

Meeting of:	Cabinet
Date of Meeting:	Monday, 05 July 2021
Relevant Scrutiny Committee:	Corporate Performance and Resources
Report Title:	Corporate Asset Management Plan Annual Update
Purpose of Report:	To provide Cabinet with an update on performance against the Corporate Management Plan (CAMP) 2019-2022 targets.
Report Owner:	Report of the Executive Leader and Cabinet Member for Performance and Resources
Responsible Officer:	Rob Thomas, Managing Director
Elected Member and Officer Consultation:	<p>Legal - Committee Reports</p> <p>Head of Policy & Business Transformation</p> <p>Operational Manager, Accountancy</p> <p>Operational Manager, Property</p> <p>Operational Manager, Regeneration</p>
Policy Framework:	This is a matter for Executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • The report communicates the progress made throughout 2020/21 against five objectives and additional targets contained within the Corporate Asset Management Plan 2019-2022 (more specifically detailed in the table at Appendix A). • The report also provides Cabinet with an overview of the work that has been undertaken in relation to property assets following the outbreak of the coronavirus pandemic. • The COVID-19 pandemic has meant that some actions have had to be delayed however others have been accelerated to reflect the urgency of certain asset related decisions. New work streams and projects have been established to respond to the specific requirements associated with the pandemic as they have arisen. 	

Recommendations

1. That Cabinet notes the progress made against the targets set by the 2019-22 Corporate Asset Management Plan as described in this report and Appendix A.
2. That Cabinet also notes the work undertaken in response to the COVID-19 Pandemic, specifically in relation to how the Council's property assets have been utilised in response to the same.
3. That Cabinet refers this report to Scrutiny Committee (Corporate Performance & Resources) for their consideration of progress against the targets set out in the Corporate Asset Management Plan.

Reasons for Recommendations

1. To update Cabinet as to progress made against the Corporate Asset Management Plan 2019-2022 targets.
2. To update Cabinet as to the work undertaken in respect of the response to the pandemic and how the use of property assets has been key in the Council's response.
3. To enable the Committee to consider the progress against the Corporate Asset Management Plan and provide any comments back to Cabinet.

1. Background

- 1.1 The Corporate Asset Management Plan (CAMP) 2019-2022 was produced in consultation with officers from across the Council's various departments. It sets out the strategy and methodology for managing the Council's land and property assets.
- 1.2 The CAMP 2019-2022 reflects the need to ensure a co-ordinated approach to asset management together with greater collaboration and the efficient, effective and sustainable use of land and buildings in line with the Council's obligations pursuant to the Wellbeing of Future Generations Act (Wales) 2015.
- 1.3 The overall aim of the CAMP is to set out the strategic framework for realising the Council's Property Strategy from 2019-2022. It sets out the methodology for managing the Council's land and property assets to ensure that they are suitable and sufficient to facilitate the delivery of Council services. The efficient, effective and sustainable use of our land and buildings assets is imperative in this regard.
- 1.4 In 2015, the outcome of an external consultant's review of the Council's Asset Management processes and systems was reported to Cabinet. The report concluded that the Estates Team was "well organised and officer's knowledge of the estate and accompanying property systems was robust" and in the consultants' experience, "better than many comparable public sector organisations". They went on to state that the "Estates team operate a lean and

efficient department and have good property management systems and tools at their disposal”.

- 1.5 The Consultants' review found very little to recommend in terms of improvement, however a few key opportunities were identified as part of the review and it is those opportunities which the Estates Team have been progressing since this time.
- 1.6 The 2015-2018 CAMP therefore included a set of targets which reflected not only these priority actions, but also included additional targets identified by the team as being key areas for considering over the course of the plan.
- 1.7 The latest CAMP (2019-2022) updated progress on those actions and also recommended that further updates be reported to Cabinet during the course of the plan.
- 1.8 As Cabinet will be aware, the Insight Board was set up to assist with integrating Business/governance/planning practices to support the delivery of the Corporate Plan and secure continuous improvement across the organisation. The Insight Board replaced a number of existing working Groups, including the Corporate Asset Management Group. Any recommendations or requests that would have required the approval and/or consideration of the Corporate Asset Management Group, are now considered by the Insight Board. The Insight Board has been consulted on this report and the progress on actions referred to in Appendix A. The Operational Manager (Property) is a member of the Council's Insight Board and leads on the standing agenda item relating to Asset Management.

2. Key Issues for Consideration

CAMP 2019-22 Update

- 2.1 The way we manage our land and property assets has a direct impact on the services we provide, and the CAMP seeks to ensure that we achieve the optimum use of our property assets whilst supporting service delivery across the Council. It is not just about saving money; it is about ensuring that we achieve the maximum efficiency from our assets and have the right assets in the right place at the right time. The CAMP therefore contributes to the ongoing change and improvement activity underway across the Council.
- 2.2 The CAMP sets out a series of objectives, with actions and targets associated with each. The objectives of the CAMP are:

Objective 1: To ensure an efficient, effective, and sustainable use of land and buildings to deliver fit for purpose property to support the Council's service delivery.

Objective: 2 To identify and pursue opportunities to generate capital receipts and income opportunities from the disposal or lease of surplus property.

Objective 3: To ensure that Premises Managers / Duty Holders manage Council assets so that they comply with appropriate statutory, regulatory, and corporate standards, and are maintained to an appropriate level.

Objective: 4 To ensure that all asset information held is in a user-friendly form which is accessible to service users.

Objective 5: To work in partnership and collaborate with other public sector bodies within the Vale of Glamorgan to achieve efficiencies in service delivery.

- 2.3** Appendix A provides Cabinet with an update for the 2020 year in relation to each of the actions/targets associated with the five objectives of the CAMP. Cabinet will note that the progress is described against each, including a description of the outcomes achieved and any remedial actions that are planned to be taken.

Update on Land & Property During the Pandemic

- 2.4** The move to home working and mechanisms to protect staff whilst at work was an important initial response to the COVID-19 pandemic which the property section has been heavily involved in from the onset of the pandemic.
- 2.5** This has continued over the course of the pandemic where the team have supported critical services to continue services in appropriate office settings where absolutely necessary.
- 2.6** As we have moved through the pandemic, the Council has continued to review its organisation and workforce requirements, which will inevitably have a knock-on effect to our future asset strategy. Consideration of these impacts and likely consequences is ongoing.
- 2.7** The Council's property section and the portfolio of buildings it manages has been instrumental in ensuring that the Council's workforce that have had to attend the offices during the pandemic have remained safe in their work environment during the COVID-19 Pandemic. During the early days of the Pandemic, the Team undertook a range of activities including preparation of office accommodation guidance, risk assessments, social distancing plans and signage. This enabled service managers to properly plan how their key priority workforce could safely conduct their functions. This work was undertaken for corporate office accommodation, but also to assist colleagues at a range of sites including social services buildings, economic development/country parks settings, libraries and public reception areas. The team also supported the establishment of new services, such as the distribution of PPE. The way the Council utilised office accommodation during the Pandemic changed overnight, with the onset of home working for a lot of our workforce. The lessons learnt from this experience, will be instrumental in planning the way the Council utilises its office accommodation in the future.
- 2.8** The property team have been working closely with colleagues from both the Department of Health & Social Care (Welsh Government) and Cardiff & Vale

University Health Board to enable the Council's property assets to be utilised for Local Test sites, Mobile Test Sites and Mass Vaccination Centres. This work was undertaken at pace and involved significant input from officers across the Council. The relationships that have developed with colleagues across the public sector during this time has been very positive and opportunities for other asset related collaboration will be considered and reported on, as and when appropriate.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** Long Term: Assets and built property have an impact upon each of the wellbeing objectives through the use of accommodation to support and enable service delivery. The wellbeing objectives are embedded within both the Wellbeing and Corporate Plans which, as the strategic documents for the Vale of Glamorgan Council, set the direction of travel and inform the Council's asset strategy accordingly. The CAMP 2019-2022 sets out a summary of how assets are used to support the Council's Well-being Objectives in the longer terms. Examples include the use of Council owned land or acquiring third party land to support the objective of increasing the number of sustainable, affordable homes, utilising land assets around Cardiff Airport to maximise and promote economic growth, inward investment and employment opportunities etc.
- 3.2** One of the aims of the CAMP is to contribute to improving energy efficiency across our corporate property estate and aims to ensure that the Council continues to use property and land assets in a sustainable manner
- 3.3** There are a number of examples where the Council's work and use of assets have considered the implications on our partners' objectives and taken decisions which enable both the Council and partners to progress these. Over the last 11 months or so, collaboration with the wider public sector has been significant and has reaped many benefits from an asset point of view. There have been many examples of where the Council's assets have been used to support our partners and delivery public services for the greater public good. Collaboration in its best form has been demonstrated clearly over the last year in response to the pandemic. In addition, there are other examples of other collaborative projects (outside of the pandemic response) which are being actively pursued in relation to the Councils and Public Sector partners property assets, where there is a clear regeneration benefit in working together for the benefit of the wider community need. The Council has taken the lead on re-enforcing links with our partners on the Public Service Board from an asset management perspective and has re-established the PSB Asset Management Group. Membership of that Group (Chaired by the Councils Operational Manager for Property) includes representatives from NHS/UHB, South Wales Fire and Rescue, Natural Resources Wales and South Wales Police. In addition, The Councils community asset guidance and Policy was developed to ensure that communities are involved when asset opportunities present themselves for possible asset transfers.

- 3.4** The proposals in this report are aligned to the Council's Corporate Plan (2020-25) and the CAMP describes how property decisions will contribute to the successful delivery of the Council's well-being objectives.

4. Resources and Legal Considerations

Financial

- 4.1** Officers continue to review our asset portfolio to determine opportunities to make the property portfolio more efficient. Whilst our portfolio is extremely lean, there are always opportunities to consider further efficiencies, especially in the light of new ways of working and as our workforce moves to a more agile way of working.
- 4.2** As property/accommodation review continues, further opportunities will arise to make better use of the Council's remaining property portfolio. This may result in disposal opportunities (subject to Cabinet approval) and further movement of office-based staff within buildings. It may also provide opportunities to "share" accommodation with other public sector organisations providing potential savings for the Council. By further adopting a more commercial approach to asset management, opportunities for income generation will also develop further.

Employment

- 4.3** There are no direct employment implications as a result of this report.

Legal (Including Equalities)

- 4.4** Disposal of any property assets identified as a result of any future asset review and recommendations will be subject to the Council's statutory and fiduciary duties pursuant to S123 of the Local Government Act 1972.

5. Background Papers

[Corporate Asset Management Plan \(valeofglamorgan.gov.uk\)](http://valeofglamorgan.gov.uk)



APPENDIX A: 2020 ASSET MANAGEMENT PLAN ACTION PLAN TARGETS UPDATE

Objective 1: To ensure an efficient, effective, and sustainable use of land and buildings to deliver fit for purpose property to support the Council's service delivery.

Action / Project	Original Target	Completion Date	2020 Progress / Outcome	RAG Status
To review and improve the SAMP questionnaires and send out to all services.	Review all SAMP's by October 2019	Dec 2021	The COVID 19 Pandemic has stalled the work on Service Asset requirement consultation. Instead the Estates team refocused on ensuring workplaces were COVID secure and the property response to the pandemic. The pandemic has forced significant changes in the way that services operate and deliver their services. This has ultimately had a knock-on effect to how the workplace requirements will look into 2021/22. As the future becomes clearer the work on Service Asset requirement consultation will now be prioritized and consultation with service areas will commence in order to understand the accommodation requirements of the organization moving forward. The move towards more agile working and the work being undertake on co-working locations and Hub locations within our office accommodation portfolio and the wider public sector, together with this consultation with service areas, will inform our overall Corporate Asset Management going forward.	

			The completion date for the collection of data is to be revised to Dec 2021.	
To carry out a yearly review of performance against the CAMP action plan.	Yearly review July 2020	June 2021	For the reasons referenced above, the annual review of the Corporate Asset Management Plan was delayed from July 2020 due to the re-prioritising of staff time during the pandemic. Priorities shifted out of necessity to ensure workplaces were managed in a way that was COVID secure and the Estates team focused on supporting services in providing timely and specific advice around their buildings to ensure the Council's property was used in a COVID-secure way. This has been an incredibly busy time for the Estates team, however extremely fulfilling to know that we have been assisting key services continue to serve our communities in a safe way. However, on a positive note, the reporting delay has allowed additional progress to be made on key schemes which will be reported against the relevant sections below.	
Asset review by Service / Geographical area.	Identify opportunities to generate efficiency savings & rationalise our portfolio	Feb 2020	Representatives from Estates, Economic Development, Planning and Legal have come together to review land and property assets owned or managed by the Council on a ward by ward basis. Assets within the St Brides Major and Cowbridge Wards have been evaluated with a number of assets identified for further investigation or action. Llantwit Major Ward was due to commence following on from the two wards mentioned above, however this has been delayed due to recent events but will be progressed as soon as practical. The process of review and evaluation of the Councils assets has been undertaken on a larger scale over the last few years for all Education, Social Services and	

			<p>Housing assets. A number of these assets have been declared surplus to requirements and disposed of as a result of the asset review in recent years. A number of small, non-operational Housing land assets have been declared surplus during the last 12 months.</p>	
<p>Establish a Re-Shaping Assets Programme to co-ordinate the work on assets that align with the strategic objectives of Re-Shaping Services programme.</p>	<p>Set up Assets Programme Board</p>	<p>June 2019</p>	<p>The reshaping assets board has been established and meets regularly to consider the future use of the Council's land and property assets. In appropriate circumstances the Council's assets have the potential to provide revenue returns when utilised for commercial opportunities as well as capital receipts through disposal. This programme is complementary to the work underway within the Income Generation and Commercial Opportunities Programme, with synergies and linkages made between the programmes.</p> <p>The purpose of the Board is to ensure efficient oversight and monitoring is given to Reshaping Services projects relating to assets, in order that they may contribute to the Council's Reshaping Services aims and objectives. The scope of the board includes disposals, community asset transfers and revenue generation.</p>	
<p>Space Project Phase 3</p>	<p>Rationalise corporate office accommodation</p>	<p>Ongoing</p>	<p>Desk Occupancy studies were completed in the Docks and Civic Offices. The results have been collated and are currently being reviewed with colleagues from the Business Improvement team. As office based staff have been working predominantly from home due to the Pandemic (and continue to do so) it was felt that it was not the right time to</p>	

			<p>initiate the further phase of the occupancy studies at the Alps offices as the results would be meaningless.</p> <p>Work is underway to evaluate what the Council's workforce requirements might look like post COVID-19, and what impact that will have on future accommodation requirements and strategies.</p>	
To continue to decrease our energy costs and carbon emissions	Provide measurable reduction for reporting purposes with a target of 3%	During the life of the Carbon Management Plan	<p>CO2 emissions relating to our buildings and street lighting reduced by 5.17% in April 2020 compared to the previous year. The current years' figures will not be finalised until April 2021, however projected CO2 savings are -10.47%. This projected CO2 saving has been predominantly been achieved as a result of active management of our property portfolio together with the partial closure of buildings due to COVID-19.</p> <p>Some of the energy saving projects planned for schools during the first half of 2020 stalled as supply chains and contractor working practices adjusted to the pandemic. However, installations recommenced in school settings during October Half Term 2020 with further projects delivered during the Christmas holiday period 2020. The Council's Climate Change emergency declaration together with the Welsh Government's announcement that public sector organisations are to become carbon zero by 2030, requires that energy reduction projects and initiatives need to be expanded and deployed faster than previously planned. A new programme for installations is being developed currently and further opportunities in relation to our land holdings explored in order to assist the Council meet its Carbon reduction commitments. Corporate</p>	

			building energy reduction is just one element of the Council's overall strategy for reducing its energy consumption.	
Consider termination of leases at expiry or on break dates.	Identify opportunities to reduce number of leased in properties.	Ongoing	The lease held by the Registrars service at West House in Penarth was relinquished and the service consolidated into existing accommodation. Revenue savings in respect of rental and utility costs were achieved. The Council has a very small leased in estate (having previously surrendered/disposed of the majority of leased in properties previously). Opportunities for further rationalization in this area will therefore be minimal. It is proposed therefore, that this action be removed from the annual update and any opportunities for further consolidation of the leased in estate be dealt with as business as usual.	

Objective: 2 To identify and pursue opportunities to generate capital receipts and income opportunities from the disposal or lease surplus property.

Action / Project	Target	Anticipated Completion Date	2020 Progress / Outcome	RAG Status
<p>Identify underperforming / inefficient assets which, following an options assessment could be made surplus.</p>	<p>Identify buildings for disposal / transfer</p>	<p>During the life of the plan 2019-22</p>	<p>The area asset review work has highlighted opportunities for disposal and/or other opportunities for consolidating the Estate. Due diligence exercises have been progressed for any such opportunities and once completed, have been reported to Insight Board and Cabinet thereafter. Where freehold disposal is not the preferred option, leases/licences have been recommendations order that revenue generation or community benefit can be developed.</p> <p>Some key updates to note are:</p> <ol style="list-style-type: none"> 1. Tourist Information Centre, Barry Island – accommodation has been let as an office / conference venue. 2. South Lodge, Penarth - the underutilised asset was marketed successfully by the property team and a preferred bidder established. Planning consent has been secured for the required change of use and lease negotiations ensued. The Lease to Fablas has now completed and work will commence shortly on the Tenants refurbishment. 3. New catering concessions - new sites have successfully been granted planning permission at Barry Island, Llantwit Major Train Station and Romilly Park Barry and have been successfully 	

			<p>tendered. The new concessions will commence trading in the 2021 season.</p> <p>4. The Kymin, Penarth – Cabinet approval was obtained to market the house and part of the grounds. Marketing has been completed with bid proposals returned. Bid proposals are currently being assessed by the Project Team.</p>	
Progress the disposal of the key disposal sites.	Identify opportunities	During the life of the plan 2019-22	<p>The disposal of the following assets will generate capital receipts and/or reduce the Council’s revenue liability. The timescale for receipts is dependent on market and outside influences such as the planning process. A few examples of key disposals that have completed since 2019 are set out below:</p> <p>1. Good shed, Innovation Quarter Barry - The redevelopment scheme was granted planning consent and the lease completed with the facility opening during 2020. The Development achieved the inaugural Ystadau Cymru Award in 2020 for best project in Wales in the “Creating economic growth” category. This award was given to a project which demonstrated how a public sector organisation have used their estate to create economic growth such as the creation of jobs, homes and business opportunities. This project also was awarded best overall winner across all 6 awards categories. The project was an excellent example of partnership working across the public and private sectors.</p>	

			<p>2. Llantwit Major Youth Centre – the lease to Glamorgan Voluntary Services has been completed. The building will be used for a range of community and other complimentary uses such as small start-up offices for business.</p> <p>3. WVICC, Llantwit Major – The lease to Glamorgan Voluntary Services has been completed. The building will be used for a range of community and other complementary uses such as a nursery.</p> <p>4. Nells Point Former Toilet Block – the lease has now been completed. Planning consent is outstanding, however it is hoped that the developer will achieve a beneficial consent in the coming months to allow development of the Restaurant scheme to progress as soon as possible.</p> <p>The following assets are currently being Marketed:</p> <p>5. South Lodge, Penarth – As outlined above in previous section.</p> <p>6. Kymin, Penarth – As outlined above in previous section. Bids are currently being assessed by the project Team.</p> <p>The following assets are currently subject to contract negotiations:</p> <p>7. Southern Development Site, Barry Waterfront – Detailed Contract negotiations are currently ongoing and are reaching final stages of negotiations, in respect of the proposed lease of land to Cardiff and</p>	
--	--	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

			<p>Vale College. This exciting proposal will see a new College Campus constructed in the Waterfront.</p> <p>8. Land at Cardiff Airport – As above, but for the airport site.</p>	
--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

Objective 3: To ensure that Premises Managers / Duty Holders manage Council assets so that they comply with appropriate statutory, regulatory, and corporate standards, and are maintained to an appropriate level.

Action / Project	Target	Anticipation Completion Date	2020 Progress / Outcome	RAG Status
AssetManager to support Compliance monitoring of key compliance data.	Duty holders to upload all compliance data to AssetManager	During the life of the plan 2019 - 22	The compliance team have up-loaded all documents to the Asset Manager system as surveys have been completed and new documentation received. This work will support the management of assets going forward and ensure that the Council holds up to date statutory compliance data for our assets.	

Objective: 4 To ensure that all asset information held is in a user friendly form which is accessible to service users.

Action / Project	Target	Anticipated Completion Date	2020 Progress/Outcome	RAG Status
To roll out user access of IPF's AssetManager Database, and to ensure that all data held within it is in a user friendly format.	AssetManager access available for use by all relevant Council officers	During life of plan 2019-22	Access has now been rolled out to all relevant officers who have requested access, together with all schools to ensure that remote and immediate access to school asset records can be achieved by the schools nominated representative. As the majority of this work has been completed, and any new requests will be undertaken as "business as usual" by the team, it is proposed to remove this target from the annual update.	

Objective 5: To work in partnership and collaborate with other public sector bodies within the Vale of Glamorgan to achieve efficiencies in service delivery.

Action / Project	Target	Anticipated Completion Date	2020 Progress/Outcome	RAG Status
To seek collaboration opportunities with local public sector organisations	Continued commitment to Local Service Board	During life of the plan 2019-22	<p>COVID-19 has required public services to collaborate on a larger scale and at a faster pace than ever before.</p> <p>Collaboration with Cardiff and Vale University Health Board, the Department of Health and Social Care and Public Health Wales has seen the rapid deployment of Local Testing Centre sites/Mobile Test sites and Mass Vaccination sites on Council owned land or within Council buildings. Examples of which are Colcot Local Test Facility, the Mass Vaccination Centre at Holm View Leisure Centre and the temporary Mobile Test site that was deployed at pace at the Town Hall in Barry. The Estates team worked with colleagues across the public sector on timebound projects throughout the pandemic which saw public sector collaboration at its best.</p> <p>Staff displaced from Barry Hospital were accommodated within a Council building to ensure continuity of service as their own accommodation was re-purposed as a result of the pandemic. Again, this project was led by the Estates team and delivered at pace.</p> <p>A dedicated PPE hub has been established at the Civic offices in Barry which has enabled PPE equipment required by both the Council and private care providers</p>	

			<p>to be delivered to a location convenient to those located within the Vale of Glamorgan and distributed centrally. Office accommodation was repurposed for this hub together with additional storage capacity being brought in to support this function.</p> <p>In addition to the work done in response to the pandemic, there are other collaborative asset projects ongoing with colleagues from the NHS/UHB where synergies can clearly be made between compatible uses and for the better master planning and economic regeneration of an area. One notable example of this is the project currently being progressed at the Gladstone Road Compound site. A collaborative approach to asset management is being proposed, with an overall goal of achieving a high quality, Master planned synergistic public sector housing development and a new clinic facility.</p>	
<p>To work with key public sector partners and appointed consultant to deliver Asset Collaboration projects.</p>	<p>To identify buildings where accommodation can be shared or reduced through collaboration</p>	<p>Recommendations report presented to WG by April 2019</p>	<p>The Operational Manager (Property) has recently been elected Vice Chair of the Board of Ystadau Cymru which is a Welsh Government led initiative aimed at encouraging excellence in active management of the Welsh public sector estate through strategic collaboration and preparation of good practice guidance. A report highlighting opportunities on a regional basis was commissioned by Ystadau Cymru (Cardiff and Vale Regional Assets Group). The Report outlining opportunities was concluded and recommendations were reported to the Reshaping Assets Board and Insight Board. All key partners continue to promote the use of e-PIMS (WG database of publicly owned assets) whilst ensuring that surplus assets are identified in a timely</p>	

			manner to alert partners of their availability and potential opportunities for collaborative working.	
--	--	--	-------------------------------------------------------------------------------------------------------	--