



Corporate Property Strategy 2021-26

PRAP November 2021



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2. Introduction

- The Property Strategy provides a framework to strategically manage the estate
- Applies to Corporate and Education assets, not residential estate
- Governance is managed by Economic Development
- Transparency of decision making with performance updates to Cabinet via APP
- Contributes to the Corporate plan, Council budget, One Planet Cardiff and the post COVID Economic Recovery



3. Property Strategy 2015-20 review

- Focused mostly on operational estate
- Theme was rationalisation – via disposal, lease or relinquishment
- Targets achieved

	Building GIA (sqft) reduction	Maintenance Backlog reduction	Total Running Cost reduction	Capital Receipts received
Strategy target	1,172,351	£20,000,000	£5,000,000	£20,000,000
Strategy target %	15	n/a	14	n/a
Achieved	1,196,774	£20,516,519	£5,709,856	£35,845,939
Achieved %	15	n/a	15	n/a



4. Aims and Objectives 2021-26

- Theme is MODERNISATION and best use of retained property assets
- Corporate approach - building on the previous strategy
- Scope now includes land, non-op and investment property
- Acquisitions are included in annual reporting
- Continued development of the Corporate Landlord model
- Establish the principles of Hybrid working post COVID i.e
Incorporation of the One Planet Strategy on property decision making
- Revised governance and processes
- New targets that reflect theme of Modernisation
- Continue to deliver Capital Receipts



5. Governance and processes

- AMB and AMB working group provide governance
- Corporate Landlord manages day to day property matters
- Disposal process – ring fencing to only take place on recommendation of AMB and subsequent ODR / CR
- Defines appropriation to HRA process for surplus sites
- Acquisitions reviewed at AMB and reported via APP
- Handbook – all processes and management principles documented



6. Operational Estate

- Property managed by the Council to deliver or support the delivery of services
- Managed by Corporate Landlord
- Circa 350 assets
- Maintenance Backlog – under review
- Running Cost - £38m p/a
- Carbon output circa - 18,478 tCO₂e
- Focus on modernisation of the retained estate
- Objective to maximise physical efficiency and behavioural use of the retained estate
- One Planet Cardiff – New Build, Refurbs, Asset Renewal and offsetting



6. Operational Estate

- Development of Hybrid and Locality Working model
- Leaner and Greener
- Core Office review
- SOP
- Other key services land and property themes
- Operational Targets
 - **Carbon reduction (One Planet)**
 - **Running Cost Reduction (Efficiency)**
 - **Maintenance backlog reduction (Quality)**



7. Leased estate: Non-Operational Estate

- Property leased on community terms
- Circa 200 assets
- Management principles
 - Lease events
 - Governance
 - Statutory obligations
 - Health and Safety issues
 - Inspections
- Retail estate review
- Budget governance (rents and maintenance)



8. Leased Estate: Investment Estate

- Property leased on commercial terms
- Circa 200 assets
- Income = £4m
- Income and receipts ring-fenced back into portfolio
- Maximise rental income via investment and rent reviews
- Management principles
 - Lease events
 - Governance
- Budget governance
- **Investment target = Increase rental Income**



Summary

- The Property Strategy 2021/26 provides a framework to strategically manage the estate
- Targets to be achieved over the 5 years with Annual Property Plan (APP) reports to Cabinet
- Includes the Operational, Non-Operational and Investments estates

DRAFT	Carbon reduction	Running Cost reduction	Maintenance backlog reduction	Capital Receipts (Non-SOP)	Rental income increase
Baseline	18,478 tCO2e	£38m	Under review	n/a	£4m
Strategy Target	~30%	-£5m		+£30m	+£600k