

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Environment, Regeneration and Streetscene Services Cabinet Board

19th April 2024

Report of the Head of Property & Regeneration Simon Brennan

Matter for Decision

Wards Affected: All

CORPORATE ASSET MANAGEMENT PLAN 2024-2029

Purpose of the Report:

The purpose of this report is to seek approval for the adoption of the Corporate Asset Management Plan 2024-29 (CAMP) as attached at appendix 1.

Executive Summary:

The purpose of this report is to seek approval for the adoption of the Corporate Asset Management Plan 2024-29 (CAMP) as attached at appendix 1.

Background:

The Corporate Asset Management Plan is considered to be a key document that seeks to identify strategic objectives that the council's property assets need to address to make sure that the council's land and buildings fully support the Corporate Plan, whilst also outlining how the council will manage its operational and non-operational assets up to 2029.

This 5 year plan sets out a broad strategy for asset management. However, it is also expected that the plan will evolve during this period. This will require ongoing updates and reports, together with revised strategies that will be reported through the normal mechanisms to ensure that the plan continues to be fit for purpose.

To support this, the council intends as part of the Asset Management Plan to adopt a new Asset Management Framework that comprises of the three sections as shown below:

- Asset Management Policy (AMP)
- Asset Management Strategy (AMS)
- Asset Management Action Plan (AMAP).

It is intended that the framework will define the principles, criteria and processes through which decisions will be made regarding the use of the council's assets.

It establishes:

- What the corporate approach or attitude is to the council's property assets
- What behaviours are expected
- What principles are going to be followed

This framework allows the council more flexibility to update the documents that form part of the framework. The benefit of this approach is that whilst it is expected that many elements of the Asset Management Policy will be constant for several years, the Asset Management Strategy will have a slightly shorter lifespan and is more likely to be subject to change.

Sitting outside of the framework will be the Asset Management Action Plan. This describes the specific activities that will enable the council to achieve the objectives of the Asset Management Policy 2024- 2029.

The Action Plan will be populated and approved by the council's Head of Property & Regeneration. Where necessary, it will continually change to reflect achieved actions and capture new priorities and initiatives as they are identified. Therefore, the Action Plan is not a policy document.

The adoption of the Corporate Asset Management Plan 2029 will supersede the Strategic Asset Management Plan (2016-2021).

Key Drivers of the Corporate Asset Management Plan

The council will ensure that the properties it uses make a positive contribution to the way that it operates and delivers front-line services. It will continue to work to fully understand all its service priorities and how they may change in the future, and how the property portfolio can support its wider corporate strategies.

The council's property assets are costly to run and maintain, and we need to ensure that we maximise the benefits that we derive from them. These benefits may be monetary, but could also relate to benefits to service delivery, communities or opportunities to drive growth.

Many of the council's property assets are old and their design and structures provide challenges if we want to use them flexibly as our service and operational needs change. The use and occupation of buildings can also have detrimental environmental impacts, particularly those with ageing plant and services. Effective management of the property portfolio, including consideration of investment and decommissioning could help minimise these harmful impacts.

There are many factors that will shape the council's future property portfolio. Some will be driven by our own direction and within our control, others will be externally influenced. However, by having clear strategic property objectives and strong corporate governance, we can ensure that the estate is managed and that decisions are made in a way that supports the priorities and objectives within the Corporate Plan and its associated strategic documentation.

The property portfolio must be able to respond to change and meet the requirements of our front-line services and back-office functions. The future use of the property portfolio must be informed by the collective needs of all the council's users. The Council will develop this understanding through the implementation of this strategy.

The council wants its property portfolio to provide fit-for-purpose, efficient and sustainable assets. By routinely challenging the performance of its portfolio, it can ensure that it derives the maximum benefit from the most efficient, flexible and best quality buildings and ensure that its buildings are appropriately utilised and support the user and customer experience.

The size, makeup and geographic spread of the property portfolio gives a real opportunity to reshape it to support organisational transformation and change to service delivery models and ways of working. By creating flexibility in the estate, it will be better placed to respond to opportunities for change and to collaborate with partners and communities.

Corporate Context of the Asset Management Plan

The Corporate Plan sets out the following well-being objectives:

- WBO 1 – Best Start in Life
- WBO 2 – All Communities are Thriving and Sustainable
- WBO 3 - Our local environment, culture and heritage can be enjoyed by future generations
- WBO 4 – Jobs and Skills – local people are skilled and can access high-quality, green jobs

Property assets should be aligned with the council's Wellbeing Objectives as well as delivering other objectives and priorities. Moreover, the use of the council's assets must be maximised to ensure effective service, community and financial benefit.

In planning and reviewing its land and buildings assets, the council will consider key local and national circumstances to either mitigate impacts or exploit opportunities. Some of the key drivers shaping this Asset Strategy and Asset Management Framework are:

- The Climate Emergency and the council's commitment to Net Zero Carbon emissions by 2030
- The Economy, including the current cost-of-living impact on residents
- Public Sector Finances, including reductions in grant funding, inflationary pressures and rising energy costs
- Regeneration of town centres and villages
- Local Development Plan Review

To achieve alignment and remain effective, the following objectives are set for the Asset Strategy and Asset Management Plan:

- Manage property as a corporate resource

- Provide fit-for-purpose property assets to meet current service needs and plan for future requirements
- Drive efficiencies in the use of property and utilise the estate to optimise financial and social returns whilst contributing to sustainability outcomes
- Use property assets to stimulate the local economy and support regeneration
- Support communities by collaborating on the use of property with partners

In developing the Asset Management Plan, the following priority outcomes have been set, whereby the council will:

- adopt a central strategic approach to property decisions and a single point of accountability for land and buildings
- provide a consistent approach and service level for all clients, improve governance and assurance of compliance by fully adopting a Corporate Landlord Model
- rationalise land and building assets whilst improving the fabric and management of those that remain
- reduce running costs and develop a more sustainable estate with a reduced carbon footprint
- increase income through commercialisation and disposal of surplus assets
- transition from reactive to planned maintenance and reduce backlog repairs
- improve building environments for customers and employees
- embrace new ways of working to deliver outstanding services and support the adoption of the localities model
- ensure buildings are fit for purpose, safe and welcoming places

It is essential that the Corporate Asset Management Framework sits alongside the council's various strategic plans and that whatever we do with our property portfolio supports what the council as a whole is trying to achieve. This can often be a challenge as there are often conflicting demands on the property estate, and we must ensure we have a robust approach in our decision-making. We also need to balance demand from our services for properties that support them as well as demands from our communities for properties that support local needs.

The Asset Management Strategy is also informed by:

- The Medium-Term Financial Plan
- The Future of Work Strategy
- The Digital, Data & Technology Strategy
- The Corporate Risk Management Policy
- Capital Strategy and Capital Programme
- Local Development Plan
- Biodiversity Duty Plan
- Decarbonisation and Renewable Energy Strategy
- Public Participation Strategy
- Neath Port Talbot Culture Strategy

Overarching priority areas that form the basis of all property-related work include:

- The Maintenance Strategy
- Accommodation Strategy
- Statutory Compliance
- Energy/Carbon Management/Decarbonisation
- Disposals and Property Review

Effective asset management is essential in ensuring that the council can deliver its key objectives. This includes properly maintaining the council's operational assets so that it can continue to deliver services effectively and efficiently.

Financial Impacts:

There are no direct financial impacts associated with the Corporate Asset Management Plan. However, whilst the council continues to hold a large and varied portfolio of considerable value, it is important to understand the ongoing investment required as part of the Asset Management Plan and incorporate it into the council's revenue and capital budgets as well the longer-term Medium Term Financial Strategy (MTFS) and the Capital Investment Strategy.

Integrated Impact Assessment:

A first stage impact assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016.

The first stage assessment has indicated that a more in-depth assessment is not required.

Valleys Communities Impacts:

There are no direct impacts on valley communities associated with the Corporate Asset Management Plan.

Workforce Impacts:

There are no direct workforce impacts associated with the Corporate Asset Management Plan. However, the implementation of the Asset Management Plan may lead to decisions being made to the Council's property portfolio that could potentially have workforce impacts.

Legal Impacts:

There are no direct legal impacts associated with the Corporate Asset Management Plan.

Risk Management Impacts:

The council is not required by law to have a Corporate Asset Management Plan but it is considered best practice and provides an appropriate framework to enable the council to make informed decisions about the council's property assets.

Consultation:

There is no requirement for external consultation on this item.

Recommendations:

Having had due regard to the first stage Integrated Impact Assessment, it is recommended that Members approves the adoption of the Corporate Asset Management Plan 2024-2029.

Reasons for Proposed Decision:

The Corporate Asset Management Plan is a key document that supports the council's management of its operational and non-operational assets and will supersede the Strategic Asset Management Plan (2016-2021)

Implementation of Decision:

The decision is proposed for implementation after the three day call in period.

Appendices:

Appendix 1 – IIA

Appendix 2 – Corporate Asset Management Plan

List of Background Papers:

None.

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Appendix 1