



CORPORATE ASSET  
MANAGEMENT PLAN  
2016/17

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# 1 EXECUTIVE SUMMARY





In 2015 Cardiff Council produced its first annual Corporate Asset Management Plan (CAMP). The CAMP is the delivery vehicle for the 5 year Corporate Property Strategy and is aligned to the Council's Corporate Plan 2015-2017. This is the second CAMP which sets out the strategic direction for the Council's estate for 2016-2017 with explicit targets and objectives for the year ahead. The four important targets are; to reduce the annual running cost of the estate, decrease the maintenance backlog, reduce the size of the estate and deliver capital receipts.

The asset management process and achievement of targets is supported by a detailed master schedule of operational property. Each Council owned asset is frequently reviewed to assess whether action is required. This schedule of actions can be subject to regular change due to a range of factors.

The key theme that sets the direction of the estate is the principle of '**Fewer, but better buildings**'. The Council's estate is vast and running the estate is the second highest cost to the Council after staff. The ongoing changes within the Council to the way it delivers services has a strong link to the Council operational property estate and offers opportunity to review the way it operates. This supports the key three themes of the Corporate Property Strategy; Modernisation, rationalisation and collaboration.

In 2015/16 the Council split its estate into two categories.

**- Operational Estate**  
**- Investment Estate**

The Operational Estate comprises assets used for Council services and the Strategic Estates Department manage the strategic direction of the estate. The principle of a corporate landlord model is to be further developed through 2016/17 to ensure the Council manage the vast estate in a strategic manner. The Investment Estate includes assets that are held for income generation.

**Modernisation:**

The Council is working towards a more modern portfolio of assets which; operate in line with the 21st Century requirements of the Authority, cost less to run and are not in need of costly repair. Last year the Council delivered the Pontprennau School and Central Library Hub, which are great examples of what the estate should look like going forward.

**Rationalisation:**

The Council can reduce the size of its estate through the rationalisation of property in various forms. It can sell surplus assets to generate capital receipts, it can relinquish leasehold interest to make revenue savings, it can lease out properties to generate an income and it can offer assets to the community through the Community Asset Transfer (CAT) route.

2015/16 saw good examples of this approach. The Council sold the former Clare Road Depot which generated a capital receipt and also provided a regeneration opportunity within Grangetown. The YMCA took over the Plasnewydd Community Centre through a Community Asset Transfer, this saved the Council the cost of running the property but still maintained an important community provision in the area.

**Collaboration:**

The wider public sector estate is substantial in Cardiff. The scale and variety of the estate, combined with the vast public sector services being provided from the assets, provides an excellent platform for collaboration. In 2015/16 the Council had many discussions with public sector partners and progressed a wide range of schemes, for example, the new HUB at Llanishen Police Station and the Maelfa development in Llanedeyrn.

To summarise, the Council will continually review and challenge the estate in order to provide a better, more efficient estate that aligns with the Council's vision and change in service needs.

The table below shows the Corporate Asset Management Plan targets and achievements from 2015/16, and the new targets for the CAMP 2016/17.

	2015/16 TARGET	2015/16 ACHIEVED	2016/17 TARGET
<b>Capital Receipts</b> Secure £10m capital receipts by 2018	£6.2m	£6.8m	£7.3m
<b>Gross Internal Area (GIA)</b> Reduce the GIA of operational buildings by 10% by April 2018.	3.5% <small>REDUCTION</small> 25,414 sqm 273,549 sqft	3.5% <small>REDUCTION</small> 25,463 sqm 274,038 sqft	4.2% <small>REDUCTION</small> 30,254 sqm 325,651 sqft
<b>Running Costs</b> Reduce the running cost of operational buildings by £2m by April 2018	4.5% <small>REDUCTION</small> £1,620,000	2.7% <small>REDUCTION</small> £987,867	4.4% <small>REDUCTION</small> £1,600,000
<b>Maintenance Backlog</b> Reduce the maintenance backlog by £12m by April 2018	4.2% <small>REDUCTION</small> £4,300,000	4.3% <small>REDUCTION</small> £4,440,123	4.3% <small>REDUCTION</small> £4,500,000

# ARY OF TARGETS 2015/16 and 2016/17



# 2 OPERATIONAL ESTATE – 2016/17

## 2.1 OBJECTIVES FOR 2016/17

The objectives and work streams set out in the CAMP directly align with the Corporate Property Strategy 2014, the Corporate Plan and the Organisational Development (OD) Programme. The monthly Asset Management Board, chaired by the Chief Executive, monitors the progress of the CAMP objectives throughout the year. The three key themes in delivering the objectives are: Modernisation, Rationalisation and Collaboration.

### MODERNISATION

This involves improving the quality of the Council's estate through a programme of investment to provide modern, fit for purpose and sustainable buildings with a low carbon footprint. Modern buildings will improve service delivery, customer satisfaction and staff morale; in addition to reducing the running cost of the estate and the maintenance backlog.

Modernisation typically results from significant capital investment in properties the Council wishes to retain and deliver services from over the medium to long term. Recent examples include Hubs such as Central Library Hub and Grangetown HUB.

The Schools Organisational Plan (SOP) is the biggest driver for modernisation within the Council. The 21st Century schools programme is investing significantly on an annual basis to ensure fit and modern school facilities are provided. The latest example is the new school Pontprennau Primary, which is a community school serving the wider populous of the area.

Vital to all modernisation projects is the investment of capital. The CAMP details an annual capital target that is then attributed to the required projects as agreed by Cabinet. This ensures a sustainable approach to modernisation and also contributes to the Rationalisation objective.

### RATIONALISATION

This is the process of reducing the number of buildings managed and operated by the Council to reflect the continually changing service requirements of the organisation. Rationalisation is perhaps the single most important element of the CAMP due to the impact it has on the size of the estate (Gross Internal Area), running cost (revenue), maintenance backlog and capital receipts targets. By disposing of assets either through freehold or leasehold disposal, the Council immediately alleviates itself of the running cost, the floor space, the maintenance backlog and if the property is sold, also receives a capital receipt.

Each year the Strategic Estates Department (SED) together with service areas review the estate to understand property asset performance and requirements.

2016/17 will see continued review of the office estate through the Office Rationalisation programme, and also a review of the Council's depot estate. The delivery of these projects will again focus on ensuring the Council operates **'fewer but better buildings'**.

### COLLABORATION

This involves improving the way the Council works with public sector partners to join-up service delivery where possible and make better use of each other's estate. Strategic Estates are creating strong links with other public sector partners to continually develop new ideas and initiate new projects.

As the pressure on Public Sector budgets continues, it is increasingly important to explore the opportunities afforded by partnership working with other organisations. Cardiff Council has forged strong ties with partners such as the University Health Board, Cardiff University, The South Wales Fire & Rescue and Police Services, Cardiff and Vale College and also Cardiff Third Sector. Collaboration is an opportunity for organisations to share space, costs and resources to ensure services remain at a high standard and at affordable cost. Collaboration projects aim to reduce the overall footprint of the public sector estate, the running cost of the estate and the maintenance backlog. There are also opportunities to sell or lease space from one another to make savings to the public purse.

The Partnership Asset Management Board is held on a quarterly basis and compliments the Council Asset Management Board. The purpose of the Board is to share and explore collaborative opportunities across the city between public sector bodies and work towards deliverable solutions. Recent collaboration projects include Ely and Caerau Hub, Llanishen Police station Hub and the Maelfa redevelopment.



## 2.2 CORPORATE REAL ESTATE IT SOLUTION

The ability of the Council to manage its extensive property estate is largely underpinned by access to accurate and up-to-date information. Recent internal and external audits have established that the Council's existing property systems are disparate in nature and in some instances reaching end of life. There is now a pressing need to implement a new fit for purpose property data infrastructure that is capable of underpinning the requirements of the Asset Management Process.

An OD project has been established within Assets and Property to determine a solution. Once implemented, the Council will have ready access to information and reports that presently require hours of manual work to prepare, freeing officer time to implement CAMP targets and undertake daily property management duties.

An essential requirement of the project is to ensure effective links with Asset Accountancy and to ensure the agreed solution is suitably "future proofed" and able to broaden in scope over time.

The Outline business case for the project was approved in 2015 by the Investment Review Board (IRB). The full business case is to be completed and presented to IRB in summer 2016.



Operational property is directly managed by the Council either to deliver services to the public through properties such as schools, libraries, leisure centres and day care facilities etc. or to facilitate service delivery via back office, operations and depot facilities.

**Summary**

- 441 operational properties
- Total operational Gross Internal Area GIA (floorspace) over 7,750,016sqft (720,000 sqm)
- 63% of the operational GIA relates to schools
- Maintenance Backlog is estimated at over £100m
- Operational running cost 2015/16 was circa £35m
- Circa one third of Cardiff land area is owned by Cardiff Council

**Number of operational properties**

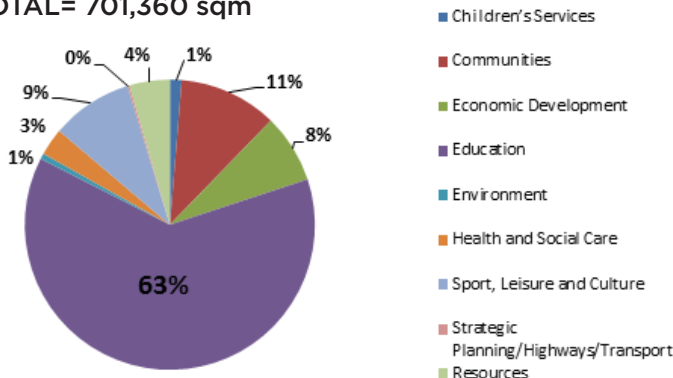
For the purposes of the CAMP the operational portfolio is divided into use categories: Offices and Operations, Community Buildings and Schools. This table shows the total number of operational buildings divided into use types.

Property type	number	%
Offices & Operations	107	24
Community buildings	148	34
Schools	186	42
<b>TOTAL</b>	<b>441</b>	

**Operational estate by Service Area**

City of Cardiff Council property is allocated to a Council service area to manage and deliver services. The graph shows the percentage floor area, or Gross Internal Area (GIA) that each managing service area/department is responsible for.

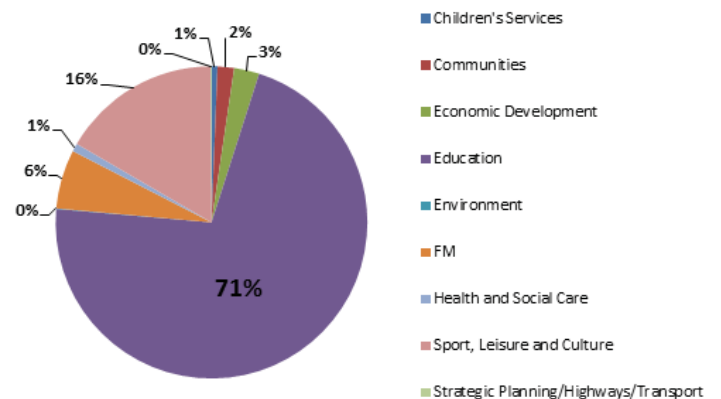
TOTAL= 701,360 sqm



**Total Maintenance Backlog by Service Area**

The property maintenance backlog divided by responsible service area/department.

TOTAL= £100,696,278



**Total Maintenance Backlog**

The operational estate has a considerable maintenance backlog in excess of £100m. As of April 2016 the backlog is apportioned:

Priority Rating	Cost of Works
Priority 1	£8,120,831
Priority 2	£55,167,559
Priority 3	£37,407,888
<b>TOTAL</b>	<b>£100,696,278</b>

This is the estimated cost required to restore the existing portfolio to a first rate condition. All works are attributed a priority rating which describes the urgency of repairs.

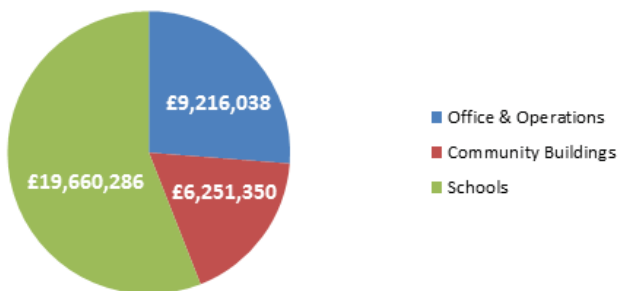
- **Priority 1** = Urgent/Immediate works.
- **Priority 2** = Works will become urgent/immediate within 2/3 years unless actioned.
- **Priority 3** = Satisfactory at present but condition likely to worsen if left unresolved.

# SUMMARY OF OPERATIONAL ESTATE

## Total Running Cost 2015/16

The running cost of the estate in 2015/16 divided by property use category.

**TOTAL= £35,127,674**



## 2.4 WHAT WE SAID WE WOULD DO



**Total impact of the Office and Operations properties towards 2015/16 CAMP targets.**

Floor space reduction (sqft)	Maintenance Backlog reduction	Running Cost reduction	Capital Receipts received
72,918	£1,248,155	£351,624	£680,750

## OFFICE AND CITY OPERATIONS 2015/16

The office portfolio has been subject to the ongoing Office Rationalisation project for a number of years as well as other service area instigated moves.

The core objective of Office Rationalisation is to reduce the number of office buildings the Council operates and consolidate staff into the core offices, County Hall and Wilcox House.

Office Rationalisation continued to focus on the retention of good quality freehold properties and the active relinquishment of non-essential leasehold premises.

The adoption of new agile working methods this year within County Hall following the Social Services move from Global Link has resulted in a more efficient use of office space. Mobile devices facilitate a hotdesking philosophy negating the need for 1-1 desk ratios.

A new Depots project was added to the OD programme in 2015/16. This focuses on the Council's city wide depot facilities with the purpose of determining the best utilisation of assets to deliver services.

The Office and Operations estate summary 2015/16 is shown below.

Property	Ward	Intended Action	Result	Tenure
<b>Carnegie Centre, St David's House, Wood Street</b>	Cathays	Vacate and relinquish lease	Property vacated and Service relocated	Leasehold
<b>Alexander House, Excelsior Road</b>	Gabalfa	Vacate and relinquish lease	Property relinquished and Service relocated	Leasehold
<b>Traffic Wardens Office, 47 Landore Court</b>	Cathays	Vacate and relinquish lease	Property relinquished and Service relocated	Leasehold
<b>Global Link, Dunleavy Drive</b>	Grangetown	Vacate and moth ball property	Part vacated. Full vacation moved to 2016/17 plan, pending assignment of lease	Leasehold
<b>Mynachdy Centre Office Accommodation</b>	Gabalfa	Vacate and mothball property	Vacation moved to 2016/17 plan	Freehold
<b>Howardian Office Accommodation</b>	Penylan	Vacate and moth ball property	Vacation moved to 2016/17 plan	Freehold
<b>Bessemer Close site 1 - Procurement and Supplies Depot</b>	Grangetown	Dispose site	Property vacated. Disposal moved to 2016/17 plan	Freehold
<b>Bessemer Close site 2A - Schools Maintenance Depot (DSU)</b>	Grangetown	Dispose site	Property vacated. Disposal moved to 2016/17 plan	Freehold
<b>Bessemer Close site 2B - Terrapin Building (General Fund)</b>	Grangetown	Dispose site	Property vacated. Disposal moved to 2016/17 plan	Freehold
<b>71 Bridge Street</b>	Cathays	Added in year	Received initial down payment prior to full disposal in 2016/17 plan	Freehold
<b>Clare Road Depot</b>	Grangetown	Dispose site	Property sold	Freehold
<b>Brindley Road depot, Leckwith</b>	Grangetown	Added in year	Property and Land sold. Section of office leased back on short term.	Freehold
<b>Depot review</b>	City Wide	Added in year	Project initiated to review Council depots	Freehold

### Achievements

In regards to future revenue savings, the Council was able to progress negotiations in 2015/16 to assign the lease interest of Global Link to a third party. This transaction is yet to be completed but it is anticipated to complete in 2016/17 which will be a significant saving.

An Agile working business case was implemented in 2015/16 within the Social Services directorate. The purpose of the project was to modernise the way the service operates through the use of mobile devices and touchdown points. This resulted in a reduction in required office space and accommodation cost. The initiative is in its infancy however early analysis suggests that the staff and service are benefitting greatly from the new approach.

The success of the project will likely see implications for how Cardiff operates its core office space on a more corporate level.

The possibilities for rolling out an agile approach to all Council office based teams is to be explored in more detail through 2016/17.



**Total impact of the Communities properties towards 2015/16 CAMP targets.**

Floor space reduction (sqft)	Maintenance Backlog reduction	Running Cost reduction	Capital Receipts received
100,611	£942,600	£631,243	£460,000

# COMMUNITY BUILDINGS 2015/16

Community Buildings are property assets the Council uses to provide public services and facilities. The Council operates a wide variety of community services from dedicated properties.

Community properties are managed by various service areas and are subject to different priorities, budgets and processes. During the pre-budget consultation in 2014/15 the concept of Community Asset Transfers was introduced for surplus community assets and services. This initiative was again a key focus in 2015/16 as local interested groups continued to express interest in taking on Council Community assets the Council will not operate directly in the future. These expressions are managed at fortnightly steering group meetings and weekly CAT Board meetings.

## Achievements

**HUBs:** As of April 2016 the Community HUB programme consists of 12 projects, 6 of which are completed and 6 at different stages of development.

The opening of Central Library HUB and Grangetown HUB were both extremely successful with positive reception from local residents and consistently high footfall.

The purpose of the Communities led HUBs programme is to ensure citizens will be able to access the services they need in the way they want to, through joined up services and closer working between the Council and its partners.

**Community Asset Transfers (CATs):** The ongoing review of community assets has resulted in a series of properties being made available for Community Asset Transfer from across the Communities portfolio (Libraries, Play Centres, Youth Centres, Community Centres). The affected properties are in various stages of completion and are progressed by the CAT Board on a weekly basis. It is anticipated that further CAT relevant properties will be brought forward in 2016/17.

**Leisure Centres and Venues:** The procurement processes for both Leisure Services and the Arts venues have proceeded during the year. With regard to Leisure a call for final tenders from the two remaining bidders has been made with an expected Cabinet report in late July 2016.

With regard to the Arts Venues, final dialogue is taking place with the remaining bidder with a Cabinet Report scheduled for autumn 2016.

The outcome of this exercise is likely to have a significant impact on the performance of the estate in future years in regards to operational floor space, maintenance backlog and running costs.

**Play Centres:** In 2015/16 Cabinet approved a new model for delivering Play Services. The Council will not be reliant on owning or leasing dedicated facilities in the future, rather the new model will focus on the use of shared community facilities with local partners and also the Schools estate.

All the existing Play Centres have been subject to Community Asset Transfer interest to ensure they maintain a community role, with the exception of Llanrumney Play Centre for which there is currently no interest at all. Where CATs proceed buildings will be subject to leases with the Council retaining the freehold.

**Sports and Leisure facilities:** Assets such as Changing rooms and Bowls Pavilions were reviewed in 2015/16 and will be subject to a Cabinet report in 2016/17. The report will outline the assets and services the Council will continue to operate, and also seek approval to advertise for community interest in facilities that may be suitable for operation within the community. Selected assets already surplus (such as Grange Gardens Bowls Green & Pavilion and Llwynfedw Gardens Bowls Pavilion) have been subject to ongoing CAT applications.

**Youth Centres:** The Youth Services function has been remodelled in recent years with renewed focus on delivering Youth Services in areas where demand is highest. Retained Youth Centres have seen reinvestment and concentration of resources. Surplus assets have either been proposed for Community Asset Transfer or in some cases, been taken on operationally by the adjacent school to deliver additional teaching space.

**Day Centres:** A Day Centre review in 2015/16 resulted in a Cabinet decision to retain Minehead Road, Fairwater and Grand Avenue Day Centres. Resource is to be allocated to ensure the properties are suitable to deliver good quality services..

The Communities estate summary 2015/16 is shown below.

Property	Ward	Intended Action	Result	Tenure
<b>Butetown Hub, Loudoun Square</b>	Butetown	Continued investment	A small hub facility has been provided in the multi-functional Loudoun building offering a range of housing, advice and information services.	Leasehold
<b>Ely &amp; Caerau Hub (Jasmine Centre) , Cowbridge Road West</b>	Caerau	Pursue phase 2 expansion opportunities	The Hub has been very successful in bringing Council and partner provides services together under one roof. Phase 2 proposals progressing with public sector partners	Freehold
<b>Former City Centre Hub, Marland House</b>	Cathays	Dispose site	To be demolished	Freehold
<b>Central Library, City Centre Hub</b>	Cathays	Adaption to City Centre HUB	City Centre HUB established. Wide range of Council and partner services provided from second floor of Central Library in the City Centre.	Freehold
<b>Grangetown Hub, Havelock Place</b>	Grangetown	Continued investment	The new hub opened to the public in January. Strong community support, with 5036 customers in the first 2 weeks	Freehold
<b>Llanrumney Library &amp; Hub, Countisbury Avenue</b>	Llanrumney	Continued investment	Upgraded through a refurbishment project, allowing a greater range of services to be provided. Customer feedback shows high levels of satisfaction with the improved facilities.	Freehold
<b>Powerhouse Hub (Llanedeyrn NLC)</b>	Pentwyn	Secure approval to proceed	Extension to existing Powerhouse Community Centre. Accommodation for SWP on first-floor. Scheme currently being tendered.	Freehold
<b>Rumney Hub, Llanstephan Road</b>	Rumney	Continued investment	Hub opened to the public in November 2015.	Freehold
<b>St Mellons Library &amp; Hub, Crickhowell Road</b>	Trowbridge	Continued investment	Two phase extension to existing library Hub. Phase 1 completed in Jan 2016.	Freehold
<b>Fairwater Hub (former library)</b>	Fairwater	Continued investment	Fairwater Library is currently being improved and adapted to accommodate a wider range of Hub services. Works include the creation of additional community, training and interview rooms.	Freehold
<b>Llandaff North &amp; Gabalfa Hub</b>	Llandaff North	Secure approval to proceed	Refurbishment and conversion of Llandaff North library and Gabalfa day centre into Hub approved. Construction due Dec 2016.	Freehold
<b>Llanishen Hub</b>	Llanishen	Secure approval to proceed	Plans for ground-floor of Llanishen Police Station to be converted into a Hub, due	Freehold
<b>Llanishen Hub</b>	Llanishen	Secure approval to proceed	Plans for ground-floor of Llanishen Police Station to be converted into a Hub, due	Freehold
<b>STAR Hub, Splott Park</b>	Splott	Continued investment	New Hub currently under construction at Splott Park, bringing together community and leisure services into a single facility.	Freehold
<b>Maes-y-coed Community Hall, Maes-Y-Coed Road</b>	Heath	Complete Community Asset Transfer	CAT moved to 2016/17 plan. Completion imminent.	Freehold
<b>Plasnewydd Community Centre, Shakespeare Street</b>	Plasnewydd	Complete Community Asset Transfer	CAT completed to YMCA	Freehold
<b>Pentrebane Community Centre, Beechley Drive</b>	Fairwater	Complete Community Asset Transfer	CAT completed to Pentrebane Zone	Freehold
<b>Pentwyn NLC (The Dome), Bryn Heulog</b>	Pentwyn	Service Area review	Site disposed	Freehold
<b>Old Library, City Centre</b>	Cathays	Pursue conversion to Welsh language HUB	Welsh language HUB established	Freehold



<b>Howardian Youth Centre, Hammond Way</b>	Penylan	Redevelopment	Redevelopment to comence in 2016/17 plan	Freehold
<b>Pontprennau Community Centre, Hoel Pontprennau</b>	Pontprennau & Old St Mellons	Redevelopment	Property incorporated into new Primary School	Freehold
<b>Former Caerau Library and Community Centre, Bishopston Road</b>	Caerau	Service Area review	Disposal proposed for 2016/17	Freehold
<b>Branch Library properties</b>	City Wide	Reshape service where appropriate	Retain local library services	Freehold
<b>Play Centre properties</b>	City Wide	Determine future provision requirment	New service operating model to be implimented starting 2016/17. CAT discussions progressed on a variety of sites.	Freehold
<b>Youth Centre properties</b>	City Wide	Pursue CAT interest	CAT discussions progressed at Dusty Forge. Selected properties to be used for operational school purposes.	Freehold
<b>Day Centre properties</b>	City Wide	Determine future provision requirment	Cabinet approval obtained to invest in Minehead Rd, Fairwater and Grand Ave Day Centres	Freehold
<b>Leisure Centres</b>	City Wide	Progress procurement project	Procurement project to be finalised 2016/17	Freehold
<b>Venues</b>	City Wide	Progress procurement project	Procurement project to be finalised 2016/17	Freehold
<b>All Sports Facilities</b>	City Wide	Determine future provision requirment	Service review proposals to be presented to Cabinet 2016/17	Freehold





**Total impact of the Schools properties towards 2015/16 CAMP targets.**

Floor space reduction (sqft)	Maintenance Backlog reduction	Running Cost reduction	Capital Receipts received
100,554	£2,249,368	£5,000	£235,860

# SCHOOLS PROPERTIES 2015/16

Continued investment and modernisation of the schools estate is a major part of the Council's Investment Plan. Schools constitute the biggest part of the Council's property estate.

As of April 2016 SOP has completed 13 Projects at £43m and committed a further 5 Projects at £49m which are either onsite or at design stage.

The SOP impact on the Council's property estate in 2015/16 is shown below.

Property	Ward	Type	Intended Action	Result	Tenure
New High School in the West	Ely / Caerau	High School	Develop a new High School in the west to replace both Michaelston College and Glyn Derw High	Local consultation completed and Glyn Derw site selected as location of new 8 form entry High School	Freehold
Llanedeyrn High School Site, Round Wood	Pentwyn	High School	Demolish High School for use as St Teilo's pitches	School demolished, new St Teilo's pitches to be created	Freehold
Fitzalan High School	Canton	High School	Develop new science block	New science block completed	Freehold
New Primaries for the Butetown, Grangetown, Riverside and Canton areas	Butetown, Grangetown, Riverside and Canton	Primary Schools	Develop a 2 form entry Welsh Medium and 2 form entry English Medium Primary	New site acquired at Hamadryad Hospital for construction of new 2 form entry Welsh Medium School	Freehold
New Primary School for Splott and Adamsdown	Splott and Adamsdown	Primary School	Develop a 2 form entry Primary School	New Primary School to be built on the Maltings site in Splott	Freehold
New Primary School for Llandaff North	Llandaff North	Primary School	Develop a 2 form entry Primary School	Design commenced for 2 new x 1 form entry schools on existing site to replace current buildings, as a 'back to back' building so that hall and other spaces can be shared by both schools.	Freehold
Pontprennau Primary School	Pontprennau	Primary School	Complete construction of new community focussed Primary School	New Primary School completed incorporating Pontprennau Community Centre. Opened Sept 2015	Freehold
Millbank Primary School	Caerau	Primary School	Investment to improve teaching space and quality of facilities	Large extension to existing school to provide new hall and admin facilities. Also refurbishment of all classrooms	Freehold
New English Medium Primary for Cyncoed, Penylan and parts of Roath	Cyncoed, Penylan and parts of Roath	English Medium Primary	Develop a 2 form entry English Medium Primary	Approval obtained to build new Primary School on existing Howardian site	Freehold
Adamsdown Primary School	Adamsdown	Primary School	Seek approval to ensure 2 form entry provision and Nursery facilities	Remodelling project approved to deliver 2FE & Nursery unit.	Freehold
Coed Glas Primary School	Llanishen	Primary School	Consolidate to 2.5 form entry	Consolidation of 2.5 form entry achieved	Freehold
Ysgol y Wern	Llanishen	Primary School	Consolidate to 2.5 form entry	Consolidation of 2.5 form entry achieved	Freehold
Former Hawthorn School,	Llandaff North	School	Added in year	Deferred part payment following disposal in 2012	Freehold
Grangetown Caretakers House	Grangetown	Caretakers House	Dispose via auction	Disposal moved to 2016/17 plan	Freehold
Herbert Thompson Caretakers House	Ely	Caretakers House	Dispose via auction	Disposal moved to 2016/17 plan	Freehold
Howardian Caretakers House	Penylan	Caretakers House	Dispose via auction	Sold via auction	Freehold



## INVESTMENT AND LAND DISPOSALS 2015/16

Generating capital receipts from disposals is a key component of the Council's budget. Receipts are essential in order to secure investment into new facilities and to modernise the estate.

Various surplus sites were disposed during 2015/16, sites vary from large development disposals that are planned years in advance, to smaller plots of land that may be brought forward for disposal during the year.

Property	Ward	Type	Intended Action	Result	Tenure
Hamadryad Hospital Easement	Butetown	Investment	Added in year	Premium received to implement easement	Freehold
Dorothy Lewis Home, Canton Court	Canton	Investment	Added in year	SOLD	Freehold
RAFA Club	Ely	Investment	Added in year	SOLD	Freehold
Unit 38 Brindley Road	Grang-etown	Investment	Added in year	SOLD	Freehold
The Medicentre	Heath	Investment	Added in year	SOLD	Freehold
Land North of County Hall	Butetown	Land	Dispose site	SOLD	Freehold
Johnston Buildings Site (former), John Street	Butetown	Land	Dispose site	SOLD	Freehold
Bayscape land - Phase 1	Grang-etown	Land	Added in year	SOLD	Freehold
Brindley Road surplus land	Grang-etown	Land	Dispose site	SOLD	Freehold
Leckwith Coach Park site	Grang-etown	Land	Added in year	SOLD	Freehold
Land adjoining, Lamby Way Workshops	Rumney	Land	Dispose site	SOLD	Freehold
Land at Hadfield Close	Grang-etown	Land	Dispose site	Land retained for operational use consideration	Freehold
261a Allensbank Road	Cathays	Residential	Added in year	SOLD	Freehold
59 Grand Avenue	Ely	Investment	Added in year	SOLD	Freehold
Ifor Jones Court Hillrise	Llanedeyrn	Residential	Added in year	SOLD	Freehold
141 Pen-y-Dre	Rhiwbina	Residential	Added in year	SOLD	Freehold

### Total impact of the Land and Investment disposals towards 2015/16 CAMP targets.

Floor space reduction (sqft)	Maintenance Backlog reduction	Running Cost reduction	Capital Receipts received
n/a	n/a	n/a	£5,492,742

This table shows the targets for 2015/15 and the actual achievements.

	Floor space (sqft)	Maintenance Backlog	Running cost reduction	Capital Receipts
<b>2015/16 End of year result</b>	<b>274,083</b>	<b>£4,440,123</b>	<b>£968,605</b>	<b>£6,869,352</b>
<b>2015/16 End of year result %</b>	<b>3.5</b>	<b>4.3</b>	<b>2.7</b>	<b>n/a</b>
<b>2015/16 AMP reported Target</b>	<b>273,549</b>	<b>£4,300,000</b>	<b>£1,620,000</b>	<b>£6,200,000</b>
<b>2015/16 AMP reported Target %</b>	<b>3.5</b>	<b>4.1</b>	<b>4.5</b>	<b>n/a</b>

The results show that the targets for reducing floor space, maintenance backlog and achieving capital receipts were all exceeded. The target for running cost was not met.

The annual Asset Management programme for property moves, relinquishments and disposals is a dynamic process and subject to change throughout the year.

In regards to running cost reduction, some transactional delays and review of project timescales resulted in certain properties being moved from the 2015/16 programme to 2016/17. Therefore the proposed revenue savings will still be made however they will be realised at a later date than first anticipated.

### Capital receipt allocation

- The anticipated capital receipt figure for 2015/16 was £6.2m
- £4.5m was to be reserved for Capitalisation Direction
- £1.7m was to be ring-fenced for other Council projects and initiatives.

As of end 2015/16;

- £3.6m was secured for Capitalisation Direction
- £3.3m was secured for ring-fenced for other Council projects and initiatives.

# 2.5 END OF YEAR RESULTS 2015/16



## 2.6 WHAT WE WILL DO IN 2016/17



**Total anticipated impact of the Office estate towards 2016/17 CAMP targets.**

Floor space reduction (sqft)	Maintenance Backlog reduction	Running Cost reduction	Capital Receipts anticipated
190,396	£2,001,457	£1,311,325	£4,200,000



2016/17 will continue with targets set for the estate in line with the core property strategy objectives.

There will be a continued focus on realising efficiency savings through reduced running costs, eliminating maintenance backlog through disposal/lease relinquishments, and reducing the Gross Internal footprint within operational buildings.

The realisation of capital receipts from surplus assets will again be attributed highest priority, with investment to focus on retained, core buildings required for and to support statutory service delivery.

## OFFICE AND CITY OPERATIONS 2016/17

The Office Rationalisation project will focus on the completion of the Global Link move, a series of key Social Services moves, and the improved use of County Hall.

There will be an emphasis to work closely with Enterprise Architecture and the Organisational Development team to implement more efficient and corporate ways of working, such as agile and hotdesking within core offices. The continued adoption of agile working within the Social Services directorate will ensure core office space is used efficiently and cost effectively.

The Depot review within the OD programme will work towards recommendations for the future management of the Council's depot properties and services.

Programme for 2016/17:

Property	Ward	Type	Intended Action	Tenure
<b>Procurement and Supplies Depot, Bessemer Close</b>	Grangetown	Office	Dispose site	Freehold
<b>Schools Maintenance Depot, Bessemer Close</b>	Grangetown	Office	Dispose site	Freehold
<b>Terrapin Building, Bessemer Close</b>	Grangetown	Office	Dispose site	Freehold
<b>The Rise Penhill, Penhill Road</b>	Llandaff	Family Centre	Vacate and dispose via auction	Freehold
<b>Suffolk House, Romilly Road</b>	Canton	Family Centre	Vacate and dispose via auction	Freehold
<b>Ely Family Centre</b>	Ely	Family Centre	Dispose Interest	Freehold
<b>71 Bridge Street ATC &amp; Drugs and Alcohol team</b>	Cathays	Office	Complete disposal	Freehold
<b>John Reynolds Centre, Shaw Close</b>	Llanrumney	Family Centre	Vacate and dispose Interest	Freehold
<b>28 The Parade (Cardiff Education Trust)</b>	Plasnewydd	Office	Facilitate disposal	Freehold (Trustees)
<b>Llanedeyrn Family Centre</b>	Pentwyn	Family Centre	Vacate and dispose site	Freehold
<b>Global Link, Dunleavy Drive</b>	Grangetown	Office	Vacate and assign Lease	Leasehold
<b>Mental Health Team, 32 Cowbridge Road East</b>	Riverside	Office	Vacate and relinquish lease	Leasehold
<b>Cardiff Motorpoint Events Office</b>	Cathays	Office	Vacate and relinquish licence	Leasehold
<b>Unit 5 Quay Point, Collivaud Place</b>	Splott	Office and Store	Vacate and relinquish lease	Leasehold
<b>Depot review</b>	City Wide	Added in year	Determine recommendations for future management model	Freehold



**Total anticipated impact of the Community estate towards 2016/17 CAMP targets.**

Floor space reduction (sqft)	Maintenance Backlog reduction	Running Cost reduction	Capital Receipts anticipated
145,245	£1,594,895	£769,237	£580,000

# COMMUNITY BUILDINGS 2016/17

The Community property portfolio will continue to be reshaped and adapted to enable new and alternative service delivery models to be introduced.

The result of alternative approaches to core community services such as sports and leisure, libraries, youth centres, and play centres may result in additional properties becoming surplus to Council requirements.

The Hub programme will proceed with continued investment in established Hubs and development of new Hubs such as the Powerhouse and Llandaff North / Gabalfa Hub.

The CAT programme will continue to be progressed as a priority with several sites due for completion and new properties to be put forward.

The results of the Venue and Leisure Centre procurement processes will determine the future of those services and assets. This has the potential to significantly affect the Council's operational estate performance and impact on benchmark targets.

Programme for 2016/17:

Property	Ward	Intended Action	Tenure
Powerhouse HUB (Llanedeyrn NLC)	Pentwyn	Implement business case to develop HUB	Freehold
Fairwater HUB (former library)	Fairwater	Re-open following refurbishment	Freehold
Llandaff North & Gabalfa HUB	Llandaff North	Implement business case to develop HUB	Freehold
Llanishen HUB	Llanishen	Implement business case to develop HUB	Freehold
STAR Leisure HUB	Splott	Implement business case to develop HUB	Freehold
Branch Library properties	City Wide	Reshape service where appropriate	Freehold
Play Centre properties	City Wide	Implement revised Play model and determine implications for property assets	Freehold
Youth Centre properties	City Wide	Pursue CAT interest where appropriate	Freehold
Day Centre properties	City Wide	Implement business case to develop Day services at Minehead Rd, Fairwater and Grand Avenue.	Freehold
Leisure Centres	City Wide	Progress procurement project	Freehold
Venues	City Wide	Progress procurement project	Freehold
All Sports Facilities	City Wide	Submit service review to cabinet	Freehold
Rumney Library (HUBs)	Rumney	Complete disposal	Freehold
Former Caerau / Trelai Library and Community Centre	Caerau	Complete disposal	Freehold
Cardiff International Athletics Stadium, Leckwith	Canton	Dispose via lease	Freehold
Former STAR Leisure Centre	Splott	Dispose via lease	Freehold
Insole Court	Llandaff	Finalise CAT process	Freehold
Dusty Forge Youth Centre	Ely	Finalise CAT process	Freehold
Canton Community Hall	Canton	Finalise CAT process	Freehold
Maes-y-coed Community Hall	Heath	Finalise CAT process	Freehold
Roath Library	Adamsdown	Finalise CAT process	Freehold
Riverside Play Centre	Riverside	Finalise CAT process	Freehold
Splott Play Centre	Splott	Finalise CAT process	Freehold
Ely Play Centre	Ely	Finalise CAT process	Freehold
Llanedeyrn Play Centre	Pentwyn	Finalise CAT process	Freehold
Adamsdown Play Centre	Adamsdown	Finalise CAT process	Freehold
Grangetown (Marl) Play Centre	Grangetown	Finalise CAT process	Freehold
Llwynfedw Gardens Bowls Pavilion	Heath	Finalise CAT process	Freehold
Grange Gardens Bowls Green & Pavilion	Grangetown	Finalise CAT process	Freehold
Howardian Youth Centre	Penylan	Redevelop along with new School	Freehold
Llanrumney Play Centre	Llanrumney	Finalise CAT process	Freehold
Dalton St Day Centre	Cathays	Finalise CAT process	Freehold
Highfields and Oaks Garden Nursery	Heath	Finalise CAT process	Freehold



## SCHOOLS BUILDINGS 2016/17

As reported in the Schools Organisational Plan, the projects below will be pursued this year following business case approval from Welsh Government and consideration of financial affordability of the 21st Century Schools Financial Model.

Cardiff has the largest SOP programme in Wales with the “Band A” envelope of £164m up until 2019 predicated on 50:50 split in funding. £82m from the Council is made up from Capital Receipts & prudential borrowing. Welsh Government provides funding subject to approval of business cases on an individual project basis.

### Total anticipated impact of the Schools estate towards 2016/17 CAMP targets.

Floor space reduction (sqft)	Maintenance Backlog reduction	Running Cost reduction	Capital Receipts anticipated
1,927	£89,320	£6,000	£240,000

### Programme for 2016/17:

Property	Ward	Type	Intended Action	Tenure
New High School in the East	Ely / Caerau	High School	Implement plan to develop a new 8 form entry High School in the east in collaboration with Cardiff and Vale College	Freehold
New High School in the West	Ely / Caerau	High School	Implement plan to develop a new 8 form entry High School in the west to replace both Michaelston College and Glyn Derw High	Freehold
Llanedeyrn High School Site	Pentwyn	High School	Complete new St Teilo's pitch project	Freehold
Hamadryad Primary	Butetown	Primary School	Implement plan to develop a 2 form entry Welsh Medium Primary School	Freehold
Maltings Primary School	Splott and Adamsdown	Primary School	Develop a 2 form entry Primary School to be built on the Maltings site in Splott	Freehold
Gabalfa & Glan Ceubal Primary Schools	Llandaff North	Primary School	Finalise design for 2 new x 1 form entry schools on existing site to replace current buildings	Freehold
Howardian Primary School	Penylan	Primary School	Develop a 2 form entry English Medium Primary on existing Howardian site	Freehold
Adamsdown Primary School	Adamsdown	Primary School	Implement approval to ensure 2 form entry provision and Nursery facilities	Freehold
Ysgol Glan Morfa	Splott	Primary School	Implement plan to construct new 2FE Welsh Medium Primary	Freehold
Ninian Park School	Grangetown	Primary School	Construct 1 form entry extension	Freehold
Grangetown Caretakers House	Grangetown	Caretakers House	Dispose via auction	Freehold
Herbert Thompson Caretakers House	Ely	Caretakers House	Dispose via auction	test



## INVESTMENT AND LAND DISPOSALS 2016/17

In addition to the core operational estate, other Council land and property assets are subject to ongoing rationalisation initiatives.

In the case of investment properties, as per the agreed strategy, the Strategic Estates team will focus on disposing low revenue receiving properties in order to secure a capital receipt. These receipts will then be ringfenced to re-invest into the investment estate and increase its future revenue potential.

### Total anticipated impact of Investment and Land disposals towards 2016/17 CAMP targets.

Floor space reduction (sqft)	Maintenance Backlog reduction	Running Cost reduction	Capital Receipts anticipated
n/a	£250,000	£7,500	£1,905,000

Programme for 2016/17:

Property	Ward	Type	Intended Action	Tenure
Wedal Road YHA Hostel & caretakers	Cathays	Investment	Dispose via auction	Freehold
151-153 Bute Street	Butetown	Investment	Seek approval to dispose	Freehold
75 St Mary Street	Cathays	Investment	Seek approval to dispose	Freehold
29 Caroline Street	Cathays	Investment	Seek approval to dispose	Freehold
Radio mast site, Bessemer Close	Grangetown	Investment	Seek approval to dispose	Freehold
ATS, Hadfield Road	Grangetown	Investment	Seek approval to dispose	Freehold
Units 3 & 4 Newport Road Industrial Estate	Splott	Investment	Seek approval to dispose	Freehold

This table shows the targets for 2016/17

	<b>Floor space (sqft)</b>	<b>Maintenance Backlog</b>	<b>Running cost reduction</b>	<b>Capital Receipts</b>
<b>2016/17 AMP Target</b>	<b>325,651</b>	<b>£4,500,000</b>	<b>£1,600,000</b>	<b>£7,300,000</b>
<b>2016/17 AMP Target % impact</b>	<b>4.2</b>	<b>4.3</b>	<b>4.4</b>	<b>n/a</b>

The targets for reducing floor space, maintenance backlog and achieving capital receipts in 2016/17 are determined from the Office, Communities, Schools and Land programmes described above.

The asset management process and achievement of targets is supported by a detailed master schedule of operational property that is continually reviewed throughout the year via the Asset Management Board.





# 2.7 CAMP TARGETS 2016/17



# 3 INVESTMENT ESTATE

## 3.1 PURPOSE AND SCOPE

The investment estate is a portfolio of non-operational property held by the Council for the purpose of generating income to support the Council's revenue budget. The estate has been acquired and built up over many years and currently includes a wide range of property types of variable commercial quality. A new approach to the investment estate was approved by Cabinet and in accordance with that decision the assets will now be managed on a commercial and corporate basis with the objective of reducing costs, improving the quality of the estate and increasing rental income. All income received from assets will be held in one budget and managed by SED.

## 3.2 SUMMARY OF ESTATE ASSETS

The estate comprises 247 properties split into the categories shown below and the current gross rental income is £3.7 million per annum.

Asset Type	Number of Properties
Advertising	2
Agricultural Tenancies	2
Car Parking	7
Commercial	15
Hostel	3
Hotel	7
Land	5
Light Industry/Workshops	96
Public House	8
Residential Properties	2
Residential Land	12
Retail (Ground Rent)	48
Retail (Rack Rent)	17
Sporting Activities	6
University	6
Utilities	11
<b>Total</b>	<b>247</b>

## 3.3 MISSION STATEMENT

Strategic Estates will proactively manage the Council's investment estate for the purpose of generating income to support the Council's revenue budget with the primary objective of increasing the annual net income and capital value.

Notwithstanding the imperative to maximise income, commercial transactions will be undertaken in such a way as to facilitate inward investment and regeneration for the purpose of increasing social benefit wherever possible.



## 3.4 STRATEGIC AIMS AND OBJECTIVES FOR 2016-2017

The corporate objectives for the investment estate will focus on the following priorities:

Objective (A) – Review entire portfolio and score each asset with a view to retain it, remodel it or release it.

Objective (B) – Increase rental income.

Objective (C) – Dispose of underperforming assets.

Objective (D) – Invest in existing assets where performance can be improved.

Objective (E) – Purchase new high yielding investment properties.

Objective (F) – Consider land assembly opportunities for future development.

Objective (G) – Consider the purchase or development of business starter units to promote inward investment.

Objective (H) – Review opportunities within the estate and the Council’s operational estate to generate additional rental income.

Timescale for objectives

Short Term	Medium Term	Long Term
<b>Objective A</b>		
<b>Objective B</b>	<b>Objective B</b>	<b>Objective B</b>
<b>Objective C</b>		
<b>Objective D</b>	<b>Objective D</b>	
<b>Objective E</b>	<b>Objective E</b>	<b>Objective E</b>
		<b>Objective F</b>
<b>Objective G</b>	<b>Objective G</b>	
<b>Objective H</b>	<b>Objective H</b>	

### Management and Governance Arrangements

The estate is managed by SED. An Investment Board has been established to make decisions regarding the estate and comprises officers from Strategic Estates, Capital Accountancy, Service Accountancy and a representative from the Council’s appointed external property advisor.

Decisions made at the Property Investment Board are reported to Asset Management Board, chaired by the Chief Executive for further approval and the cabinet member with responsibility for the investment estate is informed of our recommended decision.

## 3.5 PERFORMANCE MANAGEMENT AND MONITORING

Progress will be kept under constant review and a report to Cabinet will be prepared on an annual basis. In addition to this, Strategic Estates will prepare a Corporate Investment Estate Plan which will provide a 3 year strategy for management and rental growth.





