 - 2028 9

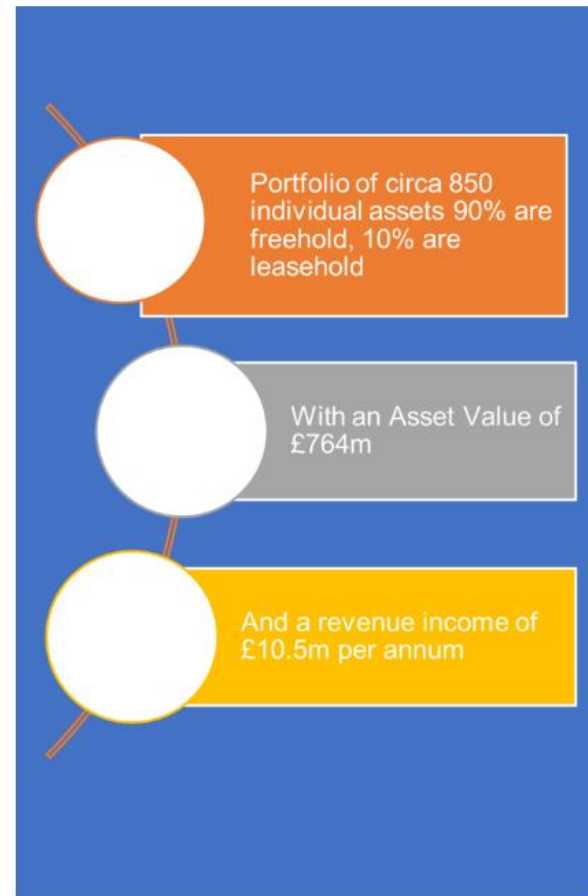
The strategy will align and contribute to the delivery of other key strategies both within the Strategic Framework and those identified as enabling strategies.

- [The Councils People Strategy](#) states ‘People want more flexibility over where and when they work’, ‘Individuals want to feel safe and secure in their workplace’, ‘People want to feel they belong, feeling connected to the workplace and their colleagues especially when working remotely’. Our People Commitments state ‘Our buildings provide you with safe working spaces and are equipped and developed to compliment the way we work’.
- [The Climate Change and Environment Strategy](#) sets out how the council will deliver net zero by 2045. Council buildings and infrastructure will be resilient to climate change impacts by 2045.
- [Medium Term Financial Strategy](#) sets out how the council will manage its finances against the corporate priorities, continued focus on excellent asset management based on this strategy will maximise the potential for property to enable and contribute to the overall Financial Strategy.

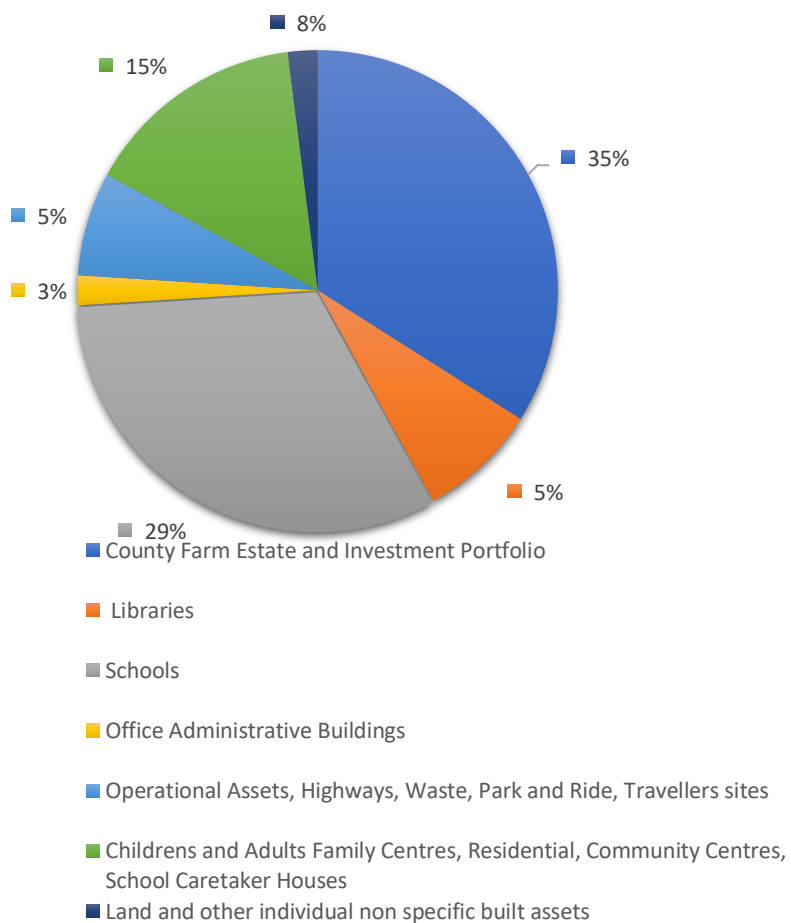
- [The IT and Digital Strategy](#) is integral with property in providing an efficient agile way of working and access to service delivery, by supporting digitally enabled transformation of working practices.
- [Capital Strategy](#) has strong links to the Land and Property Strategy; this includes defining the principles which guide asset management, its role in supporting service delivery and carbon reduction, why property is retained, together with the policies, procedures and working arrangements relating to property assets, all of which evidence potential capital investment. The Capital Programme Board is the internal governance board where the capital programme is managed.
- [Sustainable Procurement Strategy](#) is key in enabling the delivery of outcomes within a compliant contractual and governance framework.
- The Strategy also aligns with the [Government Property Strategy 2022-30](#) regarding Smaller, Better, Greener Estate.



OUR LAND AND PROPERTY PORTFOLIO



Our Portfolio



County Farm Estate and Investment Portfolio: represents 35% of the portfolio. Assets occupied on a commercial basis by third parties and generates circa £10m revenue income a year and generates social and economic value

Libraries: represents 5% of the portfolio. Assets used for the delivery of council services and supports community use.

Schools: Both Academy Trust and Maintained represents 29% of the portfolio. We have 89 Maintained, 14 Voluntary Aided, 24 Voluntary Controlled and 141 Academy Trust schools.

Office Administration buildings represent 3% of the portfolio, assets used for council office facilities.

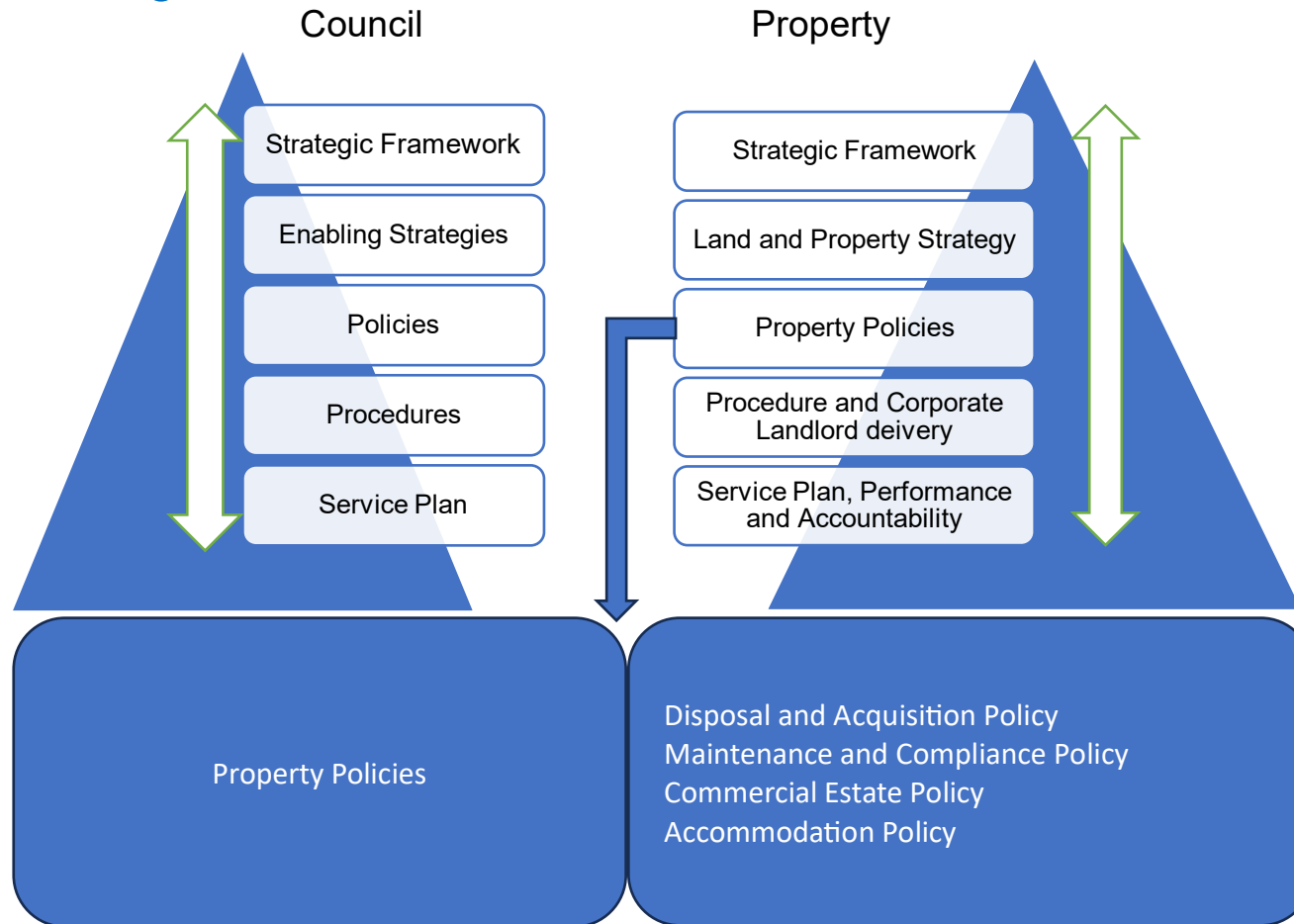
Operational Assets, represents 5% of the portfolio and are used for the delivery of council services within Highways, Waste, Traveller sites and Park and Ride.

Children and Adult sites including Family and Community Centres, Children and Adult Residential, School Caretaker houses represent 15% of the portfolio and delivers services for the council and community.

Land and other individual non-specific built assets represents 8% of the portfolio and are land and assets that are either held or have been acquired for future development to support economic and community growth including 24 void properties

The strategy is an enabling strategy which facilitates the delivery of the Council's Strategic Framework. It sits alongside several other enabling strategies as well as service strategies as shown on page 3. It requires policies and procedures to enact the decision-making as shown in the following diagram.

Strategic Fit



Decision Making



The Key Drivers for Change and Purpose of the Strategy

Key Drivers of Change:

It is important that the strategy recognises and enables decision making accounting for areas of national, regional, and local factors that influence how the council manages, develops, and disposes of its property assets over the period of the strategy. The following is a summary of the key drivers that will be factors considered as part of the decision and change process.

Financial: We continue and will continue to face challenging budget priorities in the face of increased demand. Therefore, the key driver for our decision-making will be securing lower costs and higher capital receipts. There is a need to transform the portfolio to deliver service improvement whilst also achieving efficiencies in cost and reduced repair liabilities through asset challenge, rationalisation, and shared asset opportunities. This will be a key factor in consideration of the first principle of this strategy – Suitable and Effective, as well as Sustainable and Greener.

Climate Change/Energy Costs: As well as the global climate emergency and our responsibility to ensure we do our utmost to protect our environment for future residents of Cambridgeshire, the impact of climate change on council budgets is already a very real challenge, so we need to prioritise decarbonisation of our assets. This will be a key factor in consideration of the Sustainable and Greener principle of the strategy and decision making under Suitable and Effective.

Ways of Working: The council made prompt and efficient responsive changes to the property portfolio to adapt to the pandemic by accelerating agile working. This period of change allowed the council to review its future ways of working with the transition to a more flexible and agile model. This way of working will be embedded in the council's culture and will be developed further as it is considered through the Accommodation Improvement Programme and the interaction with communities and partners. The opportunity to manage our costs and improve outcomes through changing how and where we work and with communities and partners will be a key factor in consideration of the first principle of this strategy – Suitable and Effective, but also how we work with our Communities and Partners.

Social Value: Our broader corporate ambition to improve outcomes and recognise wider social value will need to challenge the way our assets are used with a view to capture and assess the social value to be gained from decisions to assess both the financial and social value return. Whilst it will be expected in most cases that financial value will be the defining factor, where there are finely balanced decisions then social value as a factor must be considered.

The Purpose of the strategy:

The purpose of the strategy is to provide a framework which enables the property and land portfolio to:

- contribute to the vision and ambitions of the council, enable greater and closer working with our communities and partners enabling them to thrive.
- be effective and efficient; and provide safe and compliant buildings.
- be financially, socially, environmentally, and commercially sustainable.

The implementation of the Strategy will be led by Property Services. A Strategic Property Board will be established to oversee the delivery of the strategy.

The supporting property principles will underpin the strategy to enable delivery of the outcomes for our internal service areas, external partners, the communities, and residents of Cambridgeshire.

To embed the Strategy and Corporate Landlord model within the council there will need to be a cultural change. Property is instigating this through:

- Creating a much stronger one council environment within the management team with ownership for service strategy and direction.
- Professional development to integrate climate and environmental consideration into everything we do.
- Engagement, liaison, and challenging service areas in how their service planning will reflect into property need.

Our Four Guiding Principles

The Land and Property Strategy has four principles to guide the planning, decision making, and management of the land and property portfolio and they will remain in place for the next five years but will be reviewed annually to ensure they remain relevant and continue to support the Strategic Framework vision and ambitions.

1. Suitable and Effective

2. Place Shaping

3. Sustainable and Greener

4. Working Closer with Communities and Partners

The Aims of the Principles

Suitable and Effective

- To ensure our assets are fit for purpose, right sized, safe and compliant and efficiently utilised.

Place Shaping

- To utilise our land and built assets to drive regeneration and development within our communities.

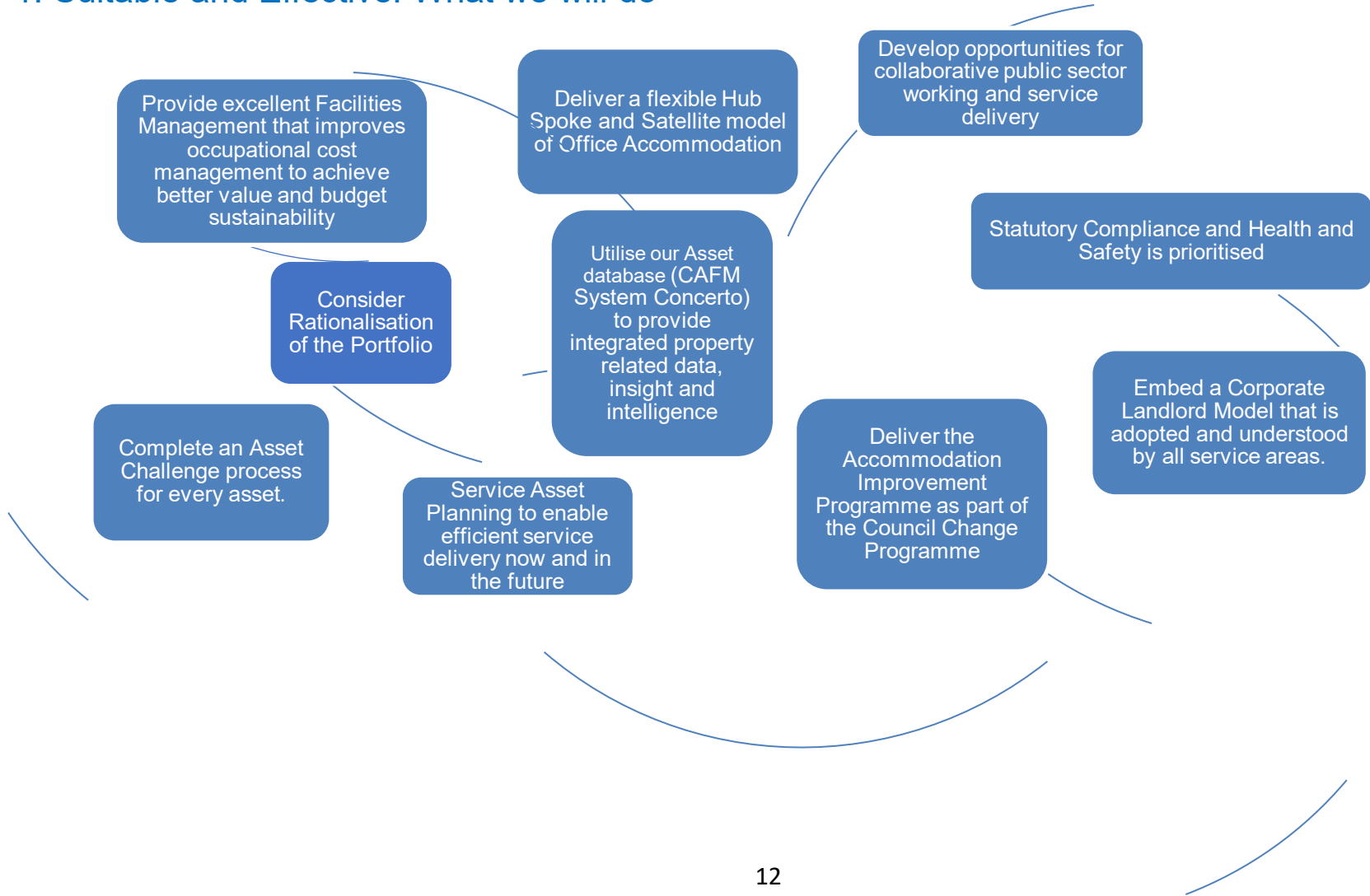
Sustainable and Greener

- To shape our county for the present and future generations and ensure our land and built assets provide long term support for the benefit to the natural environment.

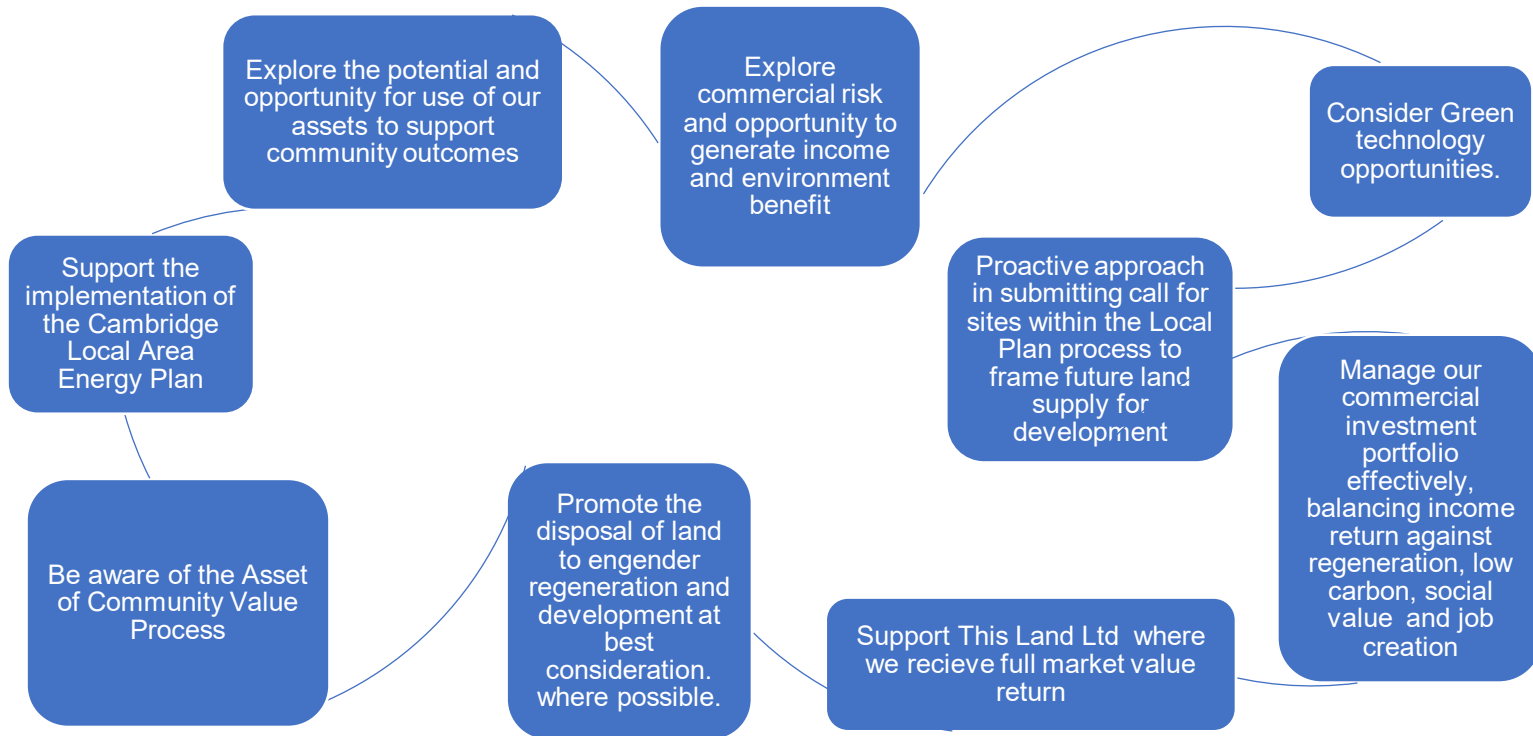
Working closer with Communities and Partners

- To ensure our land and built assets are retained to create and enable strong and resilient communities and thriving partnerships.

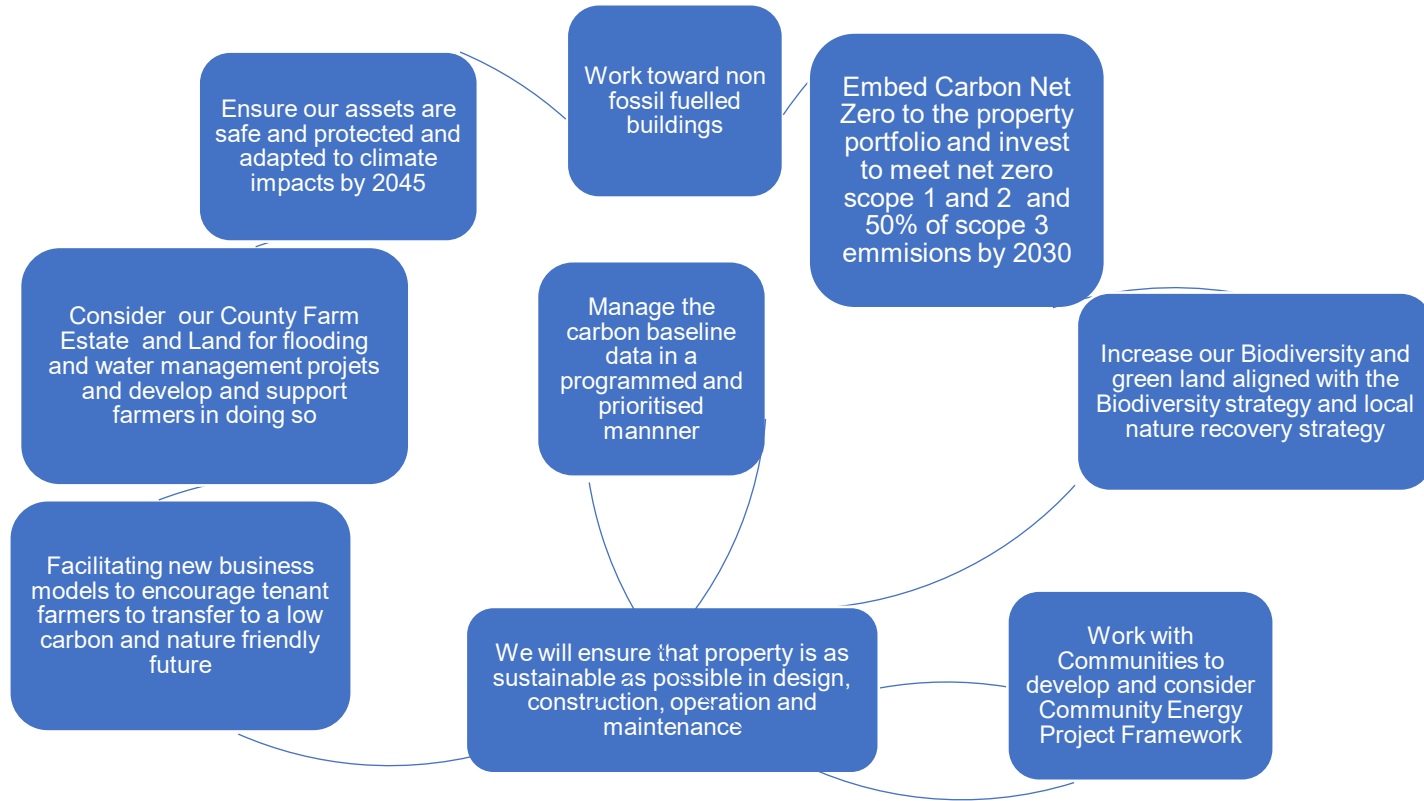
1. Suitable and Effective: What we will do



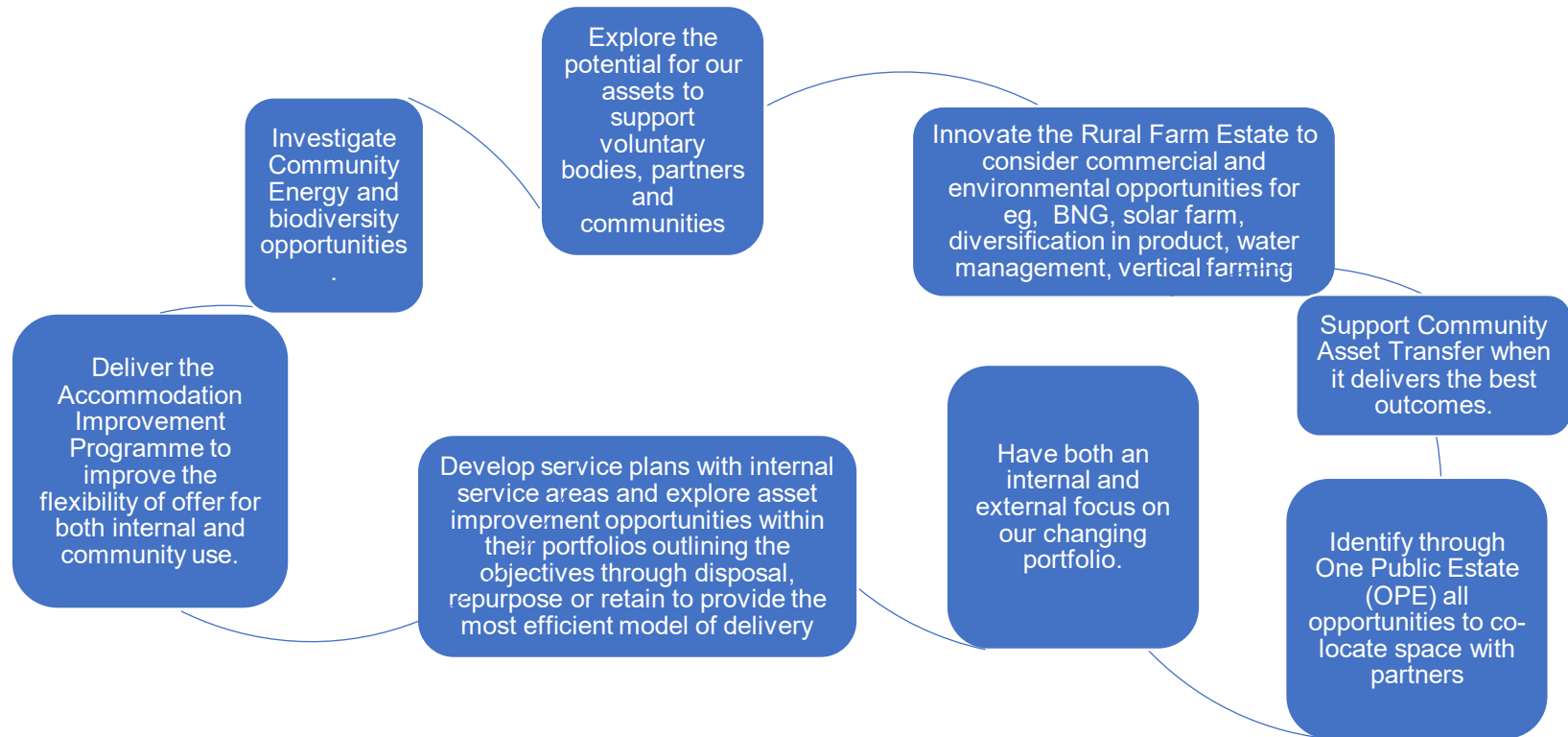
2. Place Shaping: What we will do



3. Sustainable and Greener: What we will do



4. Working closer with communities and partners: What we will do



What will we achieve:

Suitable and Effective

- Deliver change, generate revenue savings and capital receipt income as a result of applying the strategy.
- Increase the operational efficiency of our assets through improved Facilities Management.
- Better decision making regarding retain/invest/release of our assets as a result of data and intelligence from the Asset Challenge process and held within the Concerto system.
- Improved user satisfaction.
- Reduced reactive maintenance through improved lifecycle data management for better planned preventative maintenance.
- Fully accessible, safe and compliant assets for benefit of our colleagues and communities.
- Assets which enable an agile and flexible workforce and improved service delivery.
- Climate resilient assets.

Place Shaping

- Understand our role, opportunity and responsibility as a place shaper in Cambridgeshire.
- Promote strategic regeneration and development opportunities which align with the Council Strategic Framework.
- Manage the Investment and County Farm Estate portfolios with innovation and as such supports economic and environmental development and growth.
- Promotion of our unallocated land through the District Council Local Plan call for site process.
- Awareness of strategic growth corridors to bring forward investment and development.
- Where it meets the councils best consideration we will support This Land Ltd in enabling the delivery of residential development in Cambridgeshire.
- Support the implementation of the Local Area Energy Plan to deliver low carbon and secure energy supply on council land and property where the business case supports..

Sustainable and Greener

- Achieve Carbon Net Zero targets for assets within scope 1 and 2 emissions to be net zero by 2030, 50% of scope 3 emissions to be net zero by 2030 and all assets to be adapted to climate impact by 2045.
- Adoption of low carbon by design principles and the delivery of net zero energy buildings.
- Reduced energy and water consumption within our assets, using renewable energy where appropriate.
- Identified opportunities and options to utilise our land and property to invest commercially in environmental technologies and for expanded and improved green spaces.
- Maximise the commercial and environmental return from the Biodiversity Net Gain Farm.
- Support the opportunities through our land holdings for the management and storage of water.

Working closer with Communities and Partners

- Be a lead partner and influencer within the One Public Estate Programme
- Supporting communities by listening to our residents and businesses and understanding their needs and lived experiences to ensure we provide the right buildings in the right locations.
- Where it is the best outcome discuss with communities the opportunities for them to control assets through the Community Asset Transfer and Assets of Community Value processes.
- Deliver every flexible opportunity for community groups/VCSE to share and utilise spaces within council owned buildings for community use.
- Explore innovative partnering to enable better commercial and community outcomes.

Appendix 1: Embedding the four principles within the Corporate Landlord Delivery Model to enable key operational functions to deliver outcomes.



Corporate Landlord Delivery Model

Seven Key Operational Functions within it:

1. Measuring Performance and Delivery
2. Asset Challenge Process
3. Maintaining the Assets
4. Working with Partners
5. Engaging and Listening to our Communities
6. Decarbonisation of Buildings to achieve Carbon Net Zero
7. Enabling Service Planning

Our Corporate Landlord Approach

Cambridgeshire County Council currently operates a Corporate Landlord model of asset management which requires refreshing and embedding further throughout the council service areas.

The model will be developed further and embedded throughout the council to realise the benefits a centralised corporate model will deliver. The Corporate Landlord model will implement property policies and align the delivery of the strategy through operational actions.

The concept of a Corporate Landlord approach is that the responsibility for an asset including its management and maintenance is transferred from service areas into the corporate centre, the Corporate Landlord (Property Services). The service area then becomes the equivalent of a corporate tenant, and their priority is to plan and focus on the delivery of their service to the best of their ability. The Corporate Landlord's function is to ensure all services are adequately accommodated and to maintain and manage the associated land and property assets in a safe and compliant manner.

The Corporate Landlord's responsibility extends further to the acquisition, development and disposal of land and buildings. The Corporate Landlord is responsible for asset planning, review, feasibility, and options appraisal accounting for the needs of all service areas, but most importantly, making decisions based on overall corporate ambitions and the four strategic principles within this strategy.

The Corporate Landlord is responsible for the following activities at a corporate level:

- Building Capital Programme - Client Contract and Project Management, including schools.
- Building Compliance – Reactive, Statutory and Planned Preventative Maintenance
- Building energy de-carbonisation and greener design.
- Facilities Management
- Estates and Valuation

- Strategic Asset Management Planning
- Operational Building Portfolio
- Management of the Councils Commercial Investment Portfolio
- Estates Strategic and Commercial Development
- County Farm Estate management
- Schools' compliance and maintenance as well as place planning (principles apply revenue budget devolved to schools)
- Management of the council's land portfolio

The Corporate Landlord embeds a property management and decision-making framework that ensures all property related decisions made are aligned to the strategy by carrying out key operational functions. This will be managed through a stakeholder group.

- Using data and evidence to ensure the decisions made on the property estate is done so with the best overall corporate outcome.
- Opportunities to make more effective and efficient use of council land and buildings are fully explored through an asset challenge process.
- Property related budgets are aggregated and centralised to prioritise the maximum impact by understanding the prioritised corporate need.
- Work with services to develop their delivery plans to be aligned with the Land and Property Strategy.
- Strengthening of the internal strategic property function to support services in identifying property challenges, assessing options, and exploring and developing solutions at a corporate level.

Measuring Performance and Delivery

To manage our assets effectively and efficiently we need to understand how they are performing. To enable performance to be measured in a meaningful way we need to use a selection of performance dashboards, and data sets.

The ability to develop greater data and intelligence relating to the land and property portfolio will be enhanced and improved over the life of this strategy with the implementation of a new CAFM (Computer Aided Facilities Management) System called Concerto which will host all our property data corporately within one fully integrated system. The system will be fully operational by May 2024.

The data and information held within the system provides integrated reporting and performance monitoring ability which

will enable measured decision making regarding the management of the estate portfolio.

To manage our assets, we will report our performance of the portfolio through the Corporate Leadership Team, Asset & Procurement Committee, Capital Programme Board and the Strategic Property Board for both awareness and decision making in line with the constitution and delegations.

This will include as a minimum:

- Quarterly reporting against agreed performance matrices
- Quarterly reporting against the Delivery Action Plan
- Quarterly reporting on major projects
- An annual report of the portfolio which will summarise progress and delivery over the previous 12-month period and will set the actions for the next annual period.

Asset Challenge Process

Asset Challenge is an embedded process, each individual asset will be assessed against set criteria using the four guiding principles within the portfolio on a planned continuous rolling programme.

This will provide the data and evidence to enable decisions to be made so only those assets that are or can contribute to the council ambitions are retained.

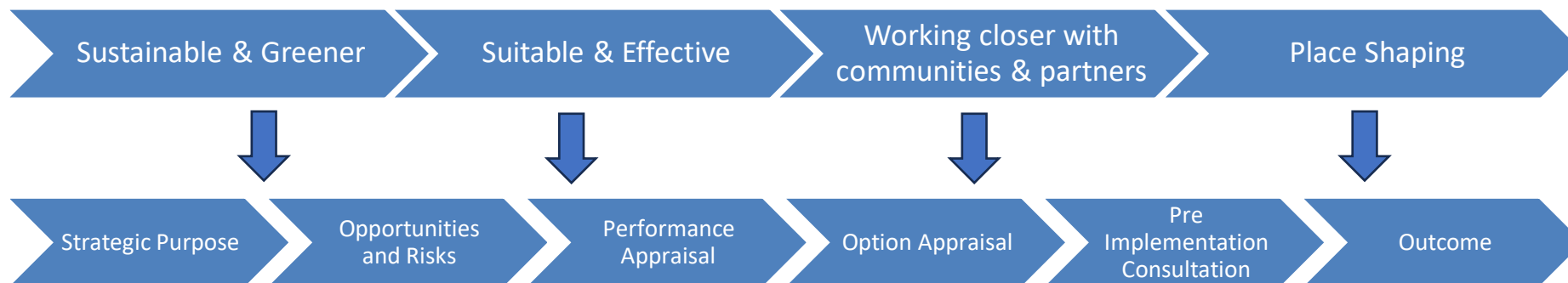
The aim of the Asset Challenge process is to reduce costs, identify assets that should be retained for use and/or invested in to bring up to an acceptable standard, whilst also identifying those that are surplus to requirements and therefore can be

disposed of from the portfolio by either sale, lease, or a community transfer.

To do this, each asset is assessed using a step-by-step challenge process, ensuring that every asset has been fundamentally reviewed against a common set of criteria including condition, suitability, sufficiency, carbon impact, operating cost and contribution to ambitions.

This information generated will be held with the concerto system and will be live data.

The outline challenge process we will utilise is supported by CIPFA and is set out below.



| | | | | | |
|---|---|--|---|---|--|
| Why does the council currently hold the asset? | Are there any opportunities that could be exploited? | What financial and non-financial outcomes have been delivered? | Balance performance, opportunities, and risk. | Internal stakeholder consultation | Recommendations presented in accordance with agreed governance arrangements. |
| What is its strategic purpose? | Are there any known barriers to exploiting these opportunities? | Can non-financial benefits be quantified and or are they qualitative? Suitability, Sufficiency, Condition. | What options are available? | Undertake Consultation with external stakeholders and partners as appropriate | Either <ul style="list-style-type: none"> • Retain, • Redevelop and invest, or • Release. |
| How do we measure the assets performance against its purpose? | Are there any risks that could be faced? | What are the operating and management costs? What is the utilisation rate? | What are the costs and benefits of these options? | | |
| Is this financial, non-financial or both? | How could the financial and carbon performance be significantly increased through minor investment or better management | Assess social value it is offering and is it meeting the needs of the service area. | Do any options carry increased risk? | | |
| How does the asset contribute to the council vision and ambitions? and service delivery | Commercial opportunities with diversification and innovation | Carbon Net zero baseline position | Is there an alternative strategic purpose | | |
| | What is the decarbonisation baseline costs | How does the asset comply with appropriate statutory compliance and safety requirements. | What additional property needs do service areas have. | | |

Maintaining the Assets

Maintenance and statutory compliance liabilities for the existing estate are currently estimated to be ever increasing. We have an ageing portfolio which has a cost to own and maintain. We apply a consistent approach to the management of our buildings ensuring they are statutorily compliant and essential work is delivered. It is important we invest in the assets to ensure they are in a good condition, provide an appropriate environment to deliver services and are safe and compliant for both colleagues and residents to use. This will be operated through the Corporate Landlord model.

It is likewise very important that we have standards of maintenance and understand the cost of maintaining this to enable evidenced financial planning. It is essential that all required statutory compliance and service testing maintenance is completed within the required frequencies and is recorded accordingly for governance and assurance purposes.

The Building Mechanical and Electrical Term Contract has been re-procured with a commencement date of November

2024, this contract will have performance indicators and measures as well as a more proactive planned preventative maintenance strategy within it which will reduce the need for reactive replacements due to system failure.

The backlog maintenance for each asset is evidenced by conducting a rolling programme of condition surveys which identify maintenance requirements over a 10-year period.

It is important that this evidence is utilised within a balanced approach to Asset Challenge to ensure we prioritise investment to those assets we will retain, and which contribute to our ambitions and agree a strategy to divest from those we no longer require.

We will reduce reactive maintenance through improved lifecycle data management for better planned preventative maintenance.

Continue to access grant funding to enhance and retrofit our buildings to deliver carbon reductions and net zero.

Working with Partners

The council are active members of the One Public Estate (OPE) programme, working alongside other public sector organisations across the Cambridgeshire and Peterborough County to explore the opportunities to reduce premises costs and improve the asset offer for our communities and residents.

Cambridgeshire have a complicated set of public service organisations, with five district councils, a County Council, 260 town and parish councils, a mayoral combined authority, and a local economic partnership around Greater Cambridgeshire.

This provides partnering opportunities but does affect our ability to have a single point of contact for our residents, and the same opportunities exist for all these different bodies to work together under the OPE work programme to view Cambridgeshire as one regarding a more shared and decentralised way of using the property assets we hold for the benefit of those in our communities to access and use.

We will continue to explore all property related opportunities with our partners from the public, private, community and voluntary sectors to ensure we maximise the social value and benefit from the assets for those residents within Cambridgeshire.

We also work with This Land Ltd to enable and expedite housing growth within Cambridgeshire by providing land opportunities at full

market valuation to ensure we meet best consideration, the governance of which is covered within the company's constitution and within the council's Disposal Policy.

OPE is an established national programme delivered in partnership by the Office of Government Property within the Cabinet Office and the Local Government Association. It provides practical and technical support and funding to councils to deliver ambitious property focused programmes in collaboration with central government and other public sector partners.

OPE partnerships across the country and locally have shown the value of working together across the public sector and taking a strategic approach to asset management, leading to efficiencies, development opportunities and public sector collaboration.

Cambridgeshire and Peterborough OPE have been awarded approximately £3m in funding since 2015/16 with approx. £1.7m in revenue and £1.3m in Brownfield Land capital funding released to the partnership. By 2023/24 from ongoing local projects the programme is forecasting to generate £44m in capital receipts, £6m in reduced running costs, 5,300 new homes and generating over £40m in inward investment in the Cambridgeshire County area.

The Strategic objectives of the OPE programme which is been relaunched with a new focus on providing a forum and opportunity for estates professionals to solve problems that can't be solved individually, and increased collaboration and integration to address issues collectively, to ultimately seek to:

- **Provide improved coordinated, co-located and customer focussed services:** enabling greater collaborative working across public service providers to support individuals, families and communities.
- **Provide improved access to public services within the whole of Cambridgeshire:** reducing demand and avoidable customer contact.
- **Deliver public service efficiency savings:** through greater service integration and new delivery models supporting service demand management approaches.
- **Deliver greater savings in running and maintenance costs:** through sharing public service buildings.
- **Work closely with community and voluntary organisations:** optimising the use of assets where most benefit can be realised.
- **Contribute to the wider economic, social and environmental outcomes for the whole of**

Cambridgeshire: for example, delivering key infrastructure and construction projects and reducing the carbon footprint.

- **Create standard practises for performance measurement:** reviewing the metrics for building occupancy and space utilisation, void properties and rent levels across the estate.

Property Services are also a member of the System Estate Group which has membership from all the NHS estates bodies within Cambridgeshire and Peterborough and is focussed on NHS Estate issues, but also the potential for rationalisation and shared use of assets with other public bodies. The System Estate Board has committed to meeting quarterly with the OPE Board to ensure synergies are maximised.

We will work closer with other partners such as Cambridge University regarding maximising opportunities in property use, as well as other key landowners to work together to enable development and economic growth.

Engaging and listening to our communities.

The council continually engage with our communities and have recently published the outcomes of the 'Quality of Life Survey' which over 5000 of the residents of Cambridgeshire completed which has given the authority excellent data and intelligence regarding how residents feel about Cambridgeshire and how the council are performing our statutory duties. We will continue to engage and listen to our communities and partners regarding the use of and planning for our land and property to improve outcomes.

Property impacts on our communities daily, our assets provide space and an environment where services are delivered from, and we need to be clear regarding the locality, ease of access and the quality our assets we provide from the communities' perspective.

We lease properties to voluntary and community organisations, often using the social value benefits to allow these to be used at a reduced or minimal rent, or alternative agreed terms.

We have also transferred buildings to local organisations who run them successfully for the benefit and needs of their local communities. These arrangements range from short term

licences to longer leases, and this process is known as Community Asset Transfer, and we follow a Community Asset Transfer Policy to ensure consistency and adherence to the process.

Local people and groups are often best placed to manage community facilities in their own area. They already make extensive use of these assets and their local knowledge and hands on management can result in lower overheads and better value for money. If they are a constituted group, this often also opens opportunities for external grant funding opportunities that the council itself would not be eligible to bid for.

Community organisations also use volunteers who take additional pride in their own local community. Managing these facilities can help to empower local communities and can bring opportunities for greater independence and financial sustainability. When done well the Community Asset Transfer process can create lasting change in local communities. We are committed to using our assets to form long term partnerships with suitable community organisations, to create stronger, more cohesive, and independent sustainable communities.

De-carbonisation Carbon Net Zero

The council has seven ambitions within its Strategic Framework, one of these being '[Net Zero carbon emissions for Cambridgeshire by 2045 and our communities and natural environment are supported to adapt and thrive as the climate changes](#)'.

To achieve this ambition actions are required in relation to how we manage our land and property portfolios.

The Land and Property Strategy is an enabling operational strategy and aligns with the [Climate Change and Environment Strategy](#).

Work is currently being carried out to confirm the carbon impact baseline of our current portfolio of buildings within operational, rural, and educational school buildings.

This will be important data alongside the existing condition survey information to give an overall cost to both maintain the asset to keep the buildings safe, compliant, and fit for purpose but also the investment required to make them net zero carbon.

This information will enable evidenced and prioritised decisions to be made through the asset challenge process.

The aim is for our portfolio to be scope 1 and 2 net zero carbon by 2030, a 50% reduction in scope 3 by 2030, and all assets and policies are climate adapted by 2045.

The Property and Land portfolio has benefitted from both grant and council funding to decarbonise assets already.

- 22 council operational buildings have had their heating systems replaced with low energy carbon heating systems saving an estimated 370 tCO₂ per annum at a cost of £6.6m, of which £3m was external funding.
- 62 council schools have been retrofitted with energy maintenance saving work resulting in more than £1.1m of saving on bills and reduction in carbon of 1312 tCO₂ per annum.

- The Rural Estate are groundbreaking in the development of Lower Valley Farm which is 360-acre scheme being marketed for the sale of Biodiversity Net Gain credits.
- The Council is a founding member of Peat Fenland Soil, a group made up of the largest Cambridgeshire Fen landowners who are working together to find ways of reducing greenhouse gas emissions from farmland peat.
- The Rural Estate will also continue to invest where funding allows in PV installation on houses and barns, and work with the tenants to be innovative in how they farm in an environmentally friendly way.
- Innovation in our land use has developed Solar Farms and District Heating schemes.

Enabling our Service Areas to maximise service delivery.

Property will review, appraise, and challenge assets with the service areas. For example, all current Highway Depots would be challenged from an overall service area perspective, are they fit for purpose? do we have too many? are they located in the right place? could we rationalise onto different sites and locations and deliver a better outcome and service?

To support service areas property will enable and facilitate discussions to drive service transformation both directly and indirectly by maximising the use of assets across the council and wider public sector.

Property will instigate service area planning meetings with all internal services individually and work with them to understand their service aims and delivery plans going forward which will inform the needs of the service areas regarding property both now and in the future.

The plans will then feed into the asset challenge process so the whole council is working in a proactively, connected, and planned manner regarding the need for property and looking at the data from a one council perspective maximising the change programme opportunities to share space and work in a more flexible and productive manner.

Appendix B: Strategy Delivery Plan

| Action No | Action Description | Objective | Timeline | Accountability |
|-----------|---|---|--|--|
| 01 | Land and Property Strategy | Implement and embed the strategy within property and the whole Council | April 2024 | Service Director Property |
| 02 | Establish the Strategic Property Board | The Strategic Property Board will oversee the delivery of the Land and Property Strategy. | May 2024 | Service Director Property |
| 03 | Establish a Corporate Landlord Stakeholder Group | The operational group will coordinate property related operational issues across council service areas. This group will report into the Strategic Property Board. | May 2024 | Service Director Property |
| 04 | Full Implementation and Management of Computer Aided Facilities Management (CAFM) System Concerto | Retain, maintain, and report all property related data within the integrated IT system. | May 2024 | Head of Assets |
| 05 | Embed an Asset Challenge Process. | To challenge and record every asset we hold against an asset challenge criterion to enable asset recommendations are based on robust data and intelligence. | September 2024 | Service Director Property |
| 06 | Review Disposal and Acquisition Policy | Review Policy to align and support strategy delivery. Will require A&P Committee approval. | September 2024 | Head of Assets |
| 07 | Review Community Asset Transfer Policy | To ensure it aligns with the strategy. | September 2024 | Service Director Property |
| 08 | Deliver the Accommodation Improvement Programme which is part of the Council Change Programme. | Deliver the Hub, Spoke, and Satellite model for Office Accommodation Delivery and outcomes will be aligned to the Land and Property Strategy and the Councils Strategic Framework. | Programme 2024-2026 (A detailed programme of delivery will be approved as part of the programme board | Executive Director Finance and Resource. |

| | | | | |
|----|---|---|--|---|
| | | | governance with timescales for each element of the overall programme by June 2024) | |
| 09 | One Public Estate Programme | Maximise shared and integrated working across public bodies and within shared assets. | Ongoing | Service Director Property |
| 10 | Provide an annual Land and Property Strategy performance and delivery report to A&P Committee | Asset and Procurement Committee Report. | Annually | Service Director Property |
| 11 | Performance Indicator Reporting | Corporate Landlord Stakeholder Group to monitor key performance indicator measures. | Quarterly | Head of Facilities Management |
| 12 | Health and Safety and Compliance | Provide progress report of all statutory compliance regime work within our assets. | Quarterly | Compliance Manager |
| 13 | Implement an Accommodation Policy | Provide a policy on how we use and operate our Office Accommodation as part of the overall Corporate Landlord Model. | September 2024 | Head of Facilities Management |
| 14 | Implement a Commercial Estate Policy | Policy to confirm criteria for holding commercial and investment assets as part of the overall Corporate Landlord Model. | September 2024 | Head of Assets |
| 15 | Implement Maintenance and Compliance Policy | Provide policy to clarify roles and responsibilities for maintenance and compliance work within assets as part of the overall Corporate Landlord Model. | September 2024 | Head of Facilities Management/ Compliance Manager. |

Commercial, Commissioning and Procurement Framework

To: Assets and Procurement Committee

Meeting Date: 21st March 2024

From: Executive Director for Finance and Resources

Electoral division(s): All

Key decision: No

Forward Plan ref: N/A

Executive Summary: This report introduces the draft Commercial, Commissioning and Procurement Framework, a document bring together and join up all elements of the commissioning, procurement and contract management cycle (“the cycle”).

Committee is asked to consider this Draft and either suggest amendments or approve the Framework for implementation.

Recommendation: Committee is asked to review and approve the Commercial, Commissioning and Procurement Framework.

Officer contact:

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Post: Head of Procurement and Commercial

Email: clare.ellis@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 The Framework will apply to all Directorates and teams and therefore impact on all 7 of the Council's ambitions. Making the right commercial, commissioning, procurement and contract management decisions will ensure that the Council's third party spend is focused on delivering the ambitions.

2. Background

- 2.1 The Council has a hybrid approach to the delivery of the commissioning, procurement and contract management cycle (the cycle), with centralised delivery of some parts and service area delivery of others.
- 2.2 This approach has many benefits and makes effective use of the resources available both in service areas and the Procurement and Commercial Team. However, it can mean inconsistent delivery of those areas delivered by service areas, such as commissioning and contract management. Those areas of delivery are dependent on the varying levels of experience and expertise available within a particular service area.
- 2.3 The Procurement Act 2023 widens the area of regulation to include elements of commissioning and contract management, meaning that a more consistent approach is needed for the Council to be compliant with its many obligations under that Act.
- 2.4 Preparation of this draft strategy has engaged wider representatives of Commissioning and contract management.

3. Main Issues

- 3.1 The Framework attached here reflects the fact that commissioning, procurement and contract management are each part of a single cycle of work that needs to be seen through a commercial lens to ensure the Council gets value for money and appropriate outcomes from its third party spend.
- 3.2 Its purpose is to improve the co-ordination of all elements of the cycle, ensuring that service areas and the Procurement and Commercial Team consistently deliver all aspects of the cycle no matter what the requirement. It will enable the review of the effectiveness of the cycle, building on areas of good practice and seeking to ensure they are embedded across all service areas. It is also designed to ensure continuous improvement in the way all areas of the Council work as one team to challenge spend, outcomes, value for money and savings.
- 3.3 The Framework has a number of cross cutting themes designed to develop the Council's delivery of the cycle, they are:
- Skills, knowledge and development
 - Risk management and controls
 - Strategic commissioning
 - Strategic and sustainable procurement
 - Supplier relationship management
 - Contract management

- Working in partnership

3.4 Measures of success are drafted on page 17 and its implementation will be monitored by the Procurement Governance Board, which contains representatives from all Departments.

4. Alternative Options Considered

4.1 The Council needs to set a strategic direction for its Commercial, Commissioning and Procurement cycle. Currently this is done via 2 separate documents, the Sustainable Procurement Strategy and the Commercial Strategy. However, as the work needs to be delivered in a coordinated way across the Council, it was felt that a combined Framework is the most appropriate way of enabling this to happen.

5. Conclusion and reasons for recommendations

5.1 The Framework is designed to enable the Council to deliver its responsibilities across the commercial, commissioning and procurement cycle in an effective and joined up way.

6. Significant Implications

6.1 Finance Implications

There are no immediate financial implications in adopting the framework. In the longer term, delivery of the framework will lead to greater assurance that the cycle is achieving value for money.

6.2 Legal Implications

The Framework supports the Council's compliance with key procurement regulations as well as other service specific legislation that impacts on delivery of the cycle in individual Directorates.

6.3 Risk Implications

Delivery of the framework will serve to reduce the risks associated with uncoordinated delivery of the cycle.

6.4 Equality and Diversity Implications

- a) An EqIA has been approved.

6.5 Climate Change and Environment Implications (Key decisions only)

N/A

7. Source Documents

7.1 None.

COMMERCIAL COMMISSIONING and PROCUREMENT FRAMEWORK

2024-2028

Cambridgeshire County Council

Version 5.0

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Introduction

With the changing and increasingly challenging economic, financial, and social landscape, this Commercial, Commissioning and Procurement Framework (the Framework) sets out the Council's intentions for the 2024-2028 period. The Framework details the Council's priorities for improving its commercial, commissioning, procurement and contract management practices across the organisation. It is designed to sit alongside service plans allowing services to assess their commercial approaches and practice against organisational expectations and excellence. Its delivery will enable the Council to review the effectiveness of the cycle across the whole organisation.

The purpose of the Framework is to support the Council in reaching a consistent and commercially minded approach to the way it makes decisions, commissions and procures goods and services and delivers better outcomes. The Framework will promote consistency and enable those services without dedicated commercial resource to develop a best practice commercial approach.

The Council has a gross annual spend of almost £1 billion with a significant proportion of this being spent with external suppliers delivering services on its behalf. This reliance on externally commissioned services means the Council must possess commercial skills and adopt a commercial mindset. It needs to be able to understand its marketplaces and how suppliers of the services it is contracting with operate so that it can optimise value for money, reduce risk and get the right outcome for our citizens.

Whilst contracting out services is often a very effective way of delivering those services, it is important that other models of delivery such as in-sourcing or using community organisations to deliver services are not overlooked, particularly as the markets become more fragile or gaps in capacity increase.

With so many of the services the Council delivers being part of a wider system where partnerships play an important role, being aware of the impact its commercial decisions have on partners is critical. It needs to be aware of how our commercial strategies may impact those of partners, but equally on a day-to-day level, it needs to be aware, and make partners aware, of how each action can impact on the markets and how we can work together to address the opportunities and challenges.

Whichever approach we take to delivering our services we need to know how to identify, quantify, control and mitigate risk. A clear and consistent approach to risk management is fundamental for commercial decision making, which should be underpinned by a robust governance process. That governance process is crucial in ensuring we make decisions in line with our Constitution. Being transparent in decision making and recording this compliantly will be more important in light of the pending Procurement Act 2023.

Through this Framework, the Council continues to signal the intention to work in a commercially minded way, and in a way that drives excellence.

What is commercialisation?

The term 'commercial' is used regularly across the Council but will often mean different things to different people. For the purposes of this Framework, a 'commercial' lens will encompass the entire commissioning, procurement and contract management lifecycle, and the actions that can be taken to influence the financial, social and environmental impact of that lifecycle to deliver better and more sustainable services to our residents. This includes setting the strategic direction for those commercial decisions.

Commercial decisions are taken across the Council daily, ranging from agreeing a contract change, commissioning work using our frameworks, engaging with suppliers, tendering a new contract, managing our contracts or assessing delivery models. Many of our commercial decisions are made during the design, commissioning or contract management phase of service delivery, and therefore it's important to get them right.

This document looks at how the Council can ensure decisions undergo a proportionate assessment of commercial considerations, have suitable controls and governance in place to manage risk, and have considered the implications on the wider Council.

This Framework does not focus on identifying opportunities where we can utilise the Council's resources for commercial gain, for example the operation of commercial investments which fall within the Land and Property Strategy or the Medium Term Financial and Treasury Management Strategies. Whilst these 'traditional' commercial practices still successfully exist in activities such as our income generating services, it is not a priority of this framework to seek out greater exposure to this type of activity.

How to use this document

The Council's roles of commissioning and contract management are delivered by service areas, supported by a central Procurement and Commercial function. This ensures that subject matter expertise can work effectively with the technical experience and knowledge of the central Procurement and Commercial Team. It can, however, lead to inconsistent skills and knowledge (as different service areas have different levels of subject experience and expertise), which can lead to lost value, lost opportunity and non-compliance, hence the need for this Framework.

In September 2022 the Procurement team and Commercial team integrated. This new joint function has responsibility for ensuring consistency and excellence in, and upskilling of, the organisation's commercial decision making. The themes outlined in this framework have been adopted to help the Council to achieve its ambitions.

This Framework is designed to sit alongside service plans allowing services and the Procurement and Commercial Team to enable the assessment of their commercial approaches and practice against organisational expectations and excellence. It ensures the Council's continual focus is on improving commercial practices. These practices have arisen from the various central government tools and guidance that have been written to support local authorities to become more commercially astute organisations.

This Framework is supported by more detailed guidance on procurement and contract management which should be used to deliver the outcomes detailed here. The implementation of this Framework will be overseen by the Procurement Governance Board.

Aligning to our Corporate Priorities

This Framework will support the delivery of the Council's vision and 7 ambitions by:

- Ensuring that spend with third parties delivers value for money and appropriate outcomes. Where we can achieve savings or efficiencies, re-investment in delivering the Council's ambitions can take place.
- Achieving our net zero ambitions by ensuring that we are commissioning and procuring towards net zero in a commercially astute manner underpinned by clear strategy and policy.
- Through effective commissioning, ensure specifications across all service areas, but particularly transport, are designed in a way that lowers the climate change impact.
- Continuing to engage with local people and communities, and use insights gained to shape plans and services now and in the future, that will lead to people living healthy, safe and independent lives and helping people out of poverty.
- Delivering social value through our contracted services, this is a key part of this Framework. We will be ensuring that social value is considered from the outset of the commissioning process and providing suppliers with information and guidance on how to maximise social value contributing to areas such as social mobility.

In addition, the National Procurement Policy Statement published in June 2021 (and embedded in the Procurement Act 2023), outlines the national goals that public sector procurement will be expected to support the delivery of:

- Creating new businesses, new jobs and new skills;
- Tackling climate change and reducing waste; and
- Improving supplier diversity, innovation and resilience

The key driver for this work remains financial – gaining value for money.

Procurement and Commissioning Cycle

The effective application of the procurement and commissioning cycle is fundamental to the Council achieving its corporate priorities. A successful procurement and commissioning cycle consists of various roles across the Council which, by working together, will procure compliant services that are customer-focused and commercially sound underpinned by a clear, cross-functional strategic vision aligned to our corporate priorities.

This Framework looks at the whole cycle from strategy setting, commissioning, procurement to contract management and sets out how the various functions need to work together to achieve objectives. It acknowledges that the entire cycle is the joint responsibility of all those involved and only by working together throughout the cycle, will we achieve the best outcomes.

But it is important to recognise that service areas have different structures to deliver their procurement and commissioning activity, influenced by the frequency and complexity of the services being commissioned. Committing to a whole cycle approach to procurement, commissioning and contract management requires a culture change, which this Framework will support.

Governance

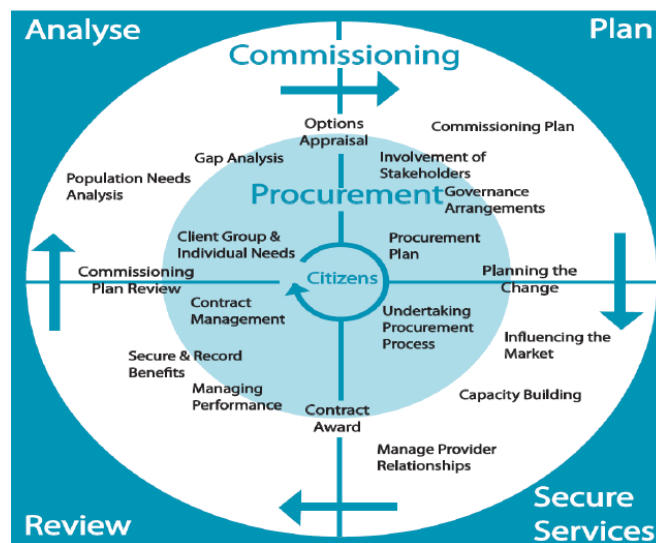
Governance for the Council's commercial processes as they are embedded in the commissioning, procurement and contract management cycle are as follows:

- The Public Contract Regulations (2015) and its successor legislation the Procurement Act 2023 and the Provider Selection Regime set out the high-level requirements for public sector commissioning, procurement and contract management. Individual service areas have their own legislation that they need to comply with, such as The Care Act.
- The Council's Constitution, particularly the Contract Procedure Rules and Finance Procedure Rules, provide specific detail on how the Council should operate across the cycle.
- Compliance is overseen by the Procurement Governance Board which has cross Directorate representation.
- Services areas have access to a range of guidance produced by the Procurement and Commercial Team, this guidance covers the whole cycle.

Roles and Responsibilities

The Diagram below shows the various functions involved in the commissioning and procurement cycle. These are complex but often interconnected. It means that specialism needs to exist, but equally these specialisms need to work together to achieve a fully integrated and robust cycle.

The cycle as shown in the diagram below recognises a 'one team' approach. It is vital that the corporate Procurement and Commercial team is engaged with service commissioning and contract managers to plan and work as one team in a joined up way.



Like any successful team each must understand the other's roles and strengths, enabling those strengths to be used to their greatest advantage. Each service needs to view their spend/budget as a plan that everyone engages from the start set against the backdrop of that service's strategic direction. Each rotation of the cycle starts with the understanding and identification of need and then moves on to a decision on (as it is often referred to) 'make or buy', all decisions must be considered, including 'stop'. In the Council, these decisions are not solely a commissioning role, all parties should understand their skills, knowledge and data to challenge and develop commercial options.

By adopting this approach, the Framework looks to achieve savings and better value for the residents and businesses of Cambridgeshire. The Framework clarifies roles and the expected one team approach to all aspects of the Council's expenditure, as shown in the following table.

This new way of integrating decisions is a step away from the typical cycle, which sets out clear split of duties between commissioning, procurement and contract management. The Council will be moving towards a fluid integration of all roles in a

sensible, cohesive way. This Framework, and the governance around these decisions, is the route to achieving this.

| Plan | Develop | Deliver | Review |
|--------------------------------------|---------------------------|------------------------|----------------------|
| Project planning | Financial analysis | Contract award | Exit strategy |
| Data gathering | Market engagement | Contract management | Benefits realisation |
| Soft market testing | Specification development | Risk management | Horizon scanning |
| Commissioning strategy / Make or Buy | Evaluation methodology | Financial reporting | Sustainability |
| Delivery model Assessment | Terms & Conditions | Stakeholder management | Whole life costing |
| Risk analysis | | Continuous improvement | Lessons learnt |
| Option appraisal | Tender documentation | Value for money | |

| Roles | | | | |
|------------------------------|--|--|--|--|
| Directors | | | | |
| Commissioners | | | | |
| Procurement & Commercial | | | | |
| Contract Managers | | | | |
| Data / Business Intelligence | | | | |
| Finance | | | | |
| Legal | | | | |

The benefits are that we will gain better outcomes, better value for money and lower costs, and we will focus resources where they are needed.

Commercial Themes

This Framework identifies seven themes selected as the key to ensuring effective and consistent commercial decision making. The themes are as follows:

- 1. Skills, Knowledge and Development**
- 2. Risks Management and Controls**
- 3. Strategic Commissioning and Sourcing**
- 4. Stakeholder Relationship Management**
- 5. Strategic & Sustainable Procurement**
- 6. Contract Management**
- 7. Working in Partnership**

These themes provide the structure and framework from which the Council will plan and prioritise its commercial activity. The key elements are summarised below and will be subject to review each year of the Framework. Each of the themes is important in ensuring the delivery of the Council's Strategic Framework 2023-28.

An explanation of how these themes will be measured and recorded is detailed in the [Annual Reporting](#) section at the end of this document.

Themes in Practice

| Theme 1: Skills, Knowledge and Development | |
|--|---|
| 1.1 | To have clearly defined roles and skills within the Commissioning and Procurement cycle that recognise service and corporate responsibilities and create a one team approach to all stages of the cycle to deliver best value outcomes and costs. |
| 1.2 | To attract, develop and maintain the appropriate level of commercial expertise across our workforce to ensure value for money aligned to our strategic priorities. |
| 1.3 | Invest in our graduate schemes to build home-grown commercial skills alongside a fresh drive for continuous improvement. |
| 1.4 | Embed commercial skills, training, and development within job descriptions where roles require commercial decision making. |
| 1.5 | Signpost staff to high quality training opportunities that can form part of 'Our Conversations' and encourage management to invest time in learning commercial skills. |
| 1.6 | Using the 70:20:10 model, support embed commercial acumen using a variety of methods including support resources, Action Learning, setting up informal networks and coaching. |
| 1.7 | Create internal commercial knowledge sharing across services areas and embed a learning culture across teams. |
| 1.8 | Promote strong, professional supplier relationships where parties work together to achieve joint goals and embedding collaborative alliances. Where appropriate explore the benefits of a Behavioural Maturity Framework. |
| 1.9 | Continually test and report on the quality of internal and external commercial advisors including legal, finance, procurement and commercial teams. |
| 1.10 | Ensure contract managers and commissioners are aware of the requirements arising from the Procurement Act 2023 and Provider Selection Regime and ensure suitable training is provided. |
| 1.11 | Use consultants where appropriate to provide innovation and rapid improvement but undertaken in ways where knowledge transfer is at the heart of delivery. |

| Theme 2: Risks Management and Controls | |
|--|---|
| 2.1 | Understand how to robustly test the economic and financial standing of suppliers at point of award and throughout contract delivery. |
| 2.2 | Better supplier management through understanding the markets that we source from and our influence on these markets; designing commercial strategies and contracts that promote healthy markets over the short, medium and long term. |
| 2.3 | Develop a proactive approach to manage supply chain risk and business continuity planning across all strategic and critical suppliers (see risk matrix) |
| 2.4 | Create an early warning positive culture for raising commercial risks and being open and transparent about the suitability of controls and mitigations. |
| 2.5 | For new or complex commercial ideas, develop effective testing and piloting of new approaches to allow for potential risks and legal issues to be identified. |
| 2.6 | Applying the Council's Consultants policy to have greater control and scrutiny on the use and management of consultants. |
| 2.7 | Have clear guidance to ensure appropriate and consistent governance is in place for commercial scrutiny and decision making. |
| 2.8 | Work with services areas that have significant and regular commercial decision making or policies to reduce risk and ensure value for money. |

| Theme 3: Strategic Commissioning and Sourcing | |
|---|---|
| 3.1 | Apply relevant sourcing good practices and the Sourcing Playbook to inform strategic commissioning decisions. |
| 3.2 | Consider alternative models for delivery (i.e., in-sourcing, Community Interest Companies) particularly to address gaps in provision or to reduce risks not just on a contract-by-contract basis but also across service provision. |
| 3.3 | Commissioning decisions to be made with full visibility of the financial costs, customer data and behaviour, the market view, and performance as well as service outcomes, to inform future commissioning strategy. |

Theme 3: Strategic Commissioning and Sourcing

| | |
|-----|---|
| 3.4 | Commercial decisions should be balanced appropriately to factor in specific market segments with resources proportioned to fit with strategic aims and market shaping. |
| 3.5 | Fully consider the social and environmental benefits in our commercial decision making alongside value for money. |
| 3.6 | Utilise the Commercial Pipeline to inform savings and investment opportunities and future business planning decisions. |
| 3.7 | Commissioning to be a co-design process using expertise and data across the organisation to tests ideas, inform commercial assumptions and generate robust options appraisals and business cases. |
| 3.8 | Promote co-production, where applicable, that involves residents, communities and providers working with the Council in designing and developing more effective services. |
| 3.9 | Support the Council's Net Zero ambitions by ensuring a commercial approach to embedding the 'Net Zero by Design' approach. |

Theme 4: Strategic & Sustainable Procurement

| | |
|------------|--|
| 4.1 | We will support the growth of local businesses and the third sector by making procurement spend more accessible by: |
| 4.1.1 | Increasing market engagement through 'meet the buyer' events, procurement, workshops, newsletters and better web pages |
| 4.1.2 | Using procurement approaches that support smaller businesses, for example splitting procurements into Lots (to support decentralisation), considering where procurements should/could be advertised. |
| 4.1.3 | Working with our key suppliers to ensure that their supply chains are as accessible as possible to local businesses and the third sector. |
| 4.1.4 | Exploring the use of speedy payment options for small businesses and the third sector. |
| 4.2 | We will increase the level of social value delivered by our suppliers by |
| 4.2.1 | Using market engagement to identify opportunities for leveraging social value in contracts. |
| 4.2.2 | Using the most appropriate TOMs (Themes, Outcomes and Measures) indicators for each contract. |

Theme 4: Strategic & Sustainable Procurement

| | |
|------------|---|
| 4.2.3 | Providing support and assistance to suppliers through the procurement and contract management process to enable their delivery of social value. |
| 4.2.4 | Learn and develop our approach to maximise the levels of social value delivered. |
| 4.2.5 | Work closely with our colleagues who work in our communities to understand more about their needs |
| 4.3 | We will contribute to the Council's net zero targets by: |
| 4.3.1 | Using market engagement to identify options with reduced or zero carbon |
| 4.3.2 | Considering whether purchases are necessary at all, whether quantities can be reduced or whether we can use of recycled goods. |
| 4.3.3 | Collaborate on the provision of whole life cycle carbon assessments |
| 4.3.4 | Use contracts to monitor and manage carbon emissions through supply chains |
| 4.3.5 | Using award criteria connected to climate change and reducing carbon emissions |
| 4.3.6 | Increasing the use of a whole life costing approach to price evaluation. |
| 4.4 | We will deliver best value outcomes through procurement delivery by: |
| 4.4.1 | Working together to identify opportunities for change and challenge current models of delivery |
| 4.4.2 | Challenging the demand for goods and services and seeking to rationalise core requirements. |
| 4.4.3 | Engaging markets, benchmarking and collaborating where appropriate |
| 4.4.4 | Developing robust contract management actions to ensure that contracts deliver financial and non-financial performance requirements. |
| 4.4.5 | Increasing the use of a whole life costing approach to price and carbon evaluation. |
| 4.4.6 | Working with suppliers to mitigate risks |
| 4.5 | We will ensure that our procurement process is robust, transparent and compliant by: |
| 4.5.1 | Delivering training to budget managers and contract managers |
| 4.5.2 | Establishing and reviewing standard documentation to support a consistent approach to procurement activity |
| 4.5.3 | Reviewing and improving controls to ensure compliance with Contract Procedure Rules and Financial Procedure Rules |
| 4.5.4 | Embedding best practice and regulatory changes as required |

Theme 5: Supplier Relationship Management

| | |
|-----|---|
| 5.1 | Ensuring all contracts valued over £100,000 have a named Contract Manager that is the person responsible for contract management and supplier relationship management. |
| 5.2 | Develop a clear understanding of who the Council's key strategic suppliers are and undertake risks assessment to ensure they are managed effectively. |
| 5.3 | Use accurate and reliable data to robustly understand the market that can inform relationship strategies (i.e. reliance on suppliers). |
| 5.4 | Ensure plans are in place for having better control of the market through either strategic change or commissioning practices. |
| 5.5 | Ensure appropriate training is in place so that Contract Managers can understand how to harness supplier relationships and use these to drive change and value for money. |
| 5.6 | Where appropriate, develop Local Provider pools where we can build relationships with local supplier and provide wrap around services easier. |
| 5.7 | Ensure that supplier engagement is 2 way, ensuring that we understand how to make doing with business with the Council easier and aligning our goals. |
| 5.8 | Periodically, use supplier engagement to drive continuous improvement, technological advancement and business development. |
| 5.9 | Ensure commissioners and contract managers know how to engage with suppliers in a compliant manner during procurement and through contract delivery. |

Theme 6: Contract Management

| | |
|-----|--|
| 6.1 | Ensure contract management and commercial assurance is considered at the start, and throughout, the commissioning and procurement cycle, so that the contract is aligned to the objectives and outcomes of the service delivery. |
| 6.2 | Embed the importance of mobilisation and, where appropriate, the development of commercial mobilisation plans to further develop the interactions between separate organisation to realise mutual project objectives. |

| | |
|-----|--|
| 6.3 | Ensure that the best value identified at point of commissioning is achieved, measured and maintained during the life of the contract (using digital solution where appropriate); and take proportionate action when necessary. |
| 6.4 | Ensure suppliers are engaged and driven to continuously improve the service being delivered from identifying efficiencies and improving outcomes. |
| 6.5 | Explore digital solutions to contract management to allow for the automation, management and tracking of each stage of the contract lifecycle. |
| 6.6 | Develop commercial strategies to resolve contractual disputes and remove bottlenecks to enable continuous improvement. |
| 6.7 | Put in place appropriate policy and process to commercially negotiate price variations and supplier uplifts to maintain value for money and positive outcomes. |
| 6.8 | Utilise national and Cambridgeshire specific tools, guidance and templates to deliver consistency in supplier and contract management (see Tools & Guidance section below) |
| 6.9 | To drive forward social and environmental improvements through working with existing suppliers with long-term contracts. |

Theme 7: Working in Partnership

| | |
|-----|---|
| 7.1 | Explore commercial opportunities with the Combined Authority and the GCP (and others as applicable) to share resources, align strategies to optimise opportunities for value for money. |
| 7.2 | Create a plan to drive commercial good practice through working more cohesively with the ICB, whilst ensuring we can both offer equal choice to our service users. |
| 7.3 | Where joint contracts exist, ensure we have suitable agreements and governance in place that allow cohesive working without risking commercial positions and value for money. |
| 7.4 | Understanding the impact of Provider Selection Regime and how this still ensures commercial good practice and value for money. |
| 7.5 | Work with private sector to explore opportunities to drive innovation and continuous improvement through regular market testing. |

Theme 7: Working in Partnership

| | |
|-----|--|
| 7.6 | Maintain dialogue with and support to the Community and Voluntary Sector to allow them to be well placed to take on contracted services, particularly from high margin private sector suppliers. |
| 7.7 | Communicate with the market on our commercial pipeline; share data and insights to allow markets to mobilise in advance of contracts being procured. |
| 7.8 | Work with our system partners (particularly ICB) to ensure we complement how we contract our services, working with partners to ensure ours (or their) processes do not drive-up prices or reduce quality of service to end users. |
| 7.9 | Communicate to our partners and suppliers the opportunities for delivery of social value in additional to their contracted service provision. |

Tools and Guidance

The following links provide tools and guidance that demonstrate how some of the commercial activities identified in this Framework can be delivered. These links include tools that have been produced externally by the Government's Commercial Function, as well as internal tools developed by the Procurement & Commercial Team.

Internal

Social Value in Procurement Guidance

[CCC Finance and Resources - Social Value in Procurement Guidance FINAL 2023.pdf - All Documents \(sharepoint.com\)](#)

Procurement Guide:

[CCC Finance and Resources - Procurement Guide FINAL.pdf - All Documents \(sharepoint.com\)](#)

CCC Standard Terms:

[CCC Finance and Resources - 5. Contract Terms & Conditions - All Documents \(sharepoint.com\)](#)

Contract Management Toolkit:

[CCC Finance and Resources - Contract Management Toolkit FINAL v3.pdf - All Documents \(sharepoint.com\)](#)

CCC's Contract Management Risk Assessment Guidance:

[Contractual Risk Assessment Matrix Guidance.docx](#)

Commercial Pipeline:

[March-2023-Procurement-Pipelines.xlsx \(live.com\)](#)

Contract Procedure Rules: [Council Constitution - Cambridgeshire County Council](#)

External

Delivery Model Assessments:

[Microsoft Word - DMA-Guidance-Note - suggested updates for Playbook v3 FINAL FOR APPROVAL.docx \(publishing.service.gov.uk\)](#)

The Sourcing Playbook:

[The Sourcing Playbook – May 2021 \(publishing.service.gov.uk\)](#)

Assessing and monitoring financial standing:

[Assessing and monitoring the economic and financial standing of suppliers guidance note May 2021.pdf \(publishing.service.gov.uk\)](#)

Market Management:

[Market Management \(publishing.service.gov.uk\)](#)

Testing and piloting models:

[Testing and Piloting Services \(publishing.service.gov.uk\)](#)

Five case methodology for producing business cases:

[How It Works | Five Case Model](#)

Annual Reporting

It is proposed that a report on progress against this Framework will be produced annually and will be presented to the Procurement Governance Board and Assets & Procurement Committee.

The Annual Report will follow the structure below:

- Headline of key activities and outcomes
- Update on progress for each of the seven themes under the subheadings and identifying any key areas for success as well as areas for improvement.
- An annual survey to key contract managers will be conducted that will provide data to measure progress against activities.
- Periodic sampling of commissioning, procurement and contract management practices to measure progress against activities.

| Success Measure | Activity |
|---|---|
| KPI 2: Number of employees that have completed accredited contract management training. | 1.4, 1.5, 1.2, 5.5 |
| KPI 4: Number of contracts that have undertaken contract management risk assessments. | 2.3, 2.4, 5.2, 5.3, |
| KPI 5: Increase guidance documents and demonstrate impact where possible. | 2.7, 3.1, 5.7, 5.8, 5.9, 6.6, 6.7, 6.8 |
| KPI 6: Level of consultancy spend agreed through the Consultancy e-Form process. | 1.9, 1.11, 2.6, |
| Success evaluation tool 1: Annual commercial skills survey to be sent to all contract managers to inform approach to improving contract management across the organisation. | 1.3, 2.1, 1.6, 1.7, 1.10, 3.2, |
| Success evaluation tool 1: Case studies and sample testing of commissioning, procurement and contract management practices. | 1.1, 1.8, 2.2, 2.5, 2.6, 2.8, 3.2, 3.3, 3.4, 3.6, 3.7, 5.4, 5.6, 5.8, 6.1, 6.2, 6.3, 6.6, 7.1, 7.5, 7.8 |
| Annual Commercial & Procurement Report. | 3.5, 3.8, 3.9, 5.1 6.4, 6.5, 6.9, 7.2, 7.4, 7.6, 7.7, 7.9, |
| Amount of social value achieved | 3.4, 4.2, 6.9, 7.9 |
| Number and value of contracts awarded to businesses and 3 rd sector organisations based in Cambridgeshire | 4.1, 7.6 |
| Number of suppliers signed up to the Council's climate change charter. | 3.4, 6.9 |
| % of waivers submitted less than 5 days before their proposed start date. | 4.5 |

EqlA for Commercial Framework

Action being taken

Which service and directorate are you submitting this for (this may not be your service and directorate)

Directorate - Finance and Resources
Service - Procurement
Team - Procurement

Details of person undertaking assessment

Your name - Clare Ellis
Your job title - Head of Procurement and Commercial
Directorate - Finance and Resources
Service - Procurement
Team - Procurement
Your phone - 01480372345
Your email - clare.ellis@cambridgeshire.gov.uk
Proposal being assessed - Commercial, Commissioning and Procurement Framework
Business plan proposal number - Cambridgeshire County Council

Proposal details

Key service delivery objectives and outcomes - Describe the objectives the service is working towards and the current outcomes being achieved, to give context to your proposal. If this is a new service and these needs/objectives have never been met before, please state this instead of describing the current outcomes.

The Procurement and Commercial Team work with service areas to support their delivery of consistent and high quality approaches to commissioning, procurement and contract management. The Procurement Team was brought in house from LGSS in 2021 and the Commercial and Procurement teams were joined under the corporate restructure in September 2022. Currently the work of the team falls under the Council's Sustainable Procurement Strategy.

What is the proposal, describe what is changing and why - It is felt that the Council needs a framework document that reflects the whole commissioning, procurement and contract management cycle. Both to ensure consistency of approach across the Council and to ensure we can meet our forthcoming obligations under the Procurement Act 2023. To that end a new Commercial, COmmissioning and Procurement Framework has been developed to replace the Sustainable Procurement Strategy.

What information did you use to assess who would be affected by this proposal? e.g. statistics, consultation documents, studies, research, customer feedback, briefings, comparative policies etc -

- The Procurement and Commercial Team works with key stakeholders across all service areas, it is these stakeholders and their teams who will be affected by this proposal.
- Are there any gaps in the information you used to assess who would be affected by this proposal? - No
- Does the proposal cover - Specific teams

Which particular employee groups/service user groups will be affected by this proposal? e.g. all staff in 'X' team, all staff in 'y' location, all customers receiving 'x' service, all customers in 'y' area

- Those colleagues who work in commissioning or contract management roles across the Council, their teams and their managers.
- Does the proposal relate to the equality objectives set by the Council's EDI Strategy? - No
- Will people with particular protected characteristics or people experiencing socio-economic inequalities be over/under represented in affected groups - About in line with the population
- Does the proposal relate to services that have been identified as being important to people with particular protected characteristics/who are experiencing socio-economic inequalities? - No
- Does the proposal relate to an area with known inequalities? - No
- What is the significance of the impact on affected persons? The aim here is to focus your mind on the lived experiences of the people impacted by our decisions, understanding they are part of these people's wider lives. Think about how serious the impact of this change will be, not by itself but as part of wider cumulative impact. For example, disabled people's lives cost more, and disabled people are often poorer, than non-disabled people. So, a cut to a service that disabled people use is likely to be part of a cumulative experience of financial difficulties and challenges to living as full a life as possible
- This is an internal document designed to improve the way in which we commission, procure and contract management all contracts with 3rd parties. In that way, communities generally should see an improvement in the services delivered by 3rd party providers.
- Category of the work being planned - Other – Framework

Identifying impacts on specific minority/disadvantage groups

- Is it foreseeable that people from any protected characteristic group(s) or people experiencing socio-economic inequalities will be impacted by the implementation of this proposal (including during the change management process)? - No

EqlA screening – no foreseeable risk

Provide an explanation as to why this proposal will not have an impact on each of the following characteristic/group of people.

Where the same explanation applies to more than one group you can reduce duplication by referencing against the relevant characteristic/group where that information has already been stated

- Age - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.
- Disability - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.
- Gender reassignment - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.
- Marriage and civil partnership - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.
- Pregnancy and maternity - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.
- Race - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.
- Religion or belief (including no belief) - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.
- Sex - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.

- Sexual orientation - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.
- Socio-economic inequalities - The Framework covers delivery of the commissioning, procurement and contract management cycle, various contracts will be covered by that cycle. Ensuring a consistent approach should improve the quality of the delivery of those contracts.

Approval details

To ensure a robust, respectful, and transparent approval process:

- Please do not enter your own details here, even if you are a Head of Service (or equivalent) or more senior. This is to ensure that someone else reviews your work
- Please do not enter the details of someone you line manage and/or with less authority than you.

Head of service - Tom Kelly

Head of service email - tom.kelly@cambridgeshire.gov.uk

I confirm that this HoS is correct

Assets and Procurement Committee Agenda Plan

Published on 1 March 2024

Updated on 13 March 2024

Notes

The definition of a key decision is set out in the Council's Constitution in Part 2, Article 12.

* indicates items expected to be recommended for determination by full Council.

+ indicates items expected to be confidential, which would exclude the press and public.

The following are standing agenda items which are considered at every Committee meeting:

- Minutes of previous meeting and Action Log
- Agenda Plan, Training Plan and Appointments to Outside Bodies and Internal Advisory Groups and Panels

| Committee Date | Agenda item | Lead officer | Reference if key decision | Deadline for draft reports | Agenda despatch date |
|----------------|---|----------------|---------------------------|----------------------------|----------------------|
| 21/03/24 | Land and Property Strategy | C Ramsbottom | 2024/053 | 08/03/24 | 13/03/24 |
| | Commercial, Commissioning & Contract Management Framework | C Ellis/D Sage | Not applicable | | |
| | Heads of terms for an option and lease agreement for a potential battery energy storage system at Whitehall Farm, Littleport+ | J Macmillan | 2024/031 | | |
| | Procurement of water and wastewater services for Council sites | S Wilkinson | 2024/040 | | |
| | Cromwell Leisure Park+ | J Macmillan | 2024/037 | | |
| | Queen Mary Centre, Wisbech - Lease renewal+ | J Macmillan | 2024/042 | | |
| 18/06/24 | Performance Report | J Wise | Not applicable | 06/06/24 | 10/06/24 |

| Committee Date | Agenda item | Lead officer | Reference if key decision | Deadline for draft reports | Agenda despatch date |
|----------------|---|-----------------------------|---------------------------|----------------------------|----------------------|
| | Mill Road Library Update | J Macmillan | Not applicable | | |
| | This Land | T Kelly | Not applicable | | |
| | Cambridge Biomedical Campus | J Macmillan | 2024/023 | | |
| | Cambridge Shire Hall Update | C Ramsbottom J Macmillan | 2024/047 | | |
| 17/09/24 | Performance Report | J Wise | Not applicable | 05/09/24 | 09/09/24 |
| 15/10/24 | Performance Report | J Wise | Not applicable | 03/10/24 | 07/10/24 |
| 19/11/24 | Cyber Security – Revenue Budget Proposal | J Patmore | 2024/039 | 07/11/24 | 11/11/24 |
| 22/01/25 | Business Planning - Scrutiny and overview of Assets and Procurement Committee proposals | M Hudson | Not applicable | 10/01/25 | 14/01/25 |
| 07/03/25 | | | | 25/02/25 | 27/02/25 |

Please contact Democratic Services democraticservices@cambridgeshire.gov.uk if you require this information in a more accessible format

Future items to be programmed:

Eastnet procurement - 2025