ESTATE MANAGEMENT
STRATEGY FOR
SHROPSHIRE COMMUNITY HEALTH
NHS TRUST

2017-2021
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1. Introduction and Background

Introduction

The Estate Strategy sets the direction and delivery of estate management and property services in Shropshire Community Health NHS Trust. This involves the acquisition and management of suitable land and property, together with upgrading and refurbishment of the estate and a proactive approach to its maintenance. The strategy also encompasses making decisions on acquisitions and disposals where appropriate.

The overall aim of the strategy is:
“**To provide a range of optimal, fit for purpose accommodation and estate across the Trust to support operational and strategic delivery of all services.**”

A core outcome of the strategy is to deliver facilities and estates services in an economic and effective manner in accordance with the Shropshire Community Health NHS Trust Operational Plan.

The culture of the Trust and our values are core to the delivery of the Operational Plan and therefore the Estates Strategy: Our Values:
- **Improving Lives:** We make things happen to improve people's lives in our communities.
- **Everyone Counts:** We make sure no-one feels excluded or left behind - patients, carers, staff and the whole community.
- **Commitment to Quality:** We all strive for excellence and getting it right for patients, carers and staff every time.
- **Working Together for Patients:** Patients come first. We work and communicate closely with other teams, services and organisations to make that a reality.
- **Compassionate Care:** We put compassionate care at the heart of everything we do.
- **Respect and Dignity:** We see the person every time - respecting their values, aspirations and commitments in life – for patients, carers and staff.

Our Values are a statement of how we strive to deliver services on a day to day basis. Living these Values underpins everything that we do for both our staff and the patients that we support.
Our Vision:

“We will work closely with our health and social care partners to give patients more control over their own care and make necessary treatments more readily available. We will support people with multiple health conditions, not just single diseases, and deliver care as locally and conveniently as possible for our patients. We will develop our current and future workforce and introduce innovative ways to use technology.”

Our Vision supports the ambitions of the Sustainability and Transformation Plan, the strategic transformation vehicle for the Shropshire health economy.

We are committed to continue to improve the quality of our services and to continue to work in partnership with colleagues from across the health and care economy to develop and embed new models of care. These commitments have shaped our planning processes and our transformation agenda.

Our Strategic Goals describe the outcomes we are trying to achieve, those being:

- To deliver high quality care.
- To support people to live independently at home.
- To deliver integrated care.
- To develop sustainable community services.

Specifically within the Operational Plan and directly related to the Estates Strategy are:

- Redesign Young Peoples Services – the right estate in the right place.
- Design local integrated Neighbourhood care models – rationalised and appropriate estate.
- Develop new roles and innovative workforce solutions to attract and retain appropriately skilled staff who share our values – where people work is inherent in how we value our staff and enable them to deliver to a high standard.
- Deliver year-on-year efficiency requirements through productivity review and cost improvement – a smaller smarter and harder working estate.
- Implement our Estates Strategy to provide a range of optimal fit for purpose accommodation and estate.
- Utilise Technology to support mobile working and provide care in the community – our estate must enable the use of technology.

The strategy will be supported by an Asset Management Plan that will identify property requirements and set out a structured plan, with realistic timescales for its delivery. This plan will help to determine our key estate priorities and so inform the medium term Capital Building Programme.

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The Asset Management Plan will continue to be informed from a range of information sources on condition, space and usage together with a periodic assessment of future needs linked to the strategic aims of the Trust.

The Asset Management Plan is an assessment of core data and a statement over a typically 5 year period of the Trusts Capital and Revenue priorities and the core data is typical referred to as the 6 Facet Plan which comprises:

Facet 1 - Physical Condition
Facet 2 - Functional Suitability
Facet 3 - Space Utilisation
Facet 4 - Quality
Facet 5 - Statutory Compliance
Facet 6 - Environmental Management

The aim of this property strategy is to maximise the usage and flexibility of our land and buildings resource. Estate assets will be managed in a strategic fashion as a means of 'adding value' to the organisation. Embedded in both the Estates Strategy and Asset Management Plan are Safe, Effective, Caring, Responsive to People's Needs, and Well Led.

The delivery of the Strategy (and Plan) will be led by the Executive Director of Strategy with the support of SSSFT Facilities and Estates Directorate and will be customer focused. Decisions will be evidenced based made on service delivery to and consultation with service users, carers, colleagues and stakeholders in the wider community.

The strategy is owned by the Trust.

**Background**

Since the late nineties the public sector has been urged to think more strategically about their use and management of land and property. Different central government departments have individually developed reports on property use however they all have fundamental themes. These are; the cost of the estate is very significant, space needs to be utilised to the highest possible level and that the estate should meets the needs of the service and not the service be constrained by the estate.

In April 2000 a second, wider ranging and cross cutting document, ‘Hot Property,’ from the Audit Commission, indicated the need to treat property management as a strategic corporate issue for local authorities. It should involve the strategic management of each public sector organisation and justify the holding of property through rigorous review, attention to costs, compilation of accurate management information, increased incentives for users and co-ordinated maintenance programmes. Above all it called for clear property objectives to be
established. The NHS Estates Strategy document incorporates these aims, though confuses strategy and asset plan.

Shropshire Community Health NHS Trust hold a diverse estate portfolio made up of both operational and non-operational buildings. Much of the estate holding is historic in composition rather than by the active management of the estate. Some of it is also old or poorly positioned and estate management decisions have often been reactive rather than planned as there has been insufficient management information and an estates strategy upon which to base long term planning and decision making.

In the past, there has been limited accurate asset management data on which to make strategic or detailed decisions on and our property has often not featured as part of strategic decision making due to lack of clear defined option appraisal work supporting useful and data based business cases.

**Outline Asset Management Plan**

Core assets should be owned. These are assets that are not readily available in the open market and are crucial to Trust service delivery and typically would be expected to be held indefinitely. These are principally inpatient facilities and an assumption is made that the Trust will periodically review what the most useful mix of accommodation is and how it wants to deliver services. This is critical during the current period of dynamic healthcare change and unprecedented financial constraints.

The next level of asset would be expensive and intensive estate that needs to be held for a significant period and generally longer than 10 years. This would be space with extensive clinical areas with supporting functions and both expensive and difficult to replace.

The final group of asset is either relatively easy to find in the open market or lease/purchase and fit out with an ease of disposing without incurring excessive dilapidation or disposal costs. These are general office or community spaces with low levels of expenditure to deliver services from.

The acquisition, disposal and management of land is also core to asset management whether this is to develop longer term objectives, consolidation of services for efficiency or the release of land for housing supporting the central government agenda.

The Trust has over 100 sites and there are many towns and villages where there are other sites owned by sister healthcare organisations plus extensive other public sector property. A core objective should be oversight of opportunities to co-locate, firstly healthcare sector and secondly public sector services as part of a rationalisation agenda. It is recommended that an initial focus is given on the healthcare sector, though not at the detriment of sensible efficiency, but as rapid and achievable outcomes and in line with the STP agenda.
A fundamental platform to the asset management plan is Information Technology. The right IT places services with service users and drives out waste. IT supports greater space utilisation and reduction in estate.

2. Meeting the needs of our service users, carers, colleagues and stakeholders

Introduction

The Estates Strategy is an integral part of the working lives of all our service users, carers and staff. Our estate strategy is to provide, over a period of time, an entirely relevant and useful environment in which to fulfil all of the functions within the organisation. The strategy needs to be able to recognise and adapt to the developing and changing nature of the Trust. It aims to deliver our facilities and estates functions in a clear and transparent manner to all.

We have set the estate strategy to address:

- Operational effectiveness
- Operational efficiency
- Flexibility
- Working with partners
- Taking opportunities

These are the key strategic areas to be considered in providing fit for purpose but adaptable space in appropriate locations across the Trust area.

3. Operational effectiveness

The Operational Effectiveness of our estate can be assessed by reference to:

a) The type of building/property involved
b) Its age and condition
c) Its current state of refurbishment/facilities
d) Its ability to support the business of the Trust/support functions in its current location. Elements of the Trust estate are not in the best location or condition. Our strategy is to assess the estate against a set of relevant criteria and that decisions on retaining, altering or disposing of sites within the estate are made as a result of an annual assessment based on these factors. This will be undertaken either by the SSSFT Facilities and Estates Directorate in direct consultation with service areas or driven by service directorates and then discussed with Executive Directors before adoption by the Trust Board. What is fundamental is the focus on developing efficient models driven by service and service users need and not by the estate itself.

The Estates Strategy will be a dynamic plan focused on the management of land and buildings and be revised on an annual basis which in turn informs the dynamic 5 years Capital Programme.

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The current Capital Programme is constantly under review to ensure that it meets current and future Trust needs. However, to date the Capital Programme has in part been set at the micro scale rather than the macro. The estates strategy driving the capital programme has not been bold, or directly related to improving performance and delivering significantly better service user experience. This strategy is service user centric and focuses on drawing from the full experience of all stakeholders to drive more for less and embedding both the Trusts values. This is a fundamental element to the estates strategy that it must place the service user at the heart of services.

Capital schemes will continue to be assessed by use of a business case in direct contact with service areas to test their appropriateness. Data needs to be collected on the condition, sufficiency and suitability of all of our larger buildings and this has clearly demonstrated where shortfalls in the estate are. However it would be inappropriate to collect granular detail on the estate without taking an overview of the range, age and suitability of the estate and how services could be delivered in a more economical way whilst also developing opportunities with firstly healthcare partners and secondly the greater public estate. Rationalisation and utilisation linked to access to public service are the cores of economic delivery of a smaller and more useful estate. It is accepted that opportunity and priority will vary and impact on the delivery of Asset Management and this is a positive and dynamic driver. What will be new is the utilisation LEAN methodology to focus on service users and driving out waste in all facets of whole life costing and in making the environment increasingly safe.

Our strategic aims are:

- To undertake a rolling programme of reviews of service areas to assess the appropriateness and efficiency of the estate to deliver the service requirements.
- Each review to include the necessity of continual improvement and be service user centred.
- To focus on corporate developments in service areas and ensure that assets are appropriately developed and maintained.
- To maintain and develop the focus on Health and Safety.
- As part of the capital strategy to develop a capital priority classification linked to the Trust Plan and key outcomes. The scoring system will be open and transparent in order that all parties can see that need and output set priorities. As new data and factors become available the capital priority classification should, appropriately, change to deliver the most appropriate matrix for capital delivery.
- To utilise LEAN methodology.

Our long term aim is to provide the Trust with a range of flexible accommodation to meet a variety of needs and that service users get the very best healing environment we are able to provide.
Our strategic objectives are to:

- Make a series of informed decisions on the appropriateness of individual or clustered accommodation. This will be to dispose of properties where, on the balance of our assessment, there is no operational imperative to retain the property or where cost of refurbishment or upgrade outweighs the advantage gained from so doing.
- The continuation of holding stock will be linked to a clear plan of usage into the mid/long term and a careful review of space usage within the property.
- To link the holding of property with the current service models and to challenge and develop the estate dependent on emerging and more useful operating models in line with Best Practice and LEAN methodology by due consideration of both staff and service user pathways.

4. Operational efficiency

Our operational efficiency is linked to effectiveness and is concerned with the way in which estate is utilised and the attendant running costs for the Trust. In extreme circumstances, a very inefficient building will be included in a disposal decision for that reason alone. For general Trust purposes and for normal support functions, the use of space and its facilities are key determinants of efficiency.

Our strategy here will be to plan and encourage:

- The increasing use of open plan accommodation arrangement wherever possible.
- That estate is utilised to the highest possible level and waste is consistently driven out.
- That there is increasingly demonstrable performance in privacy and dignity for service users.
- That estate is a healing and well-being environment.
- That our estate is not only safe but feels safe.
- That risk management is integrated.

Linked to this, we will continue to explore more efficient use of space by considering the use of ‘Hot Desking’ or ‘Agile Working’ and associated shift or other working arrangements to maximise space usage. Consultation will, of course, take place in these situations and approval will be sought on this issue where appropriate. It is important to stress that in no circumstance would changes be undertaken with full consultation, it is change driven by best practice; focus on the service user and their pathway.

It also requires that the functionality of the space meets the operational needs of the Trust. We will aim to ensure that accommodation is fit for purpose. This will be assessed against relevant benchmark models.
To assess and ensure that space is properly utilised and that adequate space is available across the Trust the use of an asset management system is recommended. Currently SSSFT are populating their electronic asset management system with the Trust available data. The foundation of the asset management system are accurate drawings of each building and site, denoting each element of estate under a unique property reference number (UPRN) and setting spend against the UPRN. This linked with other elements creates the Premise Assurance Model (PAM). Currently there is very limited data on the estate and consideration should be given to funding the collection of core information gathering on the estate. It would be preferential to link the SSSFT MICAD system with the Trusts finance system so that reports are accurate on spend per site/building/or use type.

Our strategy is to:

- Survey all buildings in electronic plan form and record the use of each space split into Operational and Non-Operational space. Below this broad split we will breakdown space, categorised by defined use. Condition should be recorded and regularly updated including assessment against changing legislation. The capture of this information will be in line with and inform the ERIC return.

- That the asset management system and MICAD should integrate with the finance systems to automate data and invoicing.

5. Energy Efficiency

Our overall strategy is to make our buildings as energy efficient as possible with a realistic “payback period” for any expenditure incurred for efficiency measures. New buildings will be designed, as a minimum requirement, to meet relevant legislation on energy efficiency. Refurbishment work will include energy efficient lighting. Consideration should be given to energy efficiency of freehold and leased estate as part of any acquisition or disposal strategy.

The Trust is not actively managing energy efficiency to date so a major drive needs to be initiated incorporating:

‘Hard’ controls such as building management systems, controls, LED lighting, voltage optimisation etc.

‘Soft’ controls: people orientated management such as turning lights and computers off.

Within energy efficiency the 4 main areas are:

- Fuel costs
- Water consumption
- Fuel consumption
- Greenhouse gas emissions.

Our current approach to procuring “Utility fuel” is to use a framework. This gives the Trust the advantage of buying on a much greater bulk than we could as an individual organisation. At each renewal point we will reassess and choose the right framework. The Trust does not have either the resource or expertise internally and needs to partner with an organisation that does.
Water consumption is split between paid by metered charges and “rates assessed” charges from water supply companies. Little has been done to optimise the reduction in water use except in our most modern buildings. Our Strategy will be to use industry expertise to assess opportunities to reduce costs and the design of all new buildings will have a focus on sustainability.

Fuel consumption reflects the energy efficiency of property subject to comparable assessment on occupancy. Energy usage will be compared and the least efficient buildings targeted to increase performance. This will be a cross check on energy cost and actual building utilisation.

The use of air conditioning and chiller units is prohibitively expensive and environmentally unfriendly so the use of air conditioning and chiller units will be discouraged unless there is a clinical need proven such as the storage of drugs, or the environment can clearly warrant the need.

The proposed energy strategy will ensure:

- A reduction in energy consumption across the estate by 20% over a 5 year period on a like for like basis on area.
- A partnership with an organisation that has both the resource and expertise to advise on energy and utilities efficiency.
- That all buildings are benchmarked for energy efficiency and that information is compared periodically to identify priority sites for improvement.
- Those energy inefficient buildings are made energy efficient or, where a financial appraisal directs, replaced as soon as possible.
- All capital projects are designed to high levels of energy efficiency and are designed with natural ventilation as opposed to air handling/air cooling or air conditioned systems that may only be used as a last resort and where operational need is proven or climate change data proves a necessity.
- All plant will continue to be maintained regularly to maintain energy efficiency and energy inefficient plant will be identified and replaced as soon as possible and on the basis of whole life costing and value for money.
- Information Technology becomes an integral part of energy efficiency both as part of the ‘green agenda’ and in choice of equipment.

6. Risk Management within the Estate

Generally the risks involved with estate fall into the category of “Business Continuity” or non-compliance with statutory legislation. Operational risks arising from the use of the buildings or accommodation will be dealt with in a short term operational dynamic assessment or as at of a wider service based risk assessment. However some buildings are critical and should be addressed in their own right. Frequently, and particularly in clinical environments, it is the mechanical and electrical components that are business critical. We will assess and address estate that clearly needs action and will continue to assess and address the estate and
other areas of the Trust to increase continuity resilience. This will include an overview of Information Technology.

There are also the elements of building design that reduce health and safety risk. These are partially covered by the Construction and Design Management Regulations. The other significant area is ‘Secure by Design’ i.e. external security of the building. There is an increasing need to ensure that our buildings are secure from unauthorised incursion or terrorism. We will continue to work with relevant experts to design security into new buildings and, over time to review both critical buildings and others to minimise the identified risks.

Our Strategy is:

- To identify critical elements of the estate and potential risks. Then address these as part as a priority within programmes of work to reduce the relevant risk is identified.
- With both continuity planning and risk ensure both are included and embedded in the management of the estate.
- Continue with the strategy of testing mechanical and electrical systems to ensure reliability and set a programme of replacement and/or maintenance through managed planned preventative maintenance.
- Undertake all condition surveys and target planned maintenance work on key areas.
- Ensure all relevant F&E staff are trained to consider risk management and key staff in design areas have ‘Secure by Design’ training.
- Review procurement strategy for consultants and contractors to ensure that the Trust has a pool of trained and reliable private sector organisations to undertake necessary work as instructed off a tendered framework.
- Move to electronic database accessed by the intranet for control of contractors for property issues.

7. Flexibility

Healthcare is evolving and changing constantly. An increasingly aged and infirm population combined with co-morbidities, social pressure and decreased funding in real terms leave Shropshire Community Health NHS Trust with significant challenges. Our estates management strategy must have inherent flexibility to accommodate change.

Our approach to this is twofold. First, we must plan to provide a range of property holdings than can either:

1) Be altered easily to meet changed circumstances or
2) Be able to be flexed up or down in size or
3) Be disposed of where necessary.
4) Are centrally and or accessibly located

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Some of our buildings are old but set within established local communities. Others may not be. Most of these are not easily (or cost effectively) able to be disposed and alternative premises acquired or built.

Many of our more specialist functions have been accommodated in existing premises as a way of managing local capacity without necessarily meeting the need of the function. There should be a move via the Capital Programme to address this. Our estate holdings must continue to be challenged periodically through the continuing estate review exercise.

To underpin the earlier issues of efficiency, we will continue to seek to create flexible space wherever possible. Where there are specialist functions, these will be grouped and housed in the most efficient building designed for their use. In appropriate cases we will use space with partners ring fencing finance firstly within the healthcare sector and secondly the public sector to enhance working with partners and to protect the healthcare economy.

8. Taking Opportunities

Within any strategy, there needs to be the ability to respond to opportunities that arise time to time. These opportunities will be different in nature and have large or small value to us. Taking opportunities has direct relevance to the Trusts strategy on growing its business through new contracts and acquisition.

Similarly, there are opportunities for the Trust to acquire better accommodation. These can be “open market” opportunities, a joint development for mutual benefit, or a collective rationalisation on shared sites with other healthcare providers.

All such opportunities will be assessed against the needs of the Trust and scored against a set of criteria developed for the purpose. This will include an assessment of the real and opportunity cost to us, what it will cost us to pursue an opportunity and the value/ benefit arising from it. This will be set within our framework of Standing Orders and financial regulations. It is however important that we are open to these opportunities as they arise.

Our strategy will be to:

- Develop a set of criteria that can provide an objective assessment for the consideration of potential property holding or usage opportunities across the Trust.
- Develop, over time, a “forward scanning” element to our periodic property holding reviews to gauge where such opportunities might exist.
- Work with partners to develop shared estate opportunities in a positive and pragmatic approach to problem solving.
9. Working with Partners

There are a number of service benefits and efficiencies that can be derived from working with partners. At a time when local government and other public services are encouraged to become more integrated where possible to improve overall services, there is logic to seek mutually beneficial arrangements. This is currently being dealt with under the One Public Estate project however this is not a new idea, it is a sound commercial and practical approach to developing integrated services and cost efficiency.

There are potential opportunities to consider in a number of ways. These can be:

a) Shropshire Community Health NHS Trust using space in a partner’s location.
b) The Trust allowing a partner to use all or part of a trust property.
c) A mutual sharing of a property or land holding.

It is a logical and reasonable step for government funded services to co-operatively pool resources where there are efficiency savings to be made. This includes inviting partners in to work with us, subletting underutilised space and using other agencies space for our own use where it is available and practical to do so. For instance, increasingly, we are seeking out alternatives to the traditional presence and considering alternatives such as council offices or blue light services.

The Trust is working with SSSFT and with other healthcare organisations on a number of joint initiatives which are both innovative and efficient and the focus of sharing and rationalising estate is a lead example of this. This is part of the strategy to delivery comprehensive and co-aligned services to the people of Shropshire and Telford and Wrekin. It is logical that supporting services are reviewed and collocated where possible. This will centralise services, reception staff, rationalise estate, reduce costs and deliver a significant move to single point of service for healthcare in the community. It is a major move to the provision of MCPs (Multispecialty Community Provider) which co-aligns with the emerging neighbourhood configurations and supports the ideal of prevention in the community and reducing pressure on the acute facilities. Financially this will make efficiency savings within the overall healthcare budget by moving away from expensive delivery in acute to community, which is the agenda under 5 year Forward Planning and the STP.

Each of these initiatives does put pressure on our estate for a number of reasons. All tenants have rights and this can reduce the flexibility of the estate. Even minor partnership arrangements involve (on either side) a clear understanding of liabilities and other responsibilities. This will inevitably require legal agreements on usage, maintenance and tenure to be prepared. Consideration should be given to maintaining control over the Trust estate for the benefit of the Trust and being highly mindful of the ever changing alternative models of healthcare. Partners within our buildings will potentially reduce the security of our buildings. This will need to be addressed within any protocol or agreement.

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In each case a cost benefit analysis will need to be instigated to assess the value of each partnership to the overall effectiveness of service delivery. This will include all estimated costs, together with opportunity costs of alternative options where they are identified.

- Our strategy is to build active and positive relationships with partners and share accommodation or develop accommodation for joint economic and well-being benefit.
- To be fully aware of the need to maintain control over the Trust estate so that we can respond to changes in healthcare provision.

10. Meeting the needs of our service users

Within our overall strategy there is a need to recognise that the Trust is part of local and regional communities. This must be integral to our overall approach to property management.

We have therefore set out our strategy to address accessibility of our buildings and this will include:
- Geographic location.
- Relevance to population centres.
- Accessibility by public transport.
- Realistic travel times.
- Disability access.
- Our strategy is to incorporate the needs of our services users as part of estates decisions in a transparent and evidenced manner.
- Supporting keeping patients in their own homes.

11. Accessibility of our buildings to the public

Building will be regularly reviewed for accessibility and the strategy will be to move towards greater accessibility through focus on high priorities and use of the capital programme to facilitate this.

All new buildings will be designed to meet high levels of accessibility in recognition of the requirements of the Disability Discrimination Act and also in the knowledge that as a major service we need to sets high standards in this regard.

A diversity assessment will form part of the estates strategy. Accessibility and security have increasingly to be balanced across our premises. There is a fine balance to deliver to the service users and the general public and make them feel at ease yet also to protect our staff and hold information secure. This will involve planned adaptations based on security assessments and include necessary
barriers and CCTV where appropriate. This will include secure by design as part of the assessment procedure for capital schemes.

Our Strategy here is:

- To continually review our current access provision and provide a structured approach to the improvement of access across the Trust to meet the requirements of the Disability Discrimination Act and develop access initiatives.
- To include diversity assessment within estates strategy.
- In conjunction with Trust security requirements, ensure that access is provided within a clear framework of security needs.
- Provide well designed and functional reception and other public space that properly reflects our need to present an open accessibility to our public.

12. Protecting the vulnerable

Our estate needs to be consistently service user orientated and the facilities and estates services will consistently recognise this whether this is about scheduled maintenance or the design of capital works. Protecting the vulnerable goes beyond fences, gates and other security measures. It is also about an environment that feels safe, secure, relaxed, yielding and supportive. Much of the work that the Trust does is about healing and the environments that we manage must reflect that.

- Our strategy is to actively incorporate an assessment of protecting the vulnerable within the estates planning.

13. Supporting the Strategy

Consultation and Reporting

Our overall requirement for property holding and estate management is driven by the strategic direction for the Trust set by the CEO, Executive Directors and the Trust Board.

Trust strategy and particular reference to clinical strategy linked to know information within the Estates and Facilities Asset Management system linked with the Estates strategy sets the priorities for Capital Programme. Individual and collective need is assessed through the process of business cases.

Consultation

The Asset Management Plan (AMP) continues to be developed on structured consultation within and, where appropriate, outside the Trust. We will continue to assess the property holdings against the Trust structure. In discussions with each service area, the usage of space and alternative options will be undertaken to
inform the future planning process. This is essential when set in the context of LEAN methodology and removing waste.

**Reporting**

Reporting will be to the Executive Team and then Trust Board for approval.

The reports will be concise and clear and aim to provide an improved use of key management information.

Our strategy is to:

- Set out a revised consultation process with formalised briefing to ensure that the Estates Strategy consultation is pertinent and shared with shareholders including agencies, partners and local authorities.
- Maintain the formal reporting structure and Executive Team and Trust Board to receive reports on the Estates Strategy, its development and delivery, including amendments and variations to the strategy no less than annually and that report to tie in with the development of the Trust Annual Plan.

**Asset Management Plan**

The Asset Management Plan (AMP) represents the delivery mechanism of our Estates Strategy. Based on information held in an Asset Management System (MICAD), the Plan will set out a Programme of requirements based on the Strategy. This will form three parts, the Capital Programme, the Revenue Programme and an action plan covering policy, process and review based work for the defined financial year.

The Plan sets a series of priorities for our property requirements. This will identify service needs, matched to the current space availability and condition of our existing estate. The Plan will set our requirements over both the long and medium term, which will then inform the Capital Programme.

The Plan must represent a balanced consideration of need and opportunity. Geographical limitations and other factors may lead to refurbishment rather than replacement in some cases. Similarly, there will inevitably continue to a need to compromise in some areas on the use of space for general policing, specialist functions and support activity.

The Asset Management Plan will be based on referential data on the existing estate and our identified needs into the future. The AMP will form the main basis of internal consultation of significant property issues. It will be updated to inform the budget setting process. It will also become the main supporting document for the Authority in its consideration of the annual Capital Programme. Each element of the AMP will require a business case which builds into cohesive assessment of need, cost and programme.
Clearly circumstances change over time and the Plan will evolve to meet those changes. However, the aim of both the Plan and our Property Strategy is to inject a structure for future investment decisions and a basis to measure progress.

The process or methodology for creating and updating the AMP will represent a continuing challenge to the Trust. Periodic reviews of the amount, condition and use of space across the force should, in line with the Strategy, challenge assumptions and current behaviour. The Authority is unlikely to be able or willing to fund all aspirations. The Plan will therefore aim to be the representation of a practical balance of activity required to achieve the best overall outcome for the mid-term.

Strategically the Asset Management Plan will:

- Set out the retention, development and disposal of buildings within the Trust for a 5 to 15-year period based on projected service need.
- Set out a clear 5 year capital and planned maintenance programme on the basis of known information / key criteria on existing property assets.
- Become the key source document for future internal consultation on priorities.

14. Property Strategy - IT Support

Historically the Trust has failed to develop a sound electronic property database that supports corporate objectives.

The Trust has access to the SSSFT asset management system (MICAD) and the process of populating the database continues.

It is important the key information regarding property holdings and usage is available to managers across the Trust. It is planned that the database is made available on the internal intranet as part of the corporate information.

We will also have to meet Government requirements on Freedom of Information, E Government, and Health and Safety requirements. The strategy will be to:

- In partnership with IT, develop an active Estate IT strategy
- Maintain and populate the Asset Management System.
- Support any corporate or capital programme monitoring system within the Trust
- Continue to make use of the SSSFT hosted drawing office software system and links this with the existing SSSFT Facilities and Estates Directorate electronic databases via a document management system.
- Make useful information to the Trust (and partners) accessible via the intranet/internet.

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• Make available necessary data to discharge our health and safety and other obligations to external contractors online.

15. Maintenance

Planned Maintenance

Planned preventative maintenance should enable the Trust to maintain and extend the life of property assets. Part of Asset Management Plan, informed by the condition surveys, is to structure a range of maintenance to achieve this. Effective planned preventative maintenance should reduce the amount of unplanned, reactive maintenance work currently undertaken on the owner occupied part of the estate.

The Trust’s estate is particularly complex due to the high percentage of leased accommodation and in turn the percentage controlled by NHS Property Services who continue to struggle with statutory compliance and service performance. The Trust need to be assured that planned maintenance is being undertaken.

The SSSFT Facilities and Estates Directorate will manage the identification and progression of planned maintenance and will act as the Trust landlord, concentrating on core infrastructure work.

The Asset Management Plan will incorporate a section for planned maintenance over a 3-5 year period. Covering major roofing, fabric and electrical and mechanical maintenance across the Shropshire Community Health NHS Trust owned estate. For electrical and mechanical work our strategy will set a range of remedial work within the plan to reduce the number of failures that can affect large working areas.

Reactive Maintenance

Our strategy is to assess the relationship with planned maintenance and reactive maintenance to target and reduce unplanned increasing reliability and reducing down time which impacts on clinical functions. As a result, and together with a more defined approach to planned maintenance, it is anticipated that spend can be reduced on less cost effective reactive maintenance.

It is proposed to utilise the MICAD system to allow self-reporting of maintenance issues and track reporting and repair.

Our Strategy is to:

Maintain a 5 year rolling programme of condition assessment on all elements of the estate. The condition of each element, for maintenance purposes, to be set out in 4 priority areas:

1) Immediate - Building failure
2) Urgent - Within 12 months

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3) Non urgent - 12-36 months
4) Low priority - Longer than 3 years (and less than 10).

Maintain a rolling programme of quinquennial condition surveys.
Increase the proportion of planned maintenance spend, compared with reactive maintenance. This will be in accordance with an agreed schedule of works taken from the Asset Management Plan.

16. Environmental Strategy

A new property environmental strategy will be devised, linked to both efficiency and serving our communities. Currently there are a number of initiatives around sustainability that need to be formalised within a clear policy. This has to sit within an overall Trust Environmental Policy.

Typically, over the lifetime of a building the running costs and servicing will often constitute 90% of the whole life costs. On the same scale the design costs are likely to be in the range 0.3 - 0.5% of the whole life costs. Yet it is clear from research that the design process can have the largest impact on the 90% figure. A good design can lead to significant savings across the life of a building. Careful and imaginative designs with a dear emphasis on running cost efficiency should become a key requirement of future design briefs. This will incorporate whole life costing and LEAN methodology for delivering a ‘more for less’ agenda.

Our strategy is to:

- Utilise LEAN Methodology to design better buildings.
- Set clear requirements in future designs on the use of materials and cost effective running costs.
- That whole life costing is considered as part of the overall evaluation of capital schemes.

17. Facilities and Estates Staffing Strategy

There are significant statutory compliance requirements set out in Health Building Notes (HBN’s) and Health Technical Memoranda (HTM’s) and compliance needs a core of highly technical and professional in-house staff to monitor and audit that compliance. There are many additional other compliance issues such as planning, Building Control including fire regulations and Health and Safety.

The Trust has adopted a policy of employing outsourced property consultancy for the delivery of capital schemes either through SSSFT or NHS Property Services. The SSSFT Facilities and Estates Directorate also provide limited internal design and project management capability for intermediate and smaller schemes. The Trust also utilise the expertise of SSSFT’s Facilities and Estates Directorate in
expert property briefing and in developing with the internal client appropriate and useful client briefs that accurately and useful define the needs of service areas. The focus will be on internal project management and constructing design and construction expert teams and competitively tendering capital projects.

A skills gap analysis will be undertaken to ensure that the core expertise is available to the Trust to discharge its legal responsibilities and ensure expertise for project management and client briefing; in both specific project management and technical engineering.

The need for proper support to implement the strategy is important. Relevant skills and new approaches will be required both in house and externally. For our internal staff, training, competency and career development are essential factors in our ability to achieve strategic objectives. Active management of this is therefore an important requirement. This must in turn be clearly linked to an agreed and understood view of both performance and achievement.

Externally, we will look for innovative but cost effective ways of addressing particular issues. Bought in expertise can and should add real value to the delivery of our overall property management service.

**Staffing Strategy**

- To deliver effective and high quality property management services to the Trust using a core of highly trained professional staff and associated support activity.
- To use external professional services in support of major scheme implementation.
- To use very high calibre capital design teams who will be open to LEAN Methodology and are inherently efficiency and change focused.
- Continue to utilise the resources of SSSFT Facilities and Estates staff.
- Assess the practicality of outsourcing the majority of planned preventative maintenance where this improves quality, cost and timely delivery.
- To provide structured training and development of staff linked to competency and personal development.
- Assess the staffing requirements needed to support an energetic asset management plan into the future. This will include project management and specific technical skill areas.
- Define a dear basis for the use of internal and external support to the delivery of the Asset Management Plan and Capital Programme.
- Review periodically the value for money and performance of internally delivered direct labour with the intent of delivering internal services more efficiently and effectively than external providers.
18. Sustainability

Sustainability requires the need to manage and evaluate assets on the Triple Bottom Line (TBL) performance. This being environmental protection, social justice and economic viability and effectively requires planning from one generation to another.

Buildings that show excellence across TBL are likely to be those that are more adaptive of user need and lower value depreciation.

Our strategy is to hold and procure buildings that are:

- Well designed and capable structurally of long life in term of build quality.
- Are flexible, responsive, and adaptable due to loose fit.
- Are sited for maximum accessibility by multimode of transport and are thus locational useful.
- Are efficient in their layout so that they are useful and liked by their users.
- Are high quality and are appreciated and valued by both internal and external stakeholders.

19. Funding the Strategy

Funding the Estates Strategy into the future will be a significant challenge. It is anticipated that any Asset Management Plan will require significant spend to achieve.

The AMP will therefore form a major part of future Capital Programmes.

The current financial plan already makes assumptions about capital expenditure and the resources required to finance it. The key sources for funding are:

1) General Capital grant  
2) Trust Funds  
3) Capital receipts  
4) Borrowing  
5) Direct revenue funding  
6) PFI or similar

Historically there has been limited capital spend on the estate and significant and poorly defined back log maintenance has built up.

Traditionally, there is also a finite limit on the amount of expenditure that can be spent practically in a financial year. We will continue to plan capital spend in this way and balance our funding requirements cross the period of a programme.
It is likely that, in order to achieve delivery of the Plan, our capital investment will need to increase substantially. This must be set in a context of limited capital resources which is currently very minimal.

The effect of this will be to require the Trust to take some decisions on investment during the course of delivering the AMP. For this to be successful all proposals will need to be set out clearly in financial terms, together with options and, if necessary, alternative approaches. This will be implemented as part of both the project management and authorisation process.

There are some alternative ways of funding capital schemes. These include partnership approaches, PFI and lease, and sale and leaseback. These may be considered however experience has shown that, in particular PFI is a costly route that creates a long term commitment to delivering a service with highly limited flexibility. Similarly, lease / leaseback provides a capital source but also involves a long term revenue commitment and reduction in flexibility.

True partnership approaches can give joined up and economic shared development costs. Shared developments tend to be slower to reach completion and require some care in identifying the relative assets and the ongoing revenue costs commitment but represents a valid opportunity to be considered. Such consideration should make sure that in so doing our priorities are not distorted or delayed.

Our Strategy here is:

- To continue to plan for capital spending and it’s funding over a programme period, taking into account known resources.
- To enable the Trust takes clear priority decisions on capital investment opportunities.
- Where possible, investigate alternative opportunities for funding sources, provided that in so doing our overall priorities are not distorted.
- To ensure that all proposals are properly costed and that options and alternatives are included for capital investment decisions.

20. Summary

The Estates Strategy should make a major contribution to the delivery of national and local healthcare objectives by the effective and efficient management of the Shropshire Community Health NHS Trust. The property resources and assets held by the Trust are second only to our personnel and must align and directly support the business of the Trust.

Our strategy sets out to deliver an estate that enhances the day to day work lives of all service users, carers, staff, stakeholders and our communities and will amend and improve the estate over time.

Author: Robert Graves, Director of Estates and Facilities
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The Strategy, supported by the plan will be dynamic in that it will seek to gauge future requirements and allow senior managers to make property management decisions on known referential data about the estate.

The Trust should only hold estate that supports the business of the Trust and validity of holding estate should be regularly challenged for efficiency and relevance. The Asset Management Plan will be the transactional outcome of the Estates Strategy.

Significant challenges will be the reducing real time funding and the consequent variation in service delivery models of healthcare and central government focus.
21. **APPENDIX 1**

**Asset Management Plan - Key Actions**

1. **Management Arrangements**
   - Define responsibility for property holdings and ensure that property decisions are made at policy level in order that they are implemented.
   - Set up review of property holdings and property running costs.
   - Use incentives to persuade users to improve utilisation and control of property running costs.
   - Set out property management responsibilities.

2. **Property Ownership**
   - Identify all property owned (or otherwise controlled), together with location, size and use.
   - Define criteria and measure the use of direct service property.
   - Survey the condition of the stock.
   - On the basis of condition and usage, provide a plan for continuing ownership or disposal.
   - Prepare a 5 year maintenance plan taking account of the age profile of the stock.
   - Ensure that service areas are charged the opportunity cost of the tenanted service property and vacant property.
   - Ensure that surplus property is not used for some other purpose without prior agreement of the Director of Facilities and Estates.

3. **Property Running Costs**
   - Define costs centres for each (major) building.
   - Produce regular and timely cost data that can be linked to non-financial data to facilitate performance measures.
   - Ensure that different cost elements (cleaning, maintenance, energy etc.) are separately reported and that the information is available to building users.
   - Produce league tables of unit costs for buildings.
   - Identify programmes to improve efficiency in respect of energy, cleaning, maintenance etc.
   - Review the rateable value of property holdings.

4. **Property Review**
   - Institute a programme of reviews on either a service or an area basis or both.
• Bring information on utilisation and property running costs into the review process.
• Ensure that such reviews are undertaken by staff of sufficient seniority to speak and argue for their area of service
• Ensure that these reviews are short and focused.
• Ensure that users are aware of the opportunity value of their sites where these are significantly higher than the present use value.

5. Tenanted Property
• Define a rationale for holding tenanted property.
• Categorise the portfolio according to the objectives for which it is held (operational value, significance).
• Make explicit the costs of services delivered indirectly through the provision of tenanted property.
• Value the investment portfolio, if applicable, to determine the rate of return being achieved.
• Examine the need to invest in tenanted property to improve performance.
• Ensure that rents are reviewed on the due dates.

6. Capital Programme
• Define the parameters for the Capital Programme in context with service delivery.
• Ensure that all stakeholders are fully consulted in order that cross cutting measures and savings can be made.
• Set a 5 year Capital Programme.
• Identify all sources of funding and potential funding partners, PFI or lease back arrangements.
• Link the Capital Programme to the Trust Business Plan.
References

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- Local Estates Strategies – A framework for commissioners 2015
- Implementing the Forward View – February 2016
- NHS Premise Assurance Model 2016
- One Public Estate 2016
## Estates Strategy 2017-2021

**Excellent care at the heart of our community**

### Strategic Goals
- To deliver high quality care
- To support people to live independently at home
- To deliver integrated care
- To deliver sustainable community services

### Strategic Priorities
- **Getting to ‘Good’ and Beyond**
  - Safe, Caring, Effective, Responsive, Well-Led
- **Building our 5 year Plan**
  - Sustainability and Transformation Plans (STP)
- **Implementing Electronic Patient Record**
  - Optimising the use of technology

### Aim
- To provide a range of optimal, fit for purpose accommodation and estate across the Trust to support operational and strategic delivery of all services.

### Meeting the needs of our population:
- High quality facilities that are accessible relevant and geographically positioned with consideration to population bases, public transport and supporting independence.

### Transformation Priorities
- New models of care will require consolidated and appropriate estate
- Sustainability, energy efficiency and environmental policy
- More efficient ways of working optimising effectiveness and efficiency inclusive of flexible working and supporting mobile technology
- 5 year forward view, Carter Report, STP and OPE agendas – a smaller and more productive estate

### Key Deliverables
- Efficient and safe environment
- Smaller and more relevant estate accessible to the community
- Year on year efficiencies through rationalisation, redesigning staff and patient pathways, sharing with partners and delivering less waste.
- Excellence in Estates compliance, PLACE and ERIC

### Improving Lives in Our Communities
- Estate Wide Transformation
- Shared Strategy for Change
- Environmentally Sustainable
- Rural and Urban Access
- Improving the Clinical Environment of our Services
- Consolidated and Rationalised Estate
- Safe and Healing Environment
- Getting it Right for Patients, Service Users and Carers