

Appendix A

City and County of Swansea

**Asset Management Plan
2017/21**

INTRODUCTION

The City and County of Swansea's current Asset Management Plan was a simplified version of an Asset Management Plan covering an extended 4 year period 2013/17, it set out a very broad framework of high level asset management initiatives that sits alongside separate documents relating to HRA assets/ stock and Highways/ Infrastructure. The policies, procedures and initiatives contained within previous documents have become embedded within the established Asset Management Planning process within CCS.

The intention is for the continued evolution of this process and this document continues to refine and adapt this streamline process.

EXECUTIVE SUMMARY

The wider Asset Management Policy of the City and County of Swansea is the creation of a flexible, efficient and sustainable property portfolio meeting the objectives for the City and County of Swansea.

To deliver this policy the Asset Management Strategy is a corporate landlord solution ensuring a highly performing asset portfolio.

The key aspects of the Asset Management Plan are contained within 6 priorities.

1. Corporate Landlord
2. Disposals
3. Property Investments
4. Regeneration and Economic Development
5. Capital Programme
6. Community Buildings

These key priorities are summarised in the Council's Asset Management Plan on a page (Appendix A).

Previous asset management plans captured priorities across a wide area however as the councils asset management approach has matured and evolved previous key activities can be captured across the above six key areas. In order to demonstrate progress made within the lifespan of the last four year asset management plan summary against six key areas set out below with future outputs and performance.

The plan is deliberately high level as significant activity and details will determine the performance and outputs over the next 4 years and this will inevitably evolve during the life of this document.

FINANCIAL ISSUES

The Council continues to hold a large and varied portfolio of considerable value, but also, in practice, a considerable liability.

The financial position of the Authority continues to be one of constraint of capital and revenue and the Council's wider portfolio assists the wider Capital Programme, but also has continued liability of capital investment.

The revenue budget is assisted with the income producing assets raising for the Council circa £6M, but there remains a challenge over the ongoing reduction of the revenue commitments for the wider operational portfolio.

COUNCIL OBJECTIVES

The current Council Corporate Plan sets out a high level vision for the City and County of Swansea for a safer, greener, smarter, fairer, healthier, richer Swansea underpinned by core values of people focus – working together – innovation.

The Plan focuses on the highest priority outcomes as follows:-

- Safeguarding Vulnerable People
- Improving Pupil Attainment
- Creating a Vibrant and Viable City and Economy
- Tackling Poverty
- Building Sustainable Communities

The Asset Management Plan sits under the wider Corporate Plan, but the objectives of asset management underpin key priorities with regards to assisting direct service delivery, but more specifically and directly with regards to a vibrant and viable City and economy and building sustainable communities.

At time of the writing the Corporate Plan is currently under revision, however, the five key priorities will remain. A revision of the Corporate Plan will be reflected in updates of the Asset Management Plan as part of the annual reporting process to Cabinet.

The manifesto commitments made by the ruling administration will be adopted as policy, therefore, there will be a number of following specific commitments which will have asset implications and will form part of the policy framework for this document. It is though expected that a number of specific actions set out below are already taking these commitments forward.

FUTURE GENERATIONS ACT

The Well-being of Future Generations Act requires that the Council demonstrates how it incorporates the sustainable development principle.

The Act's Statutory Guidance states that it will enable public bodies to strengthen arrangements for the effective management of their assets in terms of the management of physical assets and facilities this should mean that they can be used for the benefit of our communities; enabling them to be used over the long-term with safeguards in place for their retention at the community level.

Involving people is a key contributor to working in a more sustainable way, regarding Asset Management, the Statutory Guidance requires the Council to involve people and communities in decisions about the management of assets, to ensure assets are used for the benefit of communities.

During the life of this 4 year plan, officers within the Council's property and more specifically those responsible for service delivery, will continue to work with communities to ensure services are delivered to meet their needs. This will apply not just to specific cross cutting reviews such as the Community Hubs but will be embedded throughout all business plans linking into service asset plans.

GOVERNANCE

This 4 year plan will set the broad strategy for asset management within the City and County of Swansea but it is fully expected that the plan will evolve during that period. This will require ongoing updates and reports and revised strategies that will be reported through the normal mechanisms to ensure the plan is fit for purpose.

The ongoing governance structure with regards to consultation will be through the established Asset Management Group (internal officers) Budget Performance Review Group (leading officer and member consultation) and the Local Property Board (third sector and public sector partner consultation).

Councillor Clive Lloyd, the Deputy Leader, has specific responsibility for service transformation and business operations, which includes significant elements of activity within the Asset Management Plan, but more specifically Strategic Estates and Property.

Where there are specific work-streams and strands within the key activities as set out below, these will be governed through the more formal governance arrangements as necessary.

Annual reports on progress specifically related to the outputs as identified below will be made to Council to ensure the Plan is live and fits with ongoing and emerging Corporate Objectives.

SUMMARY OF ACTIONS 2017/2021

Corporate Landlord

Actions

The key activity for the asset management strategy is the implementation of the Corporate Landlord as the primary focus for achieving efficient and effective asset management. As this has now been adopted as policy, during 2016/17 the first stages of further centralisation of property related budgets has been actioned. NNDR, postage, cleaning, rental income. This will extend during/beyond the course of 2017/18 to include all utilities budgets, PAT testing, window cleaning, Civic Centre stationery and external room hire. The primary focus for the next four years will be the finalisation of the implementation of corporate landlord approach. Those budgets which have already been centralised and will continue to be for the next 12 months so for the first half of the life of the asset management plan, the revision and monitoring of centralised budgets will be key and enable proper reporting on savings made as a result of the implementation.

Outputs

Key actions expected during 2017-2021 include:

- Implementation of Corporate Landlord – Management of those budgets already centralised and further work to centralise all General fund property budgets, room hire, external leases, utilities, etc.
- Further work with regards to commercialism of the cleaning service.
- Depot Review – Implementation of agreed actions for the Depot Review and disposal of Pipehouse Wharf, relocation to service, expansion of Bailing Plant.
- Investigation of relocation of Design Print to the Civic Centre – to improve efficiencies and generate property savings.
- Agile Programme – Continue with the implementation of the revised Agile Programme working with local Social Enterprises to upgrade furniture.
- Maximise efficiency in terms of occupation of the Civic Centre and beyond to generate savings and income.
- Civic Centres- short term third party commercial occupations and finalised design/specification of new build
- Graphics Project – Ongoing programme of updating all ownership layers to ensure simplification of understanding of rights and responsibilities within the Authority.
- Computerised self-serve room booking and pool car booking system.
- Cockett campus redevelopment and associated activities
- Improved performance management with regular reports and accommodation densities and energy consumption.

Disposals

Actions

Primary activity providing greater certainty over expected capital receipts and to ensure maximising returns and minimised delays in completion. Additional disposals have been targeted through the identification of relevant sites within the deposit draft LDP and working up the stage feasibility and site investigations to enable timetabled disposal within a four-year programme. The wider universal review identified a number of smaller scale opportunities which whilst producing lower capital receipts will also reduce revenue commitments. The activities will be to continue with the good work undertaken so far to centralise and clarify the disposal process. Further planned improvement will be to investigate, report and agree the opportunity for the council to act as developer which whilst removing some sites from the disposal programme will add value through the recovery of any developer's profit. It is expected this work will continue as a first stage for the next 12 months.

Outputs

- Complete identified disposals.
- Finalised feasibility on CCC acting as developer. Identified sites reviewed and analysed to either be taken forward as development opportunities or sold.
- Co-operative housing Policy to be agreed and adopted to consider the role of Co-op Groups as partners in development/disposal process.
- Ensure linkages with corporate objectives including current and emerging planning policy and affordable housing provision.

Property Investments

Actions

A major piece of work undertaken related to the independent review undertaken by JLL which validated the current approach with regards to the investment portfolio. This review also identified a property investment fund be created to maximise the Council's strategic position. The creation of a fund xxx building on the knowledge of the Swansea property market coupled with the ability to borrow at beneficial rates would place the Council in an advantageous position. This has been set up and progress has been made in identifying opportunities and progressing negotiations.

Outputs

- A key output of the JLL report was the formulation of a mission statement prioritising the maximisation of income.
- Acquisitions will continue for the first 12 months of the life of the asset management plan with further rationalisation around those poorly performing assets identified through ongoing reviews.
- Continued investigation of investment properties and rationalisation of property portfolio.
- Improved performance of investment portfolio
- Production and agreement of performance management criteria.

Regeneration and Economic Development

Actions

Swansea has a clear regeneration policy and agenda that impacts on all parts of the City and County. The City Centre is a key focus and acquisition have taken place at the Kingsway and St David's to create sites for development. These areas have formed the basis of the successful Swansea City Deal bid. The two City Deal projects are the Digital Village (100,000 sf ft. offices at Kingsway for the tech sector) and Digital Square (3,500 capacity venue, public realm, car park and Hotel, St David's Phase 1). To support the City Deal detailed designs for breathing new life into the Kingsway are being prepared which will create a green and welcoming environment to support new uses, development and re- use of buildings. The next key regeneration steps will see a planning application submitted for St David's with the first phase intended to start on site Q2 2018. Detailed designs and a planning application will be progressed for the Kingsway offices preparing for the construction phase, along with detailed design for a relocated Civic Centre. Kingsway public realm works will commence in 2018.

The Hafod HLF Project will appoint a professional team and prepare detailed designs working towards a HLF second stage application. Sites at Felindre and Swansea Vale will be marketed for high end industrial and residential use respectively and a number of other sites are in preparation for marketing.

Outputs

- Mariner Street for student accommodation, obtaining planning consent.
- Health Centre at Mayhill on site.
- Infrastructure at Felindre and Swansea Vale completed.
- A £9M Stage 1 HLF supported project for a visitor centre and distillery for Penderyn Whisky has been approved for Hafod Copper Works.

Capital Programme

Currently there are significant Capital Projects that relate to all priority strands of this document, including Band B QED and those relating to the HRA which are managed elsewhere. The process relating to the wider Capital Programme is subject to a Cross Cutting Commissioning Review to ensure that future capital spend is undertaken within a structured process ensuring greater visibility and corporate ownership of the Programme. The outcome of that review is not expected until Feb 2018. Specifically with regards to the allocated budget for Capital Maintenance over recent financial years has been £4M. There was an additional £1M allocated in financial years 16/17 and 17/18 which was specifically targeted at business continuity issues throughout Swansea Schools.

As of February the backlog maintenance within CCoS assets is in the region of £234M.

The proposals set out will directly support the corporate objectives of the Authority, in relation to the maintenance and improvement of the Authority's building portfolio.

This maintains the previous commitment to address the significant backlog of maintenance which amounts to in excess of £234M and minimise the potential effect of unforeseen breakdowns of building elements.

Projects will be selected on a priority basis. The criteria for selection (unless otherwise stated) was based upon condition rating, legislative compliance, health and safety indications, likelihood of failure and business continuity.

As this document relates to land and buildings the Capital Programme governing Highways Infrastructure and Housing (HRA) is outlined in a standalone document.

Outputs

- Improved performance management specifically around targeted investment to reduce maintenance backlog.
- Finalisation of cross cutting review of capital planning.

Community Buildings

Formalisation of Community Asset Transfer Policy and continued negotiation around ongoing CATs. Co-ordination of Local Property Board to ensure linkages with public sector and third party partners. Cross Cutting review, pilot in agreed locations. The primary piece of work relating to community buildings will be the instigation and completion of the crosscutting commissioning review aiming to identify service need within established communities and areas and to match the asset provision to that established need. This will enable not only more efficient use of community assets but also ensure services are more sustainable and therefore assist the completion of ongoing commission reviewed. The vision of the review is to ensure sustainable and improved access to Council services using existing local assets “differently” helping empower citizens to provide and support them in what they need within their community.

Outputs

- Creation of pilot community hubs in at least three locations delivering agreed services in communities.
- Clearly identified collaborative opportunities with public and third sector partners.

ASSET MANAGEMENT PLAN 2017/2021 ON A PAGE







ASSET MANAGEMENT POLICY

The creation of a flexible, efficient and sustainable property portfolio meeting the objectives of the City and County of Swansea.

ASSET MANAGEMENT STRATEGY

To deliver a Corporate Landlord solution ensuring a highly performing asset portfolio.

ASSET MANAGEMENT PLAN

Corporate Landlord 	Disposals 	Property Investments 	Regeneration and Economic Development 	Capital Programme 	Community Services Hubs 
<ul style="list-style-type: none"> • Agile Office • Depot Review • Centralisation of property budgets • Service Asset Management Plans • Energy Strategy • Carbon Reduction Strategy 	<ul style="list-style-type: none"> • Maximising returns • Commercial approach • Universal Review • Council as Developer 	<ul style="list-style-type: none"> • Maximising Income • Commercial Approach • Investment Fund • Review of Property Performance 	<ul style="list-style-type: none"> • City Centre Strategy • City Deal 	<ul style="list-style-type: none"> • WHQS • Cap Maint • More Homes • QED • Cross Cutting Review • Highway Asset Management Plan. 	<ul style="list-style-type: none"> • Cross Cutting Commissioning Review • Identified Collaborative Opportunities