

# Conwy County Borough Council

## Asset Management Plan 2012 - 2022

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Property Management and Asset Services  
Government Buildings  
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## CONTENTS

<b>1</b>	<b>FOREWORD</b> .....	<b>3</b>
1.1	Executive Summary.....	4
<b>2</b>	<b>INTRODUCTION</b> .....	<b>5</b>
2.1	An introduction to Conwy County.....	5
2.2	An introduction to Asset Management in Conwy .....	5
<b>3</b>	<b>AIMS AND OBJECTIVES</b> .....	<b>7</b>
3.1	Corporate Aims and Objectives.....	7
3.2	Asset Management Aims and Objectives .....	8
<b>4</b>	<b>REVIEW OF PROPERTY ASSETS</b> .....	<b>11</b>
4.1	Asset Valuation 2010 .....	11
4.2	Stock Condition .....	13
<b>5</b>	<b>STRATEGY</b> .....	<b>14</b>
5.1	Introduction .....	14
5.2	Governance & Compliance with the Corporate Asset Management Plan.....	15
5.3	Service Asset Reviews .....	17
5.4	Property & Performance Management .....	18
5.5	Investment Planning.....	20
5.6	Sustainable Development.....	21
5.7	Collaboration Agenda.....	22
<b>6</b>	<b>CONCLUSION</b> .....	<b>23</b>

## TABLE OF FIGURES

Figure 1	Sites by Asset Category .....	6
Figure 2	Type of Asset by Operational Status .....	11
Figure 3	Stock Condition .....	13
Figure 4	Asset Management Plan Structure .....	15

# **CCBC ASSET MANAGEMENT PLAN 2012-22**

## **“The right size to meet operational needs”**

### **1 FOREWORD**

Conwy County Borough Council will continue to face unprecedented resource challenges over the coming years, and will be operating in one of the gravest economic downturns in almost a century where we are expected to deliver more for less. In doing so, the Authority will need to be responsive and agile to the operating environment and to question the extent of Service provision and how it is provided to its citizens, which will either directly or in-directly influence its use of assets in the form of land and buildings.

To face these challenges the Authority must be courageous and implement a robust Corporate Property Asset Management Plan to scrutinise the use, effectiveness, management, procurement and retention of its property asset base, and how land and buildings are aligned in so far as providing services and value for money. The Asset Management Plan will be a high level document integral to promoting the efficiency agenda and identify opportunities for delivery of capital receipts and revenue savings for the Authority to invest in the core services it provides in delivering its Corporate Plan and Vision for the County.

The Authority has a large and varied asset base of land and buildings, which it invests resources to manage and maintain it. This Asset Management Plan is designed to ensure that the Authority considers its land and building assets in its requirement for service delivery and ensures that such assets are fit for purpose, managed professionally, used effectively in service delivery and reflect the Authority's Vision in going forward.

By adopting this high level document, the Authority acknowledges that Asset Management is a key part of business planning and is a tool in meeting the challenge of change. By prioritising Asset Management, co-ordinating business and property decisions, working with a variety of partners and stakeholders on a local and regional scale, we will be able to operate an agile and dynamic public service which will meet fiscal and political challenges and fulfil our commitment to the citizens of the County.

Dilwyn Roberts  
Leader  
Conwy County Borough Council

Iwan Davies  
Chief Executive  
Conwy County Borough Council

## 1.1 Executive Summary

1.1.1 The aim of the Asset Management Plan (AMP) 2012-2022 is to ensure the alignment of land and buildings to service delivery, and ensure that those assets are managed efficiently and sustainably. The AMP endeavours to highlight the opportunities which land and building bring in terms of improving the way the Council provides its services through regeneration, community, environmental sustainability and the value for money agenda. A key principal of the AMP will be the sharing of information, ideas, and property assets within the Council and with partners, and how open engagement can add value to service provision and the opportunity of making savings.

1.1.2 This AMP provides key over arching themes which the Authority should implement across its portfolio of land and buildings via the Delivery Plans which will exist during the lifetime of the AMP; the key thread in these themes will be the efficiency agenda. The overarching themes of the AMP during the Plan period, 2012-2022 are **Governance and Compliance, Service Reviews, Property & Performance Management, Investment Planning, Sustainable Development and the Collaboration Agenda**. The first Delivery Plan will run from 2012-2017 and is laid out as an annex to this Plan; the second Delivery Plan will be from 2017-2022 and be firmed up in 2016. Whilst the AMP will be a fixed set of key principles during its ten year existence, the Delivery Plans will be a localised document, bringing the principles into practice. The golden thread running through the AMP will be the identification and realisation of efficiencies within the Authority's use and management of its land and buildings.

1.1.3 Key to the proper implementation of this AMP and in pursuing the efficiency agenda will be the acknowledgement that all land and buildings are held centrally by the Corporate Body as a 'Landlord', with Property Management and Asset Services (PMAS) occupying the role as 'Landlord's Agent', with the occupying services of land and buildings taking the role of 'Tenant'. The role PMAS has in controlling and ensuring effective use of land and buildings is reflected in the fact that it will be the only service which manages and commissions building works and management to the Authority's property asset base, unless expressed otherwise within an adopted Policy or by the Chief Property Officer. Only through compliance with the above principle will the Authority be able to secure best value through the management of the portfolio in a co-ordinated, strategic and efficient manner.

1.1.4 In aligning land and buildings to service delivery, communication and collaboration between PMAS and the respective services will be essential. The AMP requires the understanding of all services and officers who have both an operational and strategic role in use, management and procurement of property assets. Taking this a step further, communication and collaboration with other public users of assets will drive forward improved service to the public and citizens of Conwy.

## **2 INTRODUCTION**

### **2.1 An introduction to Conwy County.**

2.1.1 Conwy is situated in a strategic location within North Wales, central along the coastal belt, well serviced by the A55, and at the head of the north-south road link offered by the A470. With a population of some 112,000, and an area of circa 1,130km<sup>2</sup>, the County provides a variety of coastal, urban, rural and heritage landscapes, which support a diverse economy, one reliant on tourism and the service sector along the coast, agriculture and forestry inland. The County is proud to host the main administrative base for the Welsh Government at Llandudno Junction, which will strengthen its position as a key strategic hub for employment and housing within North Wales. The towns of Colwyn Bay, Towyn and Kinnel Bay have been allocated as Regeneration Areas by the Welsh Government, reflecting the economic, social and environmental issues which need addressing, and the Authority is committed to revitalise these communities. The town of Llandudno continues to be a strong retailing centre within the North Wales hierarchy, and is well established in the conference and cultural sector. The market town of Llanrwst provides an important role in serving the rural hinterland, and is seen as a key service, retail and business hub in the Conwy Valley.

### **2.2 An introduction to Asset Management in Conwy**

2.2.1 This is a high level Corporate Asset Management Plan (AMP) dealing with land and buildings between 2012 and 2022, produced by Conwy County Borough Council (CCBC), building on the previous plan and the work undertaken between 2004 and 2009. The intervening years (2009-2012) have seen internal and external factors affect the way the Authority works, and has been a period of reflection for the Authority in terms moving forward with its asset base. The Authority will build on the previous plan to ensure that it secures better value for money whilst making more effective use of its asset base to deliver a high performing service to its citizens. The global and political landscape at the commencement of the plan period makes Asset Management a key consideration in the delivery of services and therefore use of land and buildings.

2.2.2 The steer from the Welsh Government, coupled with well established direction from Central Government's Operational Efficiency Programme, the Wales Audit Office and guidance from the Royal Institution of Chartered Surveyors, is that authorities should openly adopt and pursue robust Asset Management Plans to pursue efficiency gains and improved services.

2.2.3 The Wales Audit Office (WAO) in its report of June 2008 acknowledges that CCBC has developed a plan (2004-2009 Plan), but its vision and direction require greater clarity. The task in this Corporate Asset Management Plan and in particular the Delivery Plans is to give clarity to the direction which the Authority will follow with its asset base, and to assist in facilitating service delivery in a cohesive, co-ordinated and efficient manner.

2.2.4 CCBC can be proud of many examples of good asset management, from the comprehensive database held of its asset base as acknowledged by WAO as good practice, to the consolidation and improvement of its care provision for the elderly by way of Extra Care Housing schemes working in collaboration with a combination of Registered Social Landlords.

2.2.5 The Authority holds a diverse asset base, hosting a number of direct and indirect service delivery operations, as well as non-service based provision. The variety of the asset base in terms of sites by asset category is illustrated in Figure 1.

**Figure 1 Sites by Asset Category**

<b>Asset Category</b>	<b>Total</b>	<b>Asset Category</b>	<b>Total</b>
Allotments	7	Nurseries	1
Car Parks	37	Offices	26
Cemeteries	12	Open Spaces	255
Community Centres	25	Outdoor Pursuit Centres	2
Corporate Property	25	Public Conveniences	29
Day Centres	4	Pump Stations	1
Depots	12	Residential Buildings	1
Electric Sub-Stations	5	Residential Homes	11
Farms	12	Schools	78
Fountain	1	Sewage Works	7
Grazing Land	23	Stores	3
Grazing Land N-O	1	Surplus	4
Highway Land	12	Theatres & Conference Centre	2
Industrial Sites	11	Training Centres	2
Information Centres	1	Tramway	2
Integrated Learning Centres	1	Transportation	5
Investment	28	Vacant	4
Leisure Facilities	39	Vacant / Surplus	7
Leisure Facilities N-O	3	War Memorials	2
Libraries	8	Youth & Community	8
Multi Use Site	13	<b>Grand Total</b>	<b>730</b>

*(table of info taken from AMS as at 5.9.11)*

2.2.6 To ensure co-ordinated and efficient management of the portfolio, it is imperative that land and buildings are held centrally and that decisions concerning investment, development, occupation, strategic management, acquisition and disposal are channelled through the Asset Management process to PMAS.

2.2.7 Bearing in mind the demographics and the geography of the county, opportunities exist in working with partner organisations to work together on a number of levels, and invariably, this will lead to sharing and developing space and services in tandem, and adopting with other service bodies/organisations to drive efficiencies and improve services to the citizen.

2.2.8 The properties subject to this AMP are listed in the Delivery Plan, and for the avoidance of doubt the AMP does not include public highways and associated infrastructure nor flood defence assets, both of which have separate asset management plans.

## 3 AIMS AND OBJECTIVES

### 3.1 Corporate Aims and Objectives

3.1.1 Conwy County Borough Council has pledged to its citizens that within the current Corporate Plan (2008 -2012) period that it will revitalise its communities and put Conwy at the centre of North Wales. In doing so, the 12 key commitments are:-

- Supporting the elderly
- Supporting children
- Improving our environment
- Increase the number of allotments
- Increase the provision of affordable housing
- Increase work skills
- Contribute to a sustainable future
- Support leisure and cultural provision
- Modernise working practices and make services more accessible.
- Work with businesses.
- Minimise flooding and coastal erosion
- Improve safety and efficiency of all forms of transport

It is proposed that the Corporate Plan is to be revised and the above commitments maybe subject to variation. As and when the Corporate Plan is revised the Delivery Plans will reflect any changes to the key commitments.

3.1.2 Underlining the above are key priorities which Conwy should strive to achieve, namely :

- a healthy place
- providing strong and safe communities
- a prosperous Conwy
- a quality environment
- encouraging learning and creativity, and
- improving the way we work

Summarised, the overarching Corporate Vision is

***“Working with others to build on Conwy’s location at the centre of North Wales and to revitalise our communities so that they can play an active part in making Conwy County an even better place to live in, work in and visit”***

3.1.3 There are clear direct and indirect links between the above and the Authority’s land and building asset base, and in the Authority developing and utilising this asset base the above priorities and commitments will be key in decision making, along with other strategic and legislative policies.

In terms of local Strategic Policies which shape the services the Authority provides its citizens, these include:-

- Conwy Regeneration Strategy
- Sustainable Strategy 2008
- Business Planning Framework

- The Bay Life Initiative – Development Plan 2007-2014
- Modernisation Programme (6 key themes)
- Colwyn Bay Coastal Defence Strategy Plan
- Local Housing Strategy
- Conwy's Rural Community Local Action Plan
- Healthy Conwy Strategy
- Local Development Plan
- Biodiversity Improvement Plan
- Green Programme Board
- Single Equality Scheme
- 21<sup>st</sup> Century Schools (SOP)
- Primary School Modernisation Programme
- Library Modernisation Programme
- Regional Transport Plan

In terms of national strategic policies, these include

- 
- Wales Spatial Plan: People, Places, Futures.
- One Wales
- 21st Century Schools programme
- Collaboration Agenda
- Wales Efficiency and Innovation Programme
- Making the Connections

3.1.4 For land and buildings to assist in the delivery of the overall vision of the Authority, and other local and national policies, it is imperative that the corporate body and services charged in delivering these commitments work within the AMP, consider it as a vital strategic tool, as it is intrinsically linked to ultimate efficient Service delivery and prudent use of public resources.

3.1.5 It is evident from the present Government that both Central and Local Government will be limited in terms of revenue and capital budget for the medium term. To deliver the Authority's objectives, there may well be a shortfall in resources, and an opportunity lies in the adoption and evolution of Asset Management in identifying land and building solutions and limiting asset liabilities to bridge the gap and ensure that more is provided with less. The current economic climate is also an opportune time for the Authority to take stock in so far as considering how its property asset base is contributing to corporate objectives, how any realignment could take place, and how it can streamline its portfolio to generate and stimulate savings and efficiencies.

3.1.6 The operating environment makes an uncertain landscape upon which to plan and build from, in particular in terms of property, which has a long lead in time and historically is one of the slowest resources to react to change. Such a scene will dominate the Authority's decision making in terms of substantial capital projects, and wherein lies the opportunity for Asset Management, on both a local and regional scale to ensure that the citizens receive what they expect in terms of public service.

## **3.2 Asset Management Aims and Objectives**



3.2.1 Property has 3 three features that place primacy on their proper management:

- It is expensive in terms of capital value and annual costs of upkeep;
- Careful management during its ownership to ensure best value;
- Time to determine new property needs and procure/provide.

3.2.2 Therefore, the aim of this AMP is:

- To ensure that assets are linked to Corporate priorities and contribute to the process of service improvement;
- To set out the Authority's Policy to ensure efficient, effective and sustainable use and management of land and buildings and that assets are principally managed by one department;
- To minimise the opportunity cost of holding land and buildings and to protect and optimise the value of the Authority's assets;
- To provide innovative accommodation solutions to service needs;
- To ensure an explicit, co-ordinated approach to Asset Management across the Authority, reflecting service needs;
- To manage assets according to best environmental practices compatible with effective service delivery;
- Monitor performance of the portfolio, and to ensure proper data management and its utilisation in adding value to service delivery;
- To ensure that opportunities to work with public sector partners in procuring property and delivery of services through assets.

3.2.3 The objectives of the AMP are :

- Deliver exceptional services for the citizens of this Authority by aligning assets with locally agreed priorities, whilst focusing investments clearly on need;
- By the use of assets, to empower communities and stimulate debate;
- By the use of assets to improve the economic wellbeing of an area;
- Ensure, once built, assets are correctly maintained and a sufficient budget is made available;
- Introduce new working practices and trigger cultural organisational changes;
- Reduce carbon emissions and improve environmental sustainability;
- Increase co-location, partnership working and sharing of knowledge;
- Improve the accessibility of services;
- Generate efficiency gains, capital receipt or an income stream;
- Improve the quality of the public realm.

3.2.4 Each category of the property portfolio will be considered in turn within the Delivery Plan which sits as an annexe to this AMP; the Delivery Plan will highlight actions required to drive the Authority towards achievement of the objectives of this AMP.

3.2.5 The perceived vision for the future assumes a reduced property asset base that is fit for purpose, operating at reduced revenue costs, focused on the Authority's core aims whilst facilitating increased productivity and generating better value for

money. The property asset base will be used as a vehicle to deliver the Corporate Plan where applicable, and to generate savings and capital/revenue receipts so as to promote service delivery. Solutions to future service delivery may not involve the utilisation of assets as previous positions, in that non-property based solutions may be the preferred option.

3.2.6 The key priorities in delivering on the vision will be :

- a lean and efficient portfolio
- a professionally and well managed portfolio
- a portfolio balanced between Asset and Service drivers
- a Sustainable portfolio
- a safe, secure and productive portfolio
- a planned portfolio

3.2.7 Summarised, the vision for asset management is :

**“The optimisation of property assets by effective management and use to provide excellent service delivery and financial performance to benefit the communities which we serve”**

## 4 REVIEW OF PROPERTY ASSETS

### 4.1 Asset Valuation 2010

4.1.1 Figure 1 illustrated the Authority's diverse property asset base. In terms of value, the Asset Valuation 2010 concluded that the asset base (in terms of land and buildings) has a value of £277,155,622, (excluding assets valued below the de-minimus level of £10,000). Of this figure 93% of the capital value is held within 'operational' property, which is traditionally assets held and occupied for those services for which it has either a statutory or discretionary responsibility. The remaining 7%, being £18,660,500 is held in 'non – operational' property, which are assets held by the Authority, but not occupied directly, used or consumed in the delivery of services. Figure 2 shows the allocation of various categories of assets held within 'operational' and 'non operational' property.

**Figure 2 Type of Asset by Operational Status**

OPERATIONAL PROPERTY	
Car Parks	£10,597,000.00
Crematoriums	£481,000.00
Depots	£2,924,844.00
Education	£160,130,003.00
Farms	£989,000.00
Leisure	£1,710,750.00
Libraries	£4,994,500.00
Offices	£9,159,775.00
Outdoor Pursuits Centre	£1,350,000.00
Public Conveniences	£2,067,500.00
Residential	£561,250.00
Social Care	£9,739,000.00
Stores	£194,500.00
Swimming & Leisure Centres	£19,335,500.00
Tenanted	£56,500.00
Theatres	£24,409,000.00
Tourism	£2,521,000.00
Workshops/Industrial	£5,371,500.00
Youth Centres	£1,902,500.00
	<b>£258,495,122.00</b>

### NON-OPERATIONAL PROPERTY

Awaiting Development	£300,000.00
Grazing Land	£1,281,500.00
Investment	£5,285,500.00
Surplus	£7,793,500.00
	<b><u>£14,660,500.00</u></b>

4.1.2 In terms of rental income for land and buildings held within both the 'operational' and 'non-operational' portfolios, this is in the region of £1,000,000 per annum, of which 15% is received by 'operational' assets, with the remaining 85% by 'non-operational' assets.

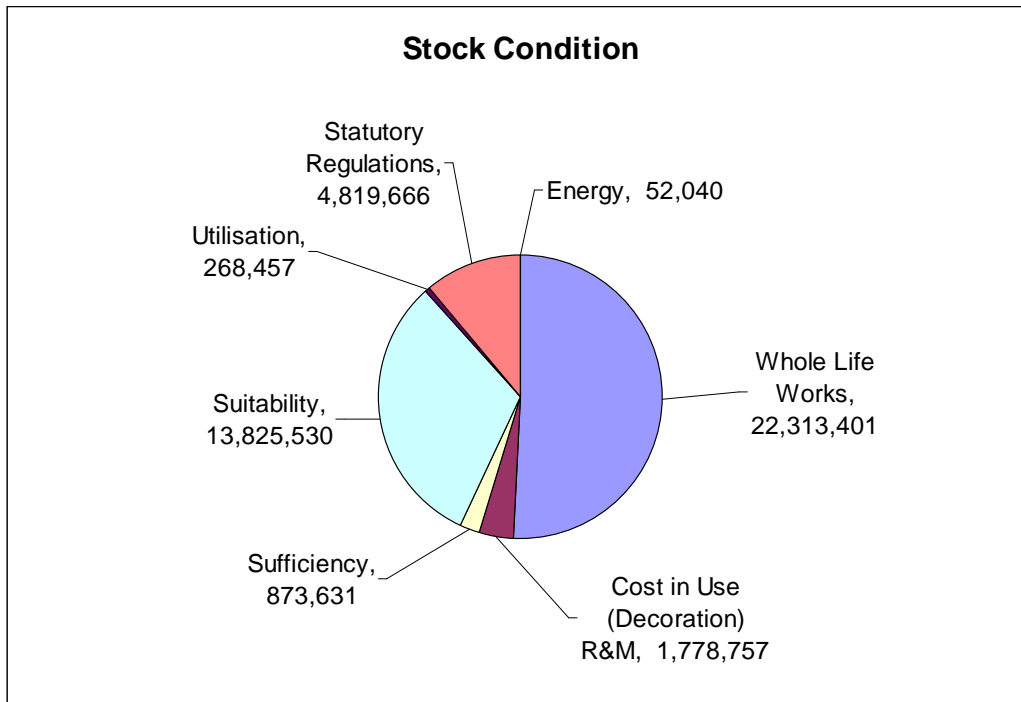
4.1.3 In so far the Asset Valuation 2010, £11,463,000 worth of assets were held as being surplus, of which there were some assets held for future release due to market conditions.

4.1.4 The Asset Valuation 2010 exercise has provided evidence to pursue commercial opportunities in terms of assets where 'Market Value' (that is value if disposed of on the open market) far exceeds 'Existing Use Value' (value if retained for current Service delivery). The AMP is intended to pursue such opportunities in order to unlock latent value whilst not prejudicing the Corporate Plan by their disposal, but resourcing it. A work-stream is identified in the Delivery Plan of how such opportunities will be identified, considered, and delivered upon.

## 4.2 Stock Condition

4.2.1 In terms of an indication of the amount of capital expenditure required to put the 'operational' portfolio in repair and ensure it continues to be operational for the next five years, this is estimated at around £43,931,483, which excludes 37% of the portfolio, which has not been completed as part of the rolling programme of condition surveys. The allocation of works to each type of categories is illustrated in Figure 3.

**Figure 3 Stock Condition**



4.2.2 How the above is then apportioned to each individual Service will be detailed further in the individual Service Asset Management Plans.

4.2.3 In some instances a number of the Authority's properties are in poor condition, inefficient and inadequate to address the changing profile of service delivery. A larger maintenance backlog will be difficult to eradicate within the context of the current economic climate and commitment of the Authority to its Corporate Plan and Vision. Accordingly, there will be a need for the Authority to challenge the retention of assets, how it deals with it, plans and manages the portfolio. The Authority should strive towards keeping its stock of property in good condition, and ensure that monies are made available to keep them fit for purpose, so as to retain its operational effectiveness and asset value where appropriate. One of the difficulties currently experienced in dealing with the Authority's stock condition is the various Service reviews being undertaken / in transition and the situation relating to the future of the Authority's office accommodation.

## 5 STRATEGY

### 5.1 Introduction

5.1.1 Regular reviews will be required to ensure that this strategy has clear links with the Council's corporate aims and objectives and that it links with other service led strategies. However, the strategy must recognise several over-arching themes, and then deal with the high level portfolio components as per the Delivery Plans, which will have short, medium and long term strategies for implementation.

5.1.2 The overarching themes are

- **Governance and Compliance with the Corporate Asset Management Plan**
- **Service Reviews**
- **Property & Performance Management**
- **Investment Planning**
- **Sustainable Development**
- **Collaboration Agenda**

where the golden thread through all will be the efficiency agenda.

5.1.3 The portfolio components will include in the main

- Office Accommodation
- Corporate Accommodation
- Service Delivery Property

These components are held within different Service Asset Management Groups, which are detailed within the Delivery Plans.

## 5.2 Governance & Compliance with the Corporate Asset Management Plan

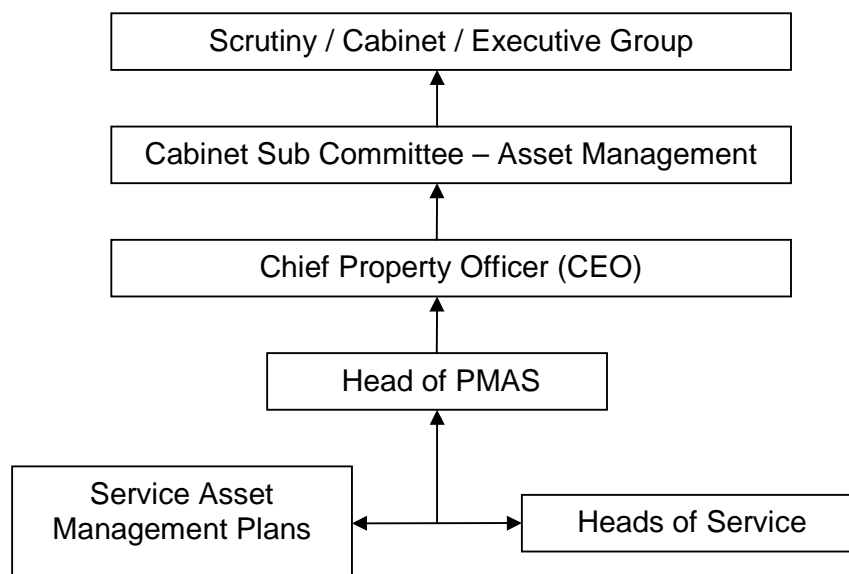
5.2.1 The previous AMP made it explicit that Property (be it Corporately managed/occupied or serviced managed/occupied assets) is a corporate resource, and should be managed as such. The WAO commissioned report, undertaken by KPMG in 2009 re-affirmed the position that the Authority should deal with all property as such.

5.2.2 This AMP would have been through due process in so far as an established Asset Management Plan Project Board and ultimate sign off by Cabinet to confirm the position that all land and buildings be treated as a corporate resource, principally managed centrally where capital investment and property related issues are reported to PMAS for the attention of the County Valuer and Asset Manager and where appropriate to the Cabinet Sub Committee – Asset Management.

5.2.3 Policies and codes of practice will be established so as to ensure clarity as to the proper management of property as a corporate resource, which will be developed as per the attached Delivery Plan, and will have been considered by the Asset Management Plan Stakeholder Sub Group, Project Board, and ultimately the Cabinet Sub Committee – Asset Management.

5.2.4 The structure to deliver this Asset Management Plan is illustrated in Table 4, below.

**Figure 4 Asset Management Plan Structure**



5.2.5 The Cabinet Sub Committee - Asset Management will be the member and officer forum for reporting matters in delivering upon this Asset Management Plan and oversee how commitments made in the Corporate Plan are delivered where the Authority's asset base is concerned. The Cabinet Sub Committee will provide a strategic steer on property matters in accordance with powers given under the constitution to ensure the best use of the Authority's land and buildings. The Cabinet Sub Committee will function under the terms of reference as confirmed by Cabinet.

5.2.6 The Chief Property Officer has a key role in ensuring delivery of the objectives of the Asset Management Plan. It is widely acknowledged that asset management is a key part of business planning which connects at a strategic level, decisions about an organisations business needs, the deployment of its assets and its future investment needs. Asset management properly lies at the level of corporate resource management. With this in mind, the Chief Executive will hold the post of Chief Property Officer, who will be responsible for the co-ordination and delivery of the AMP. The Chief Property Officer, via a seat on the Executive Group and Senior Management Team will ensure that all Heads of Service are aware of and comply with the AMP, and the opportunity that it brings to improve service delivery and to create resource efficiencies. This AMP will be complemented by a Communication Plan, which will mean that all services and members, as well as external partners will be aware of its existence and its fundamental objectives.

5.2.7 Asset Management will be an agenda item on the Senior Management Team Agenda, where matters put before the Chief Property Officer will be discussed and progressed via officers and then the Cabinet Sub Committee - Asset Management.

5.2.8 Non-compliance with the Asset Management Plan will be recorded and put before the Chief Property Officer and if matters cannot be resolved, before the Cabinet Sub Committee - Asset Management.

5.2.9 In summary, under this key theme, the underlining items for consideration, and adoption are :

- **All Council land & buildings are a Corporate Asset to be ultimately managed by Property Management and Asset Services.**
- **This AMP has had sign up by members and services who acknowledge its existence and need for compliance.**
- **Policies concerning various facets of the Portfolio and management thereof will follow to provide detailed guidance to members and officers.**
- **Delivering the AMP will be an officer/member partnership driven through the Cabinet Sub Committee – Asset Management**



## 5.3 Service Asset Reviews

5.3.1 Service Asset Reviews will be driven by Service Reviews, and will involve examining, understanding and comparing how the property portfolio meets the customer and service delivery needs, and look into the future to identify how the assets will need to respond to changing economic, social and environmental changes. At such a strategic level, such reviews offer opportunities for achieving value for money and savings.

5.3.2 Services will inform the Asset Management process so that the use of land and buildings be optimised in respect of service delivery and overall corporate and Asset Management objectives. A number of service reviews have been undertaken, and are ongoing, which will assist in the delivery of the vision of the AMP. The Service Asset Reviews will be detailed within the Delivery Plan.

5.3.3 Consideration will be given to the key items within the Service Asset Management Plan Condition Survey group headings, namely Whole Life Works, Cost in Use (R&M), Sufficiency, Suitability, Utilisation, Statutory Regulations, Energy, as well as the corporate agenda in terms of integration and consolidation of services and the efficiency programme.

5.3.4 The Service Asset Reviews will as agreed prior to endorsement by Cabinet Sub Committee – Asset Management, and will be progressed by Services in conjunction with PMAS, as per the enclosed Delivery Plan.

5.3.5 Services will need to adopt the agreed protocol that land and building assets are to be managed in an efficient, effective and economic manner, and that decisions are channelled through PMAS so as to enable that use, costs and opportunities are optimised. Use of space by services should be efficient, and PMAS will endeavour to identify an appropriate internal charge for the occupation of property which will bring an incentive for the reduction of occupied space.

5.3.6 In summary, under this theme, the underlining items for consideration are :

- **The need for open communication between the services and PMAS in line with the key themes of the AMP.**
- **For services to bring forward their future needs to PMAS at the earliest opportunity.**
- **For dynamic reviews on how services use and manage their portfolios, and target potential savings and potential service benefits.**
- **For PMAS to inform services of the true cost and opportunities of their asset and investment requirements.**

## 5.4 Property & Performance Management

5.4.1 As property assets are considered a corporate resource, it is imperative that such assets are principally managed centrally by professional officers, who can advise and give direction in so far as legislative, contractual, design, commissioning and commercial duties, so that the portfolio provides value for money, and its management is efficient. The Estate and Asset Management section of PMAS will be the lead section in managing the portfolio from an Estates and Asset Management perspective, assisted by Facilities Management and Development sections of PMAS.

5.4.2 All property will be held centrally by PMAS, who will act as an implied 'landlord's agent' of all Council assets; occupying Services will have occupational rights only, and be an informal 'tenant' of all Council assets. Acquisition, disposal, capital investment, commissioning of building works, management of third party interests will all be managed through the Landlord, in accordance with the 'Disposal and Acquisition Policy' and 'Property Management Policy', which will be produced as per the Delivery Plan. Contravention of these policies and the underlining principle of this section will be reported to Chief Property Officer and the Cabinet Sub Committee – Asset Management.

5.4.3 For the Authority to manage the efficiency of the estate to its optimum potential, it is imperative that all decisions concerning the use, investment and future of assets are made through PMAS. It is only by controlling the estate can this Authority properly ensure value for money, identify savings and also assess its performance. Data on property performance should ensure that the cost of consuming property can be compared to the benefits being delivered. This will allow this Authority to challenge the effectiveness of land and buildings in supporting service delivery, and may even suggest that a building based solution is not the most effective way of delivering certain services. A suite of performance indicators will be developed as per the Delivery Plan for internal use in so far as measuring performance of the asset base.

5.4.4 The proper management of the portfolio relies on up to date, accurate information concerning land and buildings. The Authority's Corporate Asset Management System, 'the Technology Forge' is a key tool in recording, reporting, and guiding the Authority as to the property and business related decisions. The system is accessible across the Authority, used by over 200 users, across all services, but is centrally managed by PMAS. The system is highly regarded by the Wales Audit Office.

5.4.5 The success of this Corporate Asset Management Plan can only be measured if performance is monitored and then reported to the Cabinet Sub Committee - Asset Management, and then reviewed so that the process is evolving and improving with a firm evidence base. Measuring the performance of the portfolio will be reliant on the continued population and maintenance of the evidence base, and the application of a common set of metrics to analyse the portfolio's performance.

5.4.6 In summary, under this theme, the underlining items for consideration are :

- **All assets consumed by the Authority in service delivery are Corporate assets and their ultimate management is with PMAS;**

- **Information regarding land and buildings will continue to be captured on the Corporate Asset Management System.**
- **All matters involving acquisition, disposal, capital investment, commissioning of building works, management of third party interests will all be managed through by PMAS.**
- **No service other than PMAS is to involve itself in the acquisition, disposal or management of third party interests or incur capital investment or commissioning of building works where the Authority has a legal or occupational interest in the land or building.**

## 5.5 Investment Planning

5.5.1 Property assets are expensive in terms of capital value and annual costs of upkeep, and accordingly, capital expenditure needs to be authorised, controlled and monitored in a way that demonstrates value for money. Property assets are also a ready source of capital receipts, where the delivery also needs to be authorised, controlled and monitored in a way that demonstrates value for money. Compliance with the Corporate Asset Management Plan should ensure that the decisions made about investing money into or divesting interest from property assets demonstrate value for money.

5.5.2 Delivering upon this AMP will require PMAS to work closely with Financial Services to review the capital requirements for the initiatives in order to plan how these maybe undertaken over the next 5-10 years. The Estates and Asset Management section of PMAS will be consulted in applications for funding where land and buildings are used and undertake Net Present Value calculations of the options. The capital strategy will be based on estimated expenditure, revenue costs, receipts and incomes that will test the affordability of the plan. PMAS will also consider the opportunity cost of the existing portfolio which is generating revenue, and is held as an investment, and will consider the options available when procuring land and buildings.

5.5.3 As was illustrated in the Office Accommodation Strategy, there is a significant backlog maintenance of repairs within that stock and this will continue to increase without due consideration of this AMP. This backlog is a result of many years of insufficient repair and maintenance budget. Data held in the Authority's Asset Management System and principles of good property and performance management will dictate the prioritisation of planned works which reconcile with the strategy for retention or disposals, based on the Service Asset Reviews.

5.5.4 Investment in new assets should firstly consider modern, flexible, fit for purpose opportunities, which would provide modern solutions to space requirements, and provide long term benefits in terms of ongoing maintenance and revenue costs.

5.5.5 To maintain operational and capital value, monies will be made available for their proper management, unless strategic options dictate otherwise.

5.5.6 In summary, under this theme, the underlining items for consideration are

- **All investment decisions are to be channelled through PMAS who will work in consultation with Financial Services.**
- **PMAS will consider the cost/benefits of retention of the Authority's existing stock of assets and how revenue can be generated or savings can be made.**
- **Investment in new assets should firstly consider modern, flexible, fit for purpose opportunities.**

## 5.6 Sustainable Development

5.6.1 The Authority is committed to improving the environment, and in the way its land and building assets affect and interact with the environment. The Green Programme Board is an Authority wide initiative to drive sustainable development, and the Energy Policy is specific to how the Authority consumes and manages energy consumption. Legislation imposed by Central Government, such as the 'Carbon Reduction Commitment' will force qualifying organisations to acquire carbon allowances from 2012, which has financial obligations for participating bodies. The AMP endeavours to set high design levels for all new buildings developed by the Authority as 'BREEAM Excellent', unless directed otherwise by Cabinet, leading to a decrease in energy consumption, reduction in carbon footprint, minimisation of waste generation, and delivering on the efficiency agenda.

5.6.2 Initiatives as promoted by the Energy Policy, as well as those provided by Central Government are integral to the operation, retention, refurbishment or disposal of the Authority's land and building assets.

5.6.3 In summary, under this theme, the underlining items for consideration are

- **The Authority will endeavour to decrease energy consumption in its existing stock and consider that any development or refurbishment works undertaken reduces consumption.**
- **The Authority will lead by example in the development and refurbishment of its assets, where in the public interest.**

## 5.7 Collaboration Agenda

5.7.1 The changing political and economic landscape has brought working with other public bodies to the forefront of considerations when considering property based solutions. Many a fine example exists of co-working with other authorities and other public agencies, most of which involve property occupancy. This work will no doubt continue and it is incumbent upon each public sector service to undertake early engagement on a strategic level as to whether opportunities, synergies and efficiencies exist in co-locating, or co-commissioning property based solutions. Due regard will be given to the work being progressed by the National Asset Working Group in the pursuit of better utilisation of public assets and co-working and sharing information between the public sector.

5.7.2 By working with other organisations, as listed in this plan, opportunities arise for area reviews to be undertaken not only by the Authority in isolation, but in conjunction with other organisations, so as to improve on the efficiency and customer service agenda. 'Area Reviews' have been considered at Llandudno Junction as part of the 'Masterplan process'. The Authority is committed, as part of this AMP, when considering substantial investment and service provision to look at how services can be provided by a combination of public services. The provision of professional services will also be the subject to the collaboration agenda and the Authority is committed to consider avenues of procuring services from other public bodies, and providing the same, where and when appropriate.

5.7.3 This AMP has been forwarded to the Leader and Chief Executives of the other five North Wales Local Authorities, as well their respective Asset Managers, also to the Chief Constable of the North Wales Police Service, Chief Executive of the Betsi Cadwalader University Local Health Board, Chief Officer of the Ambulance Service and Fire Service, Snowdonia National Park, Principal of Coleg Llandrillo, the Welsh Minister, Assembly Members for Conwy and the relevant Members of Parliament for Conwy, reflecting the Authority's openness and willingness to work in partnership with fellow public sectors on a local, regional and national level. The AMP has also been tabled with the RICS North Wales Board and North Wales Economic Forum, so that there is connectivity between the Authority as a public body with the private sector.

5.7.4 In summary, under this theme, the underlining items for consideration are :

- **The Authority will cooperate with its public and voluntary partners in identifying matching property requirements;**
- **The Authority will consider the opportunities posed by collaborative working in so far as the provision of backroom functions, such as those offered in managing and delivering the AMP.**

## 6 CONCLUSION

6.1.1 With the adoption and adherence to this Corporate Asset Management Plan, the Authority would have embedded strategic property management across the whole organisation, and would have raised the profile of land and buildings as a key part of corporate and service delivery.

6.1.2 Close collaboration, both internally and externally is key to the success of the AMP, where the benefits of better targeted use of land, buildings and financial resources will be realised

6.1.3 The Authority are committed to continue to lead the way on the environmental agenda by reducing carbon emissions through its buildings and uses of, which may subsequently generate savings.

6.1.4 Extensive consultation in preparing this document, along with the accompanying Delivery Plan and policies and procedures, and communication of the AMP upon adoption will enable success in achieving the benefits with the AMP will provide to Conwy and its citizens.