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**Corporate Asset Management Plan 2016-17 – Operational and Investment Estate**

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**Reason for the Report**

1. To provide the Committee with an opportunity to consider the Council's proposed Corporate Asset Management Plan, and provide its views to the Cabinet prior to consideration of the Plan in July 2016.

**Background**

2. The Committee has responsibility for scrutiny of the management of the Council's estate, which comprises both 'operational' property (from which the Council operates and delivers services), and 'non-operational' or 'investment' property (which is often let for commercial return or to promote local employment, small businesses and the economic regeneration of local areas).
3. The Committee has previously considered the Council's approach to non-operational property (3 November 2015), and during scrutiny of the Economic Development Directorate Delivery Plan on 12 April 2016 Members were offered sight of the Corporate Asset Management Plan, setting priorities in relation to supporting and investing in the Estate, for pre-decision scrutiny.
4. In September 2014 the Auditor General's Corporate Assessment of the Council highlighted a lack of improvement in some key service areas over time. One of those service areas highlighted was property assets. Based on evidence, at this point in time the Council was assessed as not managing its land and property assets well.

5. In February 2016 the Wales Audit Office published the Council's Follow On Review Assessment, and amongst the proposals for improvement in respect of the Council's management of its assets was a requirement to "*complete the data capture exercise relating to the use of assets and develop a single system to hold appropriate asset management information*".
6. Having received the Corporate Assessment Follow on Report the Council responded by preparing a Statement of Action, addressing the improvement in asset management by including an internal business case for the development of a new Corporate Asset Data Management system, including detailed business process mapping.
7. In addition the Council is addressing asset management improvement via its Organisational Development Programme (ODP), put in place to encapsulate all improvement programmes and projects required to address the WAO Corporate Assessment. The Assets and Property strand of the ODP includes nine Asset & Property projects, ranging from Strategic Property Management of the Operational Estate, to Office Rationalisation, Depot Rationalisation, and Schools Organisation.
8. In November 2014 the Council adopted a five year Corporate Property Strategy (2015-2020). This can be accessed by following the link below:  
[http://cardiff.moderngov.co.uk/Data/Cabinet/20141120/Agenda/Property%20Strategy%20\(6.56M\).pdf](http://cardiff.moderngov.co.uk/Data/Cabinet/20141120/Agenda/Property%20Strategy%20(6.56M).pdf)

## **Issues**

8. Attached at **Appendix A** is the Corporate Asset Management Plan 2016-17 (CAMP).
9. The CAMP, and the accompanying Cabinet report recommending its approval at **Appendix B**, highlights that property is a key strategic activity and corporate resource in enabling service modernisation. The overarching principle is captured in the strapline *Fewer but Better Buildings*.

10. The CAMP includes targets for reducing the size of the estate, the maintenance backlog, running costs and generating capital receipts. (*Appendix A page 6*) It will be implemented through the Asset Management Board, supported by the Asset Management Working Group, and will consider opportunities to work closely with other public sector partners, whilst also aligning with the Organisational Development Programme to ensure a structured approach that aligns with other Council objectives.

11. For clarity, the papers attached to this covering report are:

- **Appendix A:** The Corporate Asset Management Plan 2016-17
- **Appendix B:** *Cabinet Report – 14 July 2016.*

For further background reading Members may wish to follow the link above to the Corporate Property Strategy 2015-20.

## **Way Forward**

12. The Cabinet Member for Corporate Service and Performance Councillor Graham Hinchey has been invited to attend the meeting, and may wish to make a statement. Helen Jones (Strategic Estates Manager) will be in attendance to answer Members' questions.

## **Legal Implications**

13. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those

recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

### **Financial Implications**

14. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

### **RECOMMENDATIONS**

15. The Committee is recommended to:

- I. Consider the information presented in this report and at this meeting; and
- II. Decide whether it wishes to make any comments or recommendations to inform consideration by the Cabinet in July 2016.

**DAVID MARR**

Interim Monitoring Officer

29 June 2016