

Corporate Asset Management Plan and Office Accommodation Strategy Update

Corporate Asset Management Plan 2016-2019

The Council undertakes a comprehensive review of its Corporate Asset Management Plan (AMP) every 3 years, setting out its priorities in property terms to meet the aims highlighted in the Corporate and Integrated Community Strategies.

In addition, the AMP captures the property implications of issues experienced by services, brought about by changes in local and national agendas. These service property requirements are referred to in Service Asset Management Plans (SAMPs) evidenced by assessments of the relevant portfolio's suitability to meet such changes.

The AMP reviews the high-level performance of the corporate portfolio and highlights key challenges and priorities moving forward over the next 3-year cycle.

One of the outcomes of the recent Corporate Assessment was the requirement to strengthen links between SAMPs and the AMP, in addition to reviewing information on backlog maintenance to better inform decision making. These items, along with the challenges below, have been highlighted as the key priorities for property related matters over the next 3 years –

- Investment in strategic sites to promote economic growth
- Sustaining Community Assets
- Ensuring suitability of the retained estate
- Exploring alternative ways of holding assets for service delivery
- Greater collaboration with partners on property related matters
- Generating Capital Receipts
- Reducing Revenue Costs

The Corporate Asset Management Plan Summary 2016-2019 is attached in Appendix 1.

The plan incorporated the first three columns of actions table highlighted in the following pages. For the purposes of this report an update is provided against each action.

ACTION	BY WHEN	BY WHOM	UPDATE [NOV 2017]
Undertake substantial infrastructure and premises related investment in accordance with the Strategic Regeneration plan for Carmarthenshire 2015 -2030 – Transformations	Ongoing	Regeneration & Policy	<p>Work is continuing in securing funding from Welsh Government and the Welsh European Funding Office to deliver phase 2 of the Cross Hands East Strategic Employment site. It is envisaged that funding will be secured early 2018 with works tendered, consents secured during 2018 and commencement on site early 2019. Once complete a further 9 hectares of employment space will be available to complement the 10 hectares already completed as part of phase 1. It is envisaged that the £5.5m scheme will be completed by 2021.</p> <p>There is strong occupier demand in Phase 1. A local developer is progressing with a 15,000 sq. ft. office development proposal, part of which will be for the company's own occupation and part will be available for other businesses to lease. Other interested potential occupiers include a substantial energy company and a precision engineering company both of whom are working with Welsh Government to secure development funding.</p>
Continue to support the capital investment programme with strategic land acquisitions and disposals	Ongoing	Regeneration & Policy	<p>In March 2017, 9 strategic property acquisitions were completed in Llanelli town centre, with a combined value in excess of £1m. These acquisitions, supported by Welsh Government Vibrant and Viable Places funding, provide an opportunity for the Council to facilitate the most appropriate development of these prominently located properties, which are either vacant or underutilised and have a negative impact on economic activity in the town and the visual appearance and attractiveness of the area.</p> <p>We have assisted with increasing the Council's housing stock by acquiring privately owned houses that have been upgraded where required and then made available for much needed affordable housing. In 2016/17 we purchased 36 properties (total cost of just over £3m) and so far this year we have completed 20 purchases (total cost £1.75m) with terms agreed</p>

			<p>and solicitors instructed on a further 26 properties (total cost £2.34m). This is against a target of 56 purchases for this year (2017/18).</p> <p>Land and property acquisitions have been progressed to support several significant highway schemes, including a new link road between Cross hands and Maesybont road (£10m scheme), Tirydail lane roundabout Ammanford (£1.8m scheme) and Towy Valley Cycle path (£8m scheme).</p> <p>Land acquisition for the Carmarthen West Link road is ongoing with compulsory purchase powers being sought. Land has been acquired for the school site and for residential development.</p>
Meet Capital Receipt targets of £2,620 m (2016-17); £2,714m (2017-18); £3,076m (2018-19)	2016 -2019	Regeneration & Policy	<p>Capital receipts achieved from the sale of surplus Council property are an important funding source for the Council's capital programme. In 2016/17 £2.358 million of capital receipts were generated against a target of £2.620 million. The target for 2017-18 is £2.714m. £1.365 million of receipts have completed so far with a number of additional transactions agreed or under negotiation with a combined value of £1.515 million. It is therefore anticipated that this year's overall target will be met, and possibly exceeded to compensate for last year's modest shortfall, although it should be noted that for various reasons not all transactions proceed to completion.</p>
Support premises related revenue savings by reducing the estate, as highlighted in various Service Asset Management Plans	Ongoing	Property	<p>The Council has continued to make better use of its portfolio to bring about revenue savings and invest in its core estate.</p> <p>Llandeilo Library has been relocated to a refurbished space within the main municipal offices allowing the disposal of the former site.</p> <p>Better use of space within Ty Elwyn and Town Hall Llanelli has allowed the relocation of the Registrars Service and ancillary offices enabling the disposal of No's 2 & 4 Coleshill Terrace.</p> <p>In Carmarthen the Council has vacated leased office accommodation in Priors street by utilising space within the Library. In addition better use of office space in core assets such as 3 Spilman Street and Parc Myrddin</p>

			has allowed the vacation of offices on the Pibwrlwyd Campus which has now been returned to our partners at Coleg Sir Gar to facilitate campus improvements. The Council has also disposed of No's 1 and 2 Spilman Street through more efficient use of space in its portfolio.
Promote and build on collaborative working on property work with LSB (now PSB) partners	March 2017	Property	The Head of Property chairs the PSB's Estates Collaboration Workstream which is exploring opportunities for the relevant partner organisations to work together on shared accommodation and property related services. Discussions are ongoing with Hywel Dda Health Board over the use of office accommodation at St David's Park. In addition the Council, together with partners in the Ambulance Trust and Fire Authority, are looking at the possibility of sharing depot and vehicle maintenance facilities. Work is ongoing with the Health Board on a joint solar project near St David's Park which could bring significant savings to its administrative premises. The Workstream is looking to collaborate on meeting room management and joint procurement of property maintenance and other services. Joint arrangements at Partners' neighbouring campuses at Job's Well Road, Carmarthen are also being developed.
Improve data on backlog maintenance	March 2017	Property	Condition Surveys have recently been undertaken on the Council's Care Homes and Sheltered Accommodation with a view to informing the future strategy for the service and the implications on the relevant portfolios. A programme to continue with "in house" surveys to improve upon the present desktop analysis is ongoing, with resources being identified as part of a realignment of the Property Maintenance Section. Floor plans of all educational establishments have been updated and a similar exercise is now being undertaken across the Council's administrative estate, as part of an ongoing exercise to ensure that premises related plans are current for the purposes of advising on maintenance, compliance and service issues. All compliance related matters such as Fire Risk Assessments, Electrical certificates etc are being migrated into one

			system to assist with and ensure a consistent approach to estate management across the various portfolios.
Assist with service plans to review alternative ways of holding assets.	March 2017	Property	The Property section continues to assist with service reviews as and when required. Recent assistance has been provided in relation to leisure and care homes with regard to the asset implications of alternative management provision.
Strengthen links between Service Asset Management Plans and Corporate Plan	Dec 2017	Property	A programme of reviews with Service managers has been undertaken and is due to complete in the new year. The purpose of the reviews is to provide an update and challenge to ensure that property implications of significance are adequately reflected in the Corporate Asset Management Plan.
Continue to support and enable Community Asset Transfers with emphasis on playing facilities and parks	March 2018	Property	<p>More than 80% of park and playground facilities have already been transferred or nearing completion under Carmarthenshire County Council's asset transfer programme with communities still having time to take over the running of the last remaining parks and playgrounds in Carmarthenshire.</p> <p>Drop-in sessions were arranged in Ammanford, Carmarthen and Llanelli at the beginning of October for people wishing to express an interest in taking over the management of the remaining facilities with a final transfer deadline of 31st March 2018. Online consultation is ongoing. The feedback received as part of the consultation process will be considered as part of an update report to be considered by Executive Board in early 2018 to decide on the future of those assets not transferred with the outcome of the Executive Board decision effective from 1st April 2018.</p>

OFFICE ACCOMMODATION STRATEGY 2014-2017

The Council's Office Accommodation Strategy is produced in line with best practice and business plan commitments.

As well as reporting on the progress and changes in the estate, the strategy also highlights the present position on the portfolio in terms of the financial and physical factors, in addition to providing an indication of the key issues and actions for the office estate over the next three years.

The key issues noted are –

- **Space Utilisation** – continuing the challenge to make the best use of core stock and obtaining management buy- in so that a corporate view is taken on the efficiencies that can still be achieved without impacting staffing resources.
- **Agile Working** – adoption of the principles behind this method of working provides benefits across various areas including productivity and better use of resources.
- **Co location with partner organisations** – provides benefits to service provision however further work is required on the sharing of premises related expenditure.
- **Sustainability** – investment in salix schemes across the portfolio in recent years is making a saving in financial and carbon terms. Continuing policy changes and targets in terms of the sustainability agenda places greater emphasis on the Council to invest wisely in the core stock.

The Strategy incorporated the first three columns of the actions table highlighted in the following pages. For the purposes of this report an update is provided against each action.

PERIOD	ACTION	BY WHEN	UPDATE [NOV 2017]
2014/15	Review present shared office accommodation with Local Health Board to ensure to ensure proper distribution of premises related costs	May 2014	Reviewed and apportionment of Costs agreed with NHS Estates Oct 2017
2014 /15	Vacant offices and training rooms @ Ferryside -review possible transfer to Community or disposal on open market	December 2014	Transferred
2014/15	Dispose of No 40 Spilman Street	August 2014	Vacated and Sold
2014/15	In depth analysis of space utilisation of Admin Estate	April 2015	Initial Survey undertaken and completed leading to further rationalisation such as disposal of No's 1 & 2 Spilman Street, 2 & 4 Coleshill Terrace, Crown Precinct, Ty'r Nant and vaction of Pibwrlwyd. Further survey underway.
2014/15	Relocation of staff from No's 1 & 2 Spilman St and disposal	April 2015	Vacated and sold
2015/16	Relocation of staff from Ty'r Nant and disposal	April 2015	Vacated. Premises to be let pending review of strategic disposal options.
2015/16	Relocation of staff from Pibwrlwyd	April 2016	Vacated and returned to College

2015 /16	Relocation of staff from Coleshill into Town Hall / other premises Dispose of No's 2 & 4 Coleshill	April2016	Vacated and sate agreed
2015/16	Reassess portfolio in light of Agile working	Jan 2016	Investigations underway
2017+	Llandovery "total Place" solution	2017+	Agreement in place to use part of Pantycelyn site for community purposes. Rhys Prtichard school to relocate to Pantycelyn. Discussions ongoing with partner organisations on further site sharing.

Adoption of Agile working Policy

Members will be aware that a revised Agile Working Policy was approved by the Executive Board in May 2017. This sets out a series of policy commitments which are to be used to support the implementation of the agile approach across the Council.

Members will also be aware that Executive Board resolved on the 23rd of October 2017 to support the investment / delivery plan to roll out agile working across the authority.

The implementation of agile working is now recognised as a key organisational priority which is being progressed as part of a wider digital transformation project under the umbrella of the Council's Transform, Innovate and Change (TIC) Programme

The project is being overseen at a strategic level by the TIC Digital Transformation Steering Group, chaired by the Director of Environment, supported by an Agile Working Delivery Group, chaired by the Head of Property.

The report presented at Executive board is attached in **Appendix 2**. It outlines the levels of savings proposed from delivering and implementing the agile approach and the level investment required in areas as property and IT and staffing

The property investment will be used to adapt buildings and provide appropriate furniture and create suitable hot-desking facilities throughout designated buildings.

The IT investment will be used to give people the technology to work in a smarter way and avoid them having to return to offices to pick up documents or print information assisting the move to a paperless organisation

The implementation of agile working will result in a requirement for less buildings and the report outlines which buildings could be released over the next 3 years for sale or rent. These outcomes will be incorporated in the forthcoming review of the Office Accommodation Strategy.

The investment plans also builds in an income target linked to the ability to lease buildings over and above the ones available for disposal.

Other savings are proposed from areas such as reductions in staff travel, pool cars and printing as staff adopt smarter, more efficient ways of working.

It is anticipated that there will be significant wider benefits to emerge from the project, such as reductions in sickness absence rates.

Overall, the investment plan is projecting that an investment of £1.9m will be required over 4 years to deliver £2.4m of savings, but it is anticipate that the project will deliver far greater benefits in terms of supporting further cultural and behavioural change across the organisation.