Powys County Council

Asset Management Plan
March 2004

CONTENT

PREFACE TO POWYS COUNTY COUNCIL'S ASSET MANAGEMENT PLAN

This is the Council's first formal Asset Management Plan. The Welsh Assembly have urged all public sector bodies to produce asset management plans by April 2004 and whilst recognising that not all local authorities will have complete plans by that date, the Assembly expects that by April 2006 these plans will be a comprehensive statement of future action in relation to land, property and infrastructure assets. It is not intended that Housing and Infrastructure assets will be covered by April 2004 – these will be included by April 2006.

The Consortium of Local Authorities in Wales acting on behalf of the Welsh Assembly Government describe an asset management plan and asset management planning as follows:

> *"Asset Management can be defined as 'optimising the utilisation of assets in terms of service benefits and financial return'. Asset Management Planning helps to raise awareness of resources invested in property assets and to develop strategies and programmes to ensure that they are deployed in the most effective way to meet the authority's corporate and service objectives".*

> *"Asset Management Planning is a simple business process with the underlying purpose of achieving the better use of public assets, and of minimising the opportunity cost of resources tied up in land and buildings. Different authorities, however, may make different decisions on the most appropriate balance to be struck between service benefits and financial returns – the value of a property to the community within a rural location, for example, may be deemed greater than that in an urban area".*

Powys County Council owns property to provide for the delivery of its services and the Council must strike the balance between meeting community needs within the resources it has available. Therefore the role of the asset management plan is to ensure that property resources are used as effectively as possible and that the Council can sustain the revenue and capital costs of these assets over time. That is why this plan is very important to the Council, its partners and the community.

The Council has already adopted an Asset Management Strategy, which has guided the development of the Asset Management Plan (AMP). The Strategy sets out the Council's property aims, which are that property:

- "Supports the delivery of the Council's service objectives"
- "Is well maintained and fit for purpose"
- "Is suitably located and accessible"

"The Council aims to manage its land and property portfolio efficiently and effectively within the financial resources available and having due regard to issues of access and sustainability".

The Asset Management Plan is a corporate document that will define basic relationships between service delivery and property needs and it will lead to an Asset Management Programme for 2005/2006 and subsequent years. This Programme will include capital investment and dis-investment (acquisitions, disposals, refurbishment, new developments etc) and revenue investment (operating costs and property maintenance).

The Council has an extensive property portfolio. The total asset value is £208million comprising over 750 properties (excluding Housing and Infrastructure assets). School buildings account for approximately half of the Council's property assets.

The ongoing maintenance and repair of the portfolio is a major issue for the Council, as is the need to provide services across a population that is geographically dispersed over a large County. Access to services through improved Information Technology and new ways of working and interacting with customers, clients, users and partners will also impact on the Council's accommodation requirements in the future. The Council needs to be constantly vigilant in identifying underused property resources and where possible disposing of them to fund improvements to the rest of the property portfolio and to reduce operating costs whilst at the same time sustaining and where possible enhancing service delivery.

These are just some of the issues that this plan seeks to address and as time progresses to April 2006 the Council's response to these issues will gain greater and greater clarity.

County Councillor Jack Evans
Chair of Corporate Property Panel and Portfolio Holder for Property

1. INTRODUCTION AND CONTEXT

1A. THE COUNTY

Powys County Council is the unitary authority for the largest geographical area in England and Wales and is also the most sparsely populated county. Located in Mid Wales it covers 5,197 square kilometres of varied topography, with a population of 127,500, just 4.4% of the Welsh population of 2.92 million.

Compared with the UK as a whole the area has a higher proportion of both the older working age group and the retirement age group, and a lower proportion of young adults. The average age of the population in 2002 was 43 years, compared with 40 in Wales and 39 in England and Wales. Between the 1991 and 2001 the population increased by 6%. This was due to net in-migration, although there was net out-migration of younger adults. Migration is the main driver for population change in Powys, counteracting the net natural decline in the population due to deaths out-numbering births.

If the migration trends of the last decade continue, the child population of Powys will continue to fall, the working age population will peak within 5 years then start to decline, and the retirement age population will continue to increase.

The County is predominantly rural in nature with no predominant large settlements but a distribution of medium sized towns. The sparse population resides in small market towns, villages, hamlets and isolated farms. There is only one town of over 10,000 population, fifteen other main settlements and hundreds of small villages and hamlets. In 2001 the following were the 6 largest community council area populations in Powys:

- Newtown and Llanwllchaiarn 10,783
- Ystradgynlais 8,023
- Brecon 7,901
- Welshpool 6,269
- Llandrindod Wells 5,024
- Knighton 3,043

Powys' outstanding asset is its landscape, originally moulded by ice and water, comprising large extents of Special Landscape Areas, the Cambrian Mountains, Radnorshire and Montgomeryshire hills and the majority of the Brecon Beacons National Park. Much of the area lies above 300m.

There are no motorways and few dual carriageway roads, although several trunk roads follow the main valleys, both north to south and east to west. There is a large "rights of way" network. The two single-track railways do not link together but do provide limited passenger transport to Swansea, Shrewsbury and Aberystwyth.

There is incomplete coverage by mobile phone, no cable TV and poor or no radio and TV reception in remoter valleys. The

Council WAN and BT's PSN are the only telecoms infrastructure covering the county. There is limited Broadband provision as yet, so the Council network is an important provider of Internet access for schools, and for the public in libraries and tele-centres.

The total workforce in the County is approx. 73,000 people. The county's main primary industries are agriculture and forestry, which employ 11% of the workforce. The public sector provides the only large employers in the county, with 26% of the workforce employed mainly in local government, schools, and health services. The Council is the major employer in the county, providing jobs for around 8,000 people. Another 26% of the workforce, and 34% of the businesses are in catering, distribution and retail sectors. The workforce employment in manufacturing is now 14%. The last ten years has seen the disappearance of large manufacturing employers, notably in clothing, construction, electronics, and metal components; there are now less than 5 manufacturing workplaces employing over 200 people, none of which employ over 500 people.

1B. THE COUNCIL'S CORPORATE PLANNING FRAMEWORK

Powys County Council has a strategic vision that drives its asset management, which is highlighted, in the following community and business planning documents:

- Community Strategy

- Corporate Plan
- Improvement Plan
- Best Value Reviews
- Implementing Electronic Government Strategy
- People Management Strategy
- Risk Assessment
- Budget – Capital Programme

The table in Appendix 1 highlights asset related implications of the various plans and strategies. The diagram below shows how these documents fit together to create the corporate planning framework.

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                    │    Community     │
                    │ Strategy /Working│
                    │   Partnership    │
                    └──────────────────┘
                             ↕
┌──────────────┐    ┌──────────────────┐    ┌──────────────────┐
│ Performance  │───→│  Corporate Plan /│←───│     Specific     │
│  Indicators  │    │   Improvement    │    │ Strategies: Risk │
└──────────────┘    │      Plan        │    │  Management, E-  │
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│   Capital    │←──→│  Corporate Asset │←──→│  Service Asset   │
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                    │     Capital      │
                    │    Programme     │
                    └──────────────────┘
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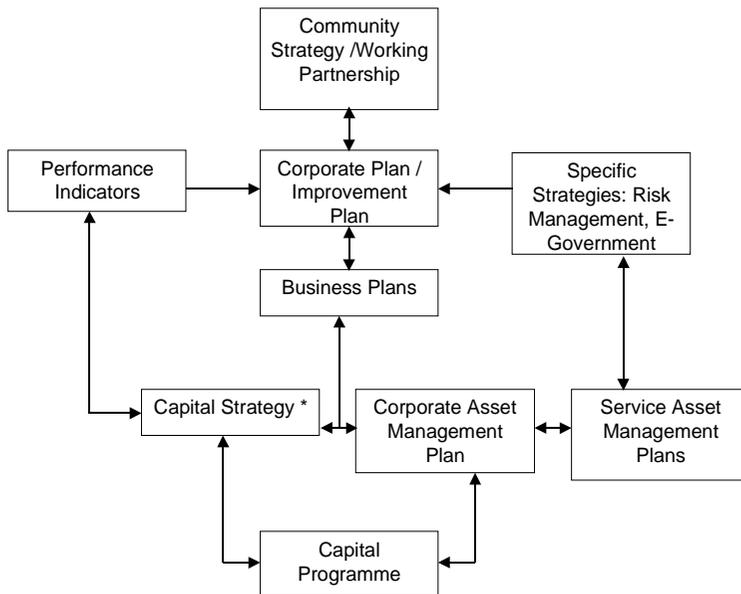
* Whilst Powys has no capital strategy at present, The Council intends to produce a capital strategy for 2004, which will guide budget and service planning in 2005/2006. The Capital Strategy will be based the Council's aims and service objectives and the availability of resources to support its aspirations. Capital programme planning, which is currently determined by an annual round of prioritised service bids will be enhanced by this strategy and the AMP.

1C. THE COUNCIL'S CORPORATE GOALS AND OBJECTIVES 2004/2007 - *BUILDING A BETTER POWYS*

The Council has six priorities, which together support the overarching aim of establishing Powys as a good place to live, work and grow (Draft Corporate Plan 2004 -2007):

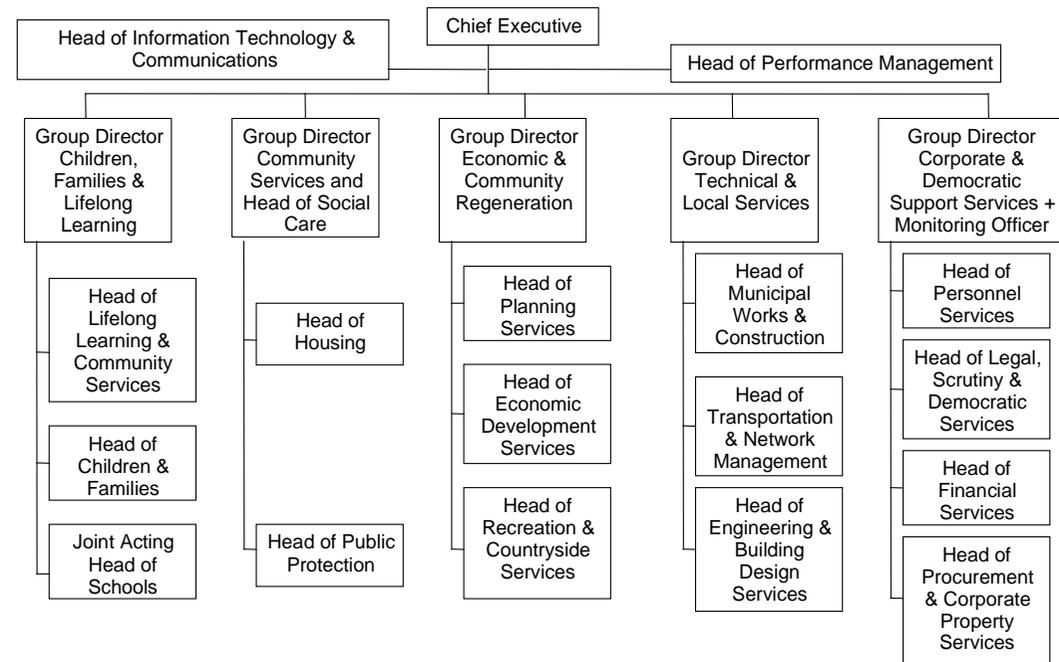|		
1.	Act as community leaders	• *To complete and implement the Community Strategy for Powys* • *To take account of sustainability in everything we do* • *To make sure that Powys' voice is heard* • *To make the most of our money* • *Community development*
2.	Build stronger communities	• *To improve our Health and Well-being* • *To support our vulnerable people* • *To listen to our young people and provide better services for them* • *To ensure appropriate housing* • *To protect the public*
3.	Develop a learning county	• *To give our children a flying start* • *To provide a quality education for all* • *To help people develop their skills*
4.	Develop the county's infrastructure	• *To enhance the county's road network.* • *To help people to get around.* • *To manage our waste.* • *To build for the future.*
5.	Build a prosperous county	• *To create a framework for economic and cultural prosperity.* • *To support business to create quality jobs* • *To support tourism* • *To develop recreational and cultural services for local and visitor needs* • *To encourage appropriate development while*

		working to conserve and enhance the county's built heritage, landscape and biodiversity.
6.	Build a better Council	• *To set and achieve improvement targets.* • *To treat people equitably.* • *To look after our assets (people, property and finance) wisely.* • *To help you get the service you need*

The Asset Management Plan will be the mechanism to assist the Council in achieving its aims and ensuring that property supports the delivery of the Council's objectives. The asset implication of these priorities is shown in Appendix 2.

1D. THE COUNCIL'S ORGANISATIONAL FRAMEWORK

OFFICER STRUCTURE

Powys County Council is made up of 5 Directorates and a Chief Executives Support Team.   These are shown in the diagram below. Appendix 3 gives more information on each of them.
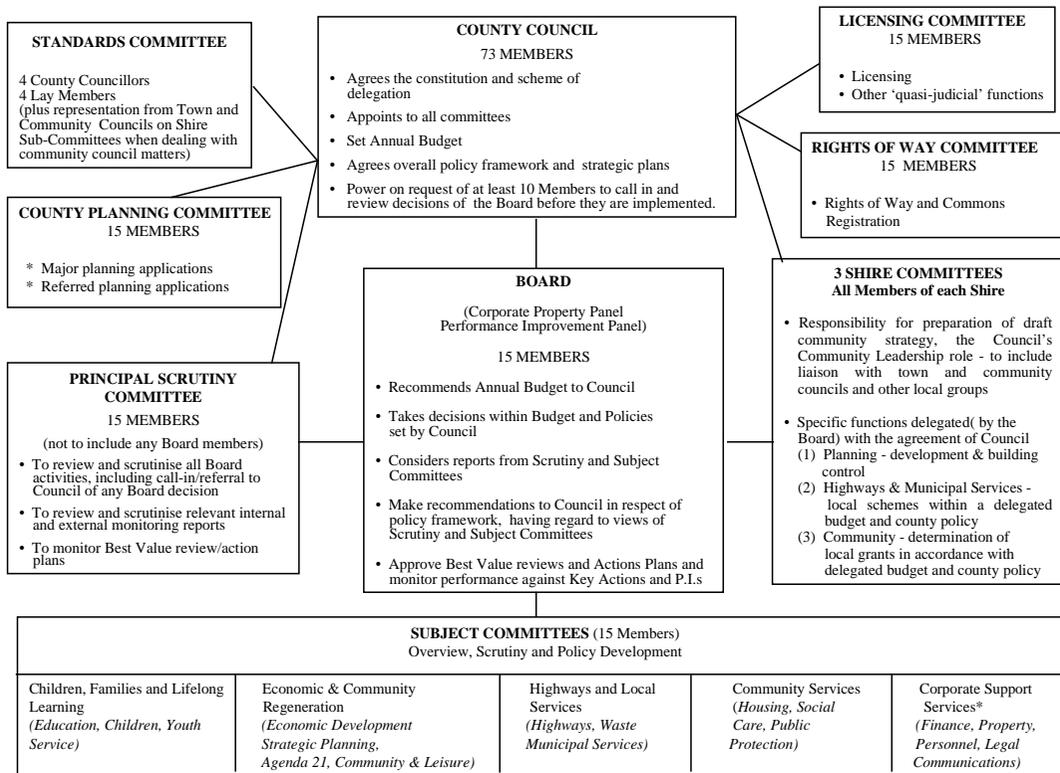
Head of Information Technology & Communications

Chief Executive

Head of Performance Management

Group Director Children, Families & Lifelong Learning
- Head of Lifelong Learning & Community Services
- Head of Children & Families
- Joint Acting Head of Schools

Group Director Community Services and Head of Social Care
- Head of Housing
- Head of Public Protection

Group Director Economic & Community Regeneration
- Head of Planning Services
- Head of Economic Development Services
- Head of Recreation & Countryside Services

Group Director Technical & Local Services
- Head of Municipal Works & Construction
- Head of Transportation & Network Management
- Head of Engineering & Building Design Services

Group Director Corporate & Democratic Support Services + Monitoring Officer
- Head of Personnel Services
- Head of Legal, Scrutiny & Democratic Services
- Head of Financial Services
- Head of Procurement & Corporate Property Services

CORPORATE GROUPS

The Council's Corporate officer groups are a follows:

Corporate Group	Terms of Reference
Asset Management Working Group	To act as a forum to consider all aspects of the implementation and development of the Council's AMP. To act as a means of communication and co-ordination between Directorates on Asset Management issues. To prepare recommendations to allow the Council to develop strategies and programmes to ensure resources invested in property assets are deployed in the most effective way to meet the Authority's corporate and service objectives
IEG Programme Board	To provide steering and authority to ensure that the Council's IEG Strategy is achieved in order to deliver and secure high quality services for its communities by focussing upon needs of citizens and providing them with greater choice of access to these services through the use of new technologies
Access to Service Working Group	To consider how the Council's aim of providing a customer focused approach to providing access to its services as agreed in principle by the Council at its meeting on 12th September 2003 can be progressed, and in doing so, to develop, by 31st March 2004, a fully costed implementation plan having regards to the targets proposed for the various access channels as outlined in the report
Equalities Co-ordinating Group	To co-ordinate the equalities work undertaken across the Council
Performance Management Working Group	To act as a forum to consider all aspects of the implementation and operation of the Authority's Performance Management Framework to ensure Authority-wide compliance. To act as a means of communication and co-ordination within and between Directorates on Performance Management and related issues. To monitor and report on relevant Directorate Performance Management progress

DEMOCRATIC DECISION MAKING

Democratic decision making takes place in the framework shown in the following diagram:

STANDARDS COMMITTEE

4 County Councillors
4 Lay Members
(plus representation from Town and Community Councils on Shire Sub-Committees when dealing with community council matters)

COUNTY PLANNING COMMITTEE
15 MEMBERS

* Major planning applications
* Referred planning applications

PRINCIPAL SCRUTINY COMMITTEE

15 MEMBERS

(not to include any Board members)

• To review and scrutinise all Board activities, including call-in/referral to Council of any Board decision

• To review and scrutinise relevant internal and external monitoring reports

• To monitor Best Value review/action plans

COUNTY COUNCIL
73 MEMBERS

• Agrees the constitution and scheme of delegation

• Appoints to all committees

• Set Annual Budget

• Agrees overall policy framework and strategic plans

• Power on request of at least 10 Members to call in and review decisions of the Board before they are implemented.

BOARD

(Corporate Property Panel
Performance Improvement Panel)

15 MEMBERS

• Recommends Annual Budget to Council

• Takes decisions within Budget and Policies set by Council

• Considers reports from Scrutiny and Subject Committees

• Make recommendations to Council in respect of policy framework, having regard to views of Scrutiny and Subject Committees

• Approve Best Value reviews and Actions Plans and monitor performance against Key Actions and P.I.s

LICENSING COMMITTEE
15 MEMBERS

• Licensing
• Other 'quasi-judicial' functions

RIGHTS OF WAY COMMITTEE
15 MEMBERS

• Rights of Way and Commons Registration

3 SHIRE COMMITTEES
All Members of each Shire

• Responsibility for preparation of draft community strategy, the Council's Community Leadership role - to include liaison with town and community councils and other local groups

• Specific functions delegated(by the Board) with the agreement of Council
(1) Planning - development & building control
(2) Highways & Municipal Services - local schemes within a delegated budget and county policy
(3) Community - determination of local grants in accordance with delegated budget and county policy

SUBJECT COMMITTEES (15 Members)
Overview, Scrutiny and Policy Development

Children, Families and Lifelong Learning *(Education, Children, Youth Service)*	Economic & Community Regeneration *(Economic Development Strategic Planning, Agenda 21, Community & Leisure)*	Highways and Local Services *(Highways, Waste Municipal Services)*	Community Services *(Housing, Social Care, Public Protection)*	Corporate Support Services* *(Finance, Property, Personnel, Legal Communications)*

(Note* - for all personnel matters, this committee will operate as a separate **Personnel Committee** of the Council with appropriate delegated powers
* The 12 non-Board members on this Committee will operate as a separate Audit Committee of the Council)

2. CORPORATE ASSET POLICY

2A. CORPORATE ASSET OBJECTIVES

The Council's overall purpose in relation to assets is to manage its land and property efficiently and effectively within the financial resources available. This is set out in the Council's Asset Management Strategy, which was approved by the Property Sub-Committee in November 2001 and reaffirmed by the Corporate Property Panel in June 2003. . The Strategy sets out the Council's property aims, which are that "property:

- "Supports the delivery of the Council's service objectives
- "Is well maintained and fit for purpose
- "Is suitably located and accessible

"The Council aims to manage its land and property portfolio efficiently and effectively within the financial resources available and having due regard to access and sustainability."

The following property objectives have also been identified (approved by the Property Sub-Committee in November 2001 and reaffirmed by the Corporate Property Panel in June 2003):

- The Council will seek to identify surplus or redundant property and where practicable dispose of it
- The Council will identify cost of ownership and keep under review property which is not directly used for service delivery but where there are sound reasons to retain it

- Service Delivery Plans must identify property needs for service delivery and highlight areas where change is needed
- Clear information on service needs and expectations must be provided at any early stage to prepare an effective AMP
- There must be a clear link between the AMP and Council's other plans dealing with its other resources, the budget, ICT, procurement and sustainability
- A corporate AMP will be prepared by April 2004 for all property assets (other than housing) and for all assets (including infrastructure) by April 2006.

To determine the effectiveness and efficiency of assets in supporting the delivery of specified service outcomes, five fundamental service delivery characteristics/gateways were considered by the Corporate Property Panel in June 2003. These were Asset/Service Dependency; Asset Utilisation; Asset Location; Asset Capacity and Asset Functionality.

To more clearly identify and define the Powys criteria in the wider national context, these characteristics were reconsidered and amended by the Corporate Property Panel in December 2003 to the following five characteristics:

Property Characteristic	Purpose
1. Condition	Property which is in good condition provides a safe environment, provides a positive image to users and staff, reduces costs in the longer term and helps to maintain property value
2. Suitability	Buildings which are suitably located and of adequate standards - allows services to be delivered effectively
3. Sufficiency	Property with sufficient capacity to meet local demand - allows the required level of service to be provided
4. Costs	Property with appropriate running costs - frees resources for other aspects of service delivery
5. Environment	Property, which is environmentally friendly, will not consume excessive levels of non-renewable resources in its use or operation

2B. HEADLINE PERFORMANCE INDICATORS

MEASURES

The Corporate Property Panel at its meeting on 27 January 2004 approved the following local performance measures as the first stage in moving towards more comprehensive performance management of assets:

Performance Characteristic	Measures/Indicators
Condition	• Percentage of buildings assessed as unsatisfactory

Suitability	• Fixed Electrical Testing
	   - Percentage of properties tested as required
	• Legionella
	   - Percentage of routine checks made as required
	   - Percentage of "annual" checks made as required
	• Asbestos
	   - Percentage of buildings with a Management Action Plan in place
	• Disabled Access
	   - Percentage of buildings complying with DDA
	   - Percentage of buildings assessed as having "High Priority " items

Sufficiency	• Occupancy levels expressed as a percentage of Council's recommended standards • Customer satisfaction level

Cost	• Contact Procedure Rules
	   - Number of major non compliance
	    a) with Quality Management System detected (if applicable)
	    b) reported by internal audit
	• Number of properties
	   - Total asset value
	   - Number held for over 12 months
	   - Value of assets held over 12 months
	   - Number of assets reviewed

Environmental Impact	• Reduce CO_2 emissions

The Building Design and Maintenance Group is developing performance measurement criteria in accordance with the

Construction Best Practice Programme and "Constructing Excellence" which identified targets for improvement in construction productivity, profits, defect and accident reduction.

Property Performance information has been presented to the Scrutiny Committee of the County Council (Scrutiny Committee Report 22 May 2003). In future, property performance information will be reported to Corporate Support Services Committee and the Corporate Property Panel. A more detailed explanation of the development of performance indicators is given in Appendix 4.

Current progress on the measurement of property performance is set out in Appendix 5.

DEVELOPING THE PIS OVER THE NEXT YEAR

The Council intends to develop performance indicators and performance measurement further during 2004 building on the basis set out above.

It will also consider measuring its current performance utilising the PI's used nationally in Local Authorities in England, which has the significant benefit of allowing immediate benchmarking. The PI's used by Local Authorities in England are set out in Appendix 6.

2C. STAKEHOLDER VIEWS

Consultation with and understanding the needs of a range of stakeholders are key to the delivery of effective asset management and are an integral part of the way the Council delivers its services.

As part of the Best Value Review of Strategic Asset Management (2002) Powys undertook a survey of three groups of stakeholders (Members, Council Staff, District Audit Staff) to obtain their views on how the authority manages its assets. This consultation was an integral part of the Councils Best Value Review and influenced its recommendations. More information on the results of this consultation is given in Appendix 7.

An Asset Management Working Group (AMWG) (see Chapter 1) which comprises officers from across the Council's directorates, has been established. This group is a consultation forum to ensure that the Council's Service Directorates influence asset policy. In addition, during 2004 this Group will review the process of consulting with stakeholders and bring forward ongoing mechanisms for consultation.

As part of the Building, Design and Maintenance Group's annual performance management process, stakeholder views are sort:
- Through Education Satisfaction Surveys
- On CLAW Performance Indicators

- On Facilities Management

The Council actively participates with the Disabled Access Group in Powys on its proposed work on public building stock and new or refurbishment work. As part of the preparation of the AMP, consultations were held with representatives of service departments to assess their views on the current and future position, in relation to their property portfolios. The responses are reflected in the content of this AMP.

The Council is currently circulating a Residents Survey to households, which is due for return by 31st March 2004 and will be analysed in the Spring. A number of the questions have direct links with property and assets.

The Council will consider mechanisms to ascertain stakeholders' views on asset and property matters during 2004, following the review by the AMWG.

2D.   GOVERNMENT   POLICY   AND   STATUTORY RESPONSIBILIIES

POLICY AND RESPONSIBILITIES - OVERVIEW

The main statutory responsibilities of the Council include education, care and protection of vulnerable people in society, protection of the public, environment and provision of the Council's infrastructure. More detail on the Council's overall responsibilities is set out in Appendix 8.

There are two particular areas in which government policy influences asset decisions:
- Current Policy and Statutory Requirements which are Impacting on Assets
- Policy and Responsibilities Directly Aimed at Assets

CURRENT POLICY AND STATUTORY REQUIREMENTS WHICH ARE IMPACTING ON ASSETS

The main recent changes in legislation, policy and responsibilities are:
- E-government
- Disability Discrimination Act
- Health & Safety
- Early Years Education
- Magistrates Courts
- Local Government 2003

More detail on these is given in Appendix 9.

POLICY AND RESPONSIBILITIES DIRECTLY AIMED AT ASSETS

The main recent changes in policy and responsibilities are:
- Asset Register:
- Energy Conservation
- WAG and CLAW Guidance on Asset Management
- Constructing Excellence
- Hot Property

More detail on these is given in Appendix 10.

2E. THE RESOURCE CONTEXT

REVENUE EXPENDITURE

Powys County Council spends in excess of £15 million per annum on running its properties other than council houses. This represents 9% of the Council's net revenue budget. Long term investment in the Council's property is made through the Capital Programme.

CAPITAL EXPENDITURE

The Council's General Fund capital allocation for 2004/05 is £11.5m. The sum available to fund property investment is unlikely to exceed £4m in any single financial year. The sum available for property investment in 2004/05 is:

	£
Children, Families & Lifelong Learning	2,470,000
Workshop Asset Management	100,000
Recreation & Countryside	303,000
Community Services	100,000
Public Conveniences Renovation	165,000
Amenity Services	88,000
Corporate Property	110,000
Modern Records Store	110,000
Disabled Access Works	325,000
	3,771,000

The foregoing is supplemented by grants from a variety of sources. The most notable is the School Building Improvement Grant, which is £1.9m for 2004/05. The Council also has the ability to supplement its capital programme from its own resources, notably from capital receipts and revenue. The Local Government Act 2003 allows the Council to borrow as much (or as little) as it can afford (prudential borrowing). Powys County Council has agreed to undertake £1m prudential borrowing in 2004/05. However, in the future, the Council will need to make sufficient provision to repay the debt, which will be a competing demand against already scarce revenue resources.

The Council's capital and revenue budgets will be stretched over the next 5 years. The Council's physical infrastructure, its roads and buildings, are deteriorating and it is unlikely that sufficient resources will be available to arrest the deterioration unless the Council frees itself of some of its property holdings and uses the capital receipts to invest in its remaining stock. This takes no account of the other calls on the Council's capital and revenue budgets, in particular the continuing deficit on the Pension Fund.

An overview of the Councils current entire 3 year capital programme is set out below.

2003/04	2004/05	2005/06
£32m	£26m	£20m

More detailed information on the Resource context is given in
Appendix 11.

3. CHANGES IN THE EXTERNAL ENVIRONMENT

3A. eGOVERNMENT

IEG STATEMENT

In accordance with the Welsh Assembly Government guidelines the Council has prepared an Implementing E-Government Statement (IEG) 2003 to show how it aims to provide services, which are reliable, accessible and provide quality across the County, meeting the needs of its citizens through the use of new technologies. The following criteria are proposed to make this a reality.

Aim	Objective	Benefits
Accessible Services	• Provide a number of first stop shops (making use of other premises already owned) that are accessible within 30 minutes from households • Manage telephone systems to ensure access is made easier for people (75% prefer to use	• Maximise customer accessibility to the organisation, including special facilities for the disadvantaged • Respond to customers in a cross departmental manner • A bilingual customer care provision • Ensuring value for money and maximising efficiency

Aim	Objective	Benefits
	the telephone than visit an office) • Provide services through the internet, for easier access of information	
Reliable Services	• Deal with enquiries as quickly and holistically as possible, with the aim of resolving most enquiries at the first point of contact	• Courtesy and responsiveness at all times • Answering all communications promptly and efficiently • Keeping promises made to customers • Striving to get things right first time • Commitment to continuous improvement in customer care

IMPROVEMENT PLAN 2003/04

The table below is drawn from the Council's Improvement Plan for 2003/2004 and highlights the approaches that each Directorate is taking to develop and use ICT:

Directorate	Targets
Children, Families and Life Long Learning	• Continue with current good work on e-communications, intranet and internet, keeping a focus on services • Further develop Community access to ICT equipment and training both in schools and in other community venues.
Technical and Local Services	• Improve access to information for clients • Develop the potential for electronic billing • Introduce touch-screen kiosks for live traffic information and smartcard system for concessions
Economic and Community Regeneration	• Develop credit systems for cash less transactions at points of sale • Develop broadband services for all business in Powys and developing information exchange • Facilitate community information and development of life long learning, seeking electronic interaction, for example, planning applications via the web. • Develop integrated information systems
Community Services	• Develop a website to assist better communication and attract a wider range of service users to contribute to service development
Corporate Support Services	• Facilities to receive electronic payments by Debit/Credit cards • Introduction of pilot electronic document image and workflow systems • Development of the Councils Technical ICT Strategy • Management ad improvement of the Councils website

THE COUNCIL'S WORK LIFE BALANCE STRATEGY

The Council's Work Life Balance Strategy (August 2003), which is currently the subject of consultation, highlights the link with increased use of technology and the reduced need for traditional accommodation. Home working with networked access to other locations may reduce the need for some staff to have an exclusive work base in the office, which could then be substituted for a flexible office facility 'hot-desk'. This rationalisation would support the council's environmental objectives of freeing up office accommodation and reducing journey to work.

Similarly if the public can use technology to access services and information, this may reduce the number of physical locations (buildings) currently required to provide the same customer service/interface. For example, by providing a first stop shop service, public access may be made available through libraries. Where appropriate the council could make use of other premises already owned or run by the council or its partners, such as, tourist information centres, workshop developments, community and leisure facilities, business connect offices and primary health care premises. (Strategic Asset Management Best Value Review, 2001/2002).

The Council's Access Strategy (2003) reinforces the Council's vision to provide services, which are reliable, accessible and provided equitably across all parts of Powys, meeting the needs of citizens. It suggests that to maintain this vision, bearing in mind the internal and external pressures on the

Council, the status quo is not a likely future option. Therefore, various possibilities are being investigated, such as, rationalisation of the public buildings where services are currently available, (of which there are over 120), to first stop shops/remote access points which are suitably located to service the citizens within the surrounding area.

ASSET IMPLICATIONS OF EGOVERNMENT

Changing and improving the use of assets through Information and Communications Technology (ICT) is likely to come from:

- Property changes resulting from the use of ICT for customer relationship management, changes in workstyle and from changing ways of delivering services
- IT systems to enable accommodation needs and space utilisation to be reviewed. Assessments will record the condition, suitability, sufficiency and energy efficiency of the building stock.
- Construction works procured utilising approved lists of contractors that will be accessed electronically in accordance with national strategies and provide assessments of the financial, technical, health and safety and performance criteria of contractors.
- The structure of data on the IPF Asset Register being changed to reflect the Councils structure.
- Data from the Stock Condition Surveys and asbestos register being one of the prime reference points for the Councils physical assets. Other databases, for example, Insurance, ROCC will "feed" from this main database. This will provide a conclusive record of the Councils assets, their

usage and their physical condition to inform the asset management strategy.
(IEG 2003)

In summary the medium to long term implications of the Council's eGovernment and other ICT initiatives, as far as assets are concerned, may involve:

- Reduction in overall office floorspace required and a changing locational pattern for offices
- A changed pattern of interface with the public resulting in changed property and locational requirements in services
- Opportunities for co-location between Council services and with partners
- Better management of assets through improved data availability and analysis

3B. THE MARKET FOR ACCOMMODATION AND SUPPORT SERVICES PROVISION

There is a growing market of commercial providers that will provide accommodation and property services for property occupiers like Powys County Council in return for an annual "accommodation charge" (sometimes accompanied by a "once off" capital receipt to the Council). In effect, this involves the private sector provider owning and providing the accommodation and providing the property service to manage the accommodation as part of a long term contract with the

occupier. This transfers accommodation risk to the commercial provider, although in return for this, higher revenue costs may result. It is not known whether such organisations are active in mid Wales.

Hitherto, there has not been a strong desire by the private sector to provide accommodation by means of PFI or PPP schemes in Powys. In addition WAG has expressed some reservations about PFI and PPP schemes. The externalisation of the Council's Care Homes to BUPA is an example of where partnerships with the private sector can assist the Council in achieving its objectives.   Powys rents a significant area of office accommodation from the private sector, but this tends to be in older property, or converted property. There is little purpose built office accommodation in the County in private ownership.

Powys has for many years operated its property services as a business unit. As a trading unit performance is measured against the open market and sustained by being able to demonstrate viability in the market place. In the period 1996-98 the Authority explored a Voluntary Competitive Tendering exercise which progressed through to short listing of potential service providers. However this was not viewed as providing Best Value for the authority and it was resolved not to pursue outsourcing of the service. In arriving at this decision the authority was mindful of the inherent lack of competition that exists in county, the relatively low value budgets and projects and the geography of Powys all of which demand a locally based service response.

The current strategy is to provide all basic property services 'in-house'. This provides a benchmark standard by which external providers are measured.

An increase in the demand for property services and the present buoyant construction industry presents a challenge for the current arrangements. In response to this challenge options are being explored through alternative procurement routes such as framework agreements.

ASSET IMPLICATIONS

In summary this raises the need for further investigations on the viability and desirability of accommodation and property services continuing to be provided by the Council.

3C. THE PROPERTY MARKET IN POWYS

Powys does not have a strong manufacturing based economy. Historically, agriculture has been the mainstay and latterly tourism has become important. the Local Authority and all its employees, including teachers, are also be a significant element of the economy. The local property market has been "flat" in recent years, up to approximately 18 months ago when the rapid rise in the residential property market in general had a significant effect on local property prices. This rise is continuing locally despite indicators that prices have levelled

off in other areas. This may be due to the "ripple effect" with people being prepared to travel greater distances to work in other areas in return for "affordable" property prices in Powys (compared with those in their working area). The scenery and quality of life (compared to the large urban areas) has always been an attraction to external buyers, which also continues to fuel the local market. In the last two years there has been a significant increase in the number of new dwellings built, based on the stronger local market and increased demand.

In terms of commercial property, this is still not a strong sector. There is little or no market for office accommodation (to buy), but the rented sector keeps fairly stable. Demand for factory units is probably static, but the WDA continues to provide new factory units to attract inward investment. Demand for shops is also fairly static in town centres, but the supermarket chains continue to look for sites in the major centres and other "out of town" retailers are seeking development sites, possibly for smaller floor areas than would have considered in the past.

ASSET IMPLICATIONS

The asset issues that arise from the property market in Powys are: -
• Buoyant property market conditions cannot be relied upon in Powys to provide a major source of funding for capital expenditure unlike some county councils elsewhere.
• The residential and retail property market may provide some source of capital receipts from the disposal of surplus land

4. SERVICE DELIVERY AND ACCOMMODATION NEEDS

4A. COUNCIL SERVICES

The Councils services have outlined their property portfolio issues in the service blueprints, summarised in Appendix 12. The key points are in the table below.

Council Service	Current assessment of assets
Children, Families & Lifelong Learning - *Schools*	
• Schools	The Schools Service includes some 125 schools, approximately fifty percent by value of the Council's building portfolio. A primary school rationalisation programme is currently being considered. Whilst some of the Council's schools are over capacity the majority are under capacity. There is a proposal to construct a new area school in the north of the county.
Children, Families & Lifelong Learning - *Lifelong Learning & Community Services*	
• Theatr Powys	The Theatr Powys provides theatre and education services and operates from a drama workshop building. Arts council is currently considering this for a major refurbishment scheme.
• Library, Information and Archive Service	The Library Service includes 17 libraries, which are generally in fair condition with reasonable level of access, although the headquarters are unsuitably housed for service requirements. The Archives Service operates from inadequate accommodation on the County Hall campus. This

Council Service	Current assessment of assets
	accommodation is not sufficient or suitable and in a very poor state of condition.
• Youth Service	The Youth Service has 23 buildings, located in optimum geographic areas. However, their condition is generally poor. Significant investment is required to bring the stock up to better condition.
• Village Halls & Community Centre	The County Council has a freehold interest in 43 Community Halls, with landlord responsibility for less than half, which are managed by local community groups. The use, local needs and outstanding requirements of these need reviewing.
Children, Families & Lifelong Learning – *Children & Families*	
• Child Care Residential Home	The County Council does not have any in county child care residential homes
• Office Accommodation	The appointment of additional child protection workers will result in a need for increased accommodation in 2004/05
Community Services – *Social Care*	
• Office Accommodation	The appointment of additional field workers will result in a need for increased accommodation in 2004/05.
• Care Homes for Older People	The Council has a freehold interest in 12 care homes for older people that are subject to long-term lease and management agreements with BUPA Care Homes.
• Day Care Centres for Older People	The Social Care service directly manages 7 day care centres plus 2 day centres that are subject to long-term lease and management agreements with the voluntary sector. The day centres are in a good state of repair and fit for purpose.
• Learning	The Social Care service uses 4 units that are owned

Council Service	Current assessment of assets
Disability Service	directly by the Council and 10 that are subject to lease agreements. Opportunities continue to be investigated to lease accommodation from the private sector where appropriate.
Community Services - *Public Protection*	
• Environmental Health	Environmental Health has responsibilities for cemeteries and gypsy sites. Additional duties in response to the transfer of responsibilities for sale of alcohol and entertainment licensing will result in a need for additional accommodation.
• Trading Standards / Emergency Planning	Additional duties in response to the Enterprise Act will result in a need for additional accommodation.
Community Services – *Housing*	
• Housing (non-dwellings)	Housing assets will form part of the Council's Asset Management Plan from 2006. One depot is located on a site with potential commercial development.
Economic and Community Regeneration – *Economic Development*	
• Workshops / Enterprise Centres	Economic Development Services manages a portfolio of 180 workshops on 14 sites, Not all premises are in good condition, opportunities are being taken to dispose of appropriate units so that capital can be reinvested in the remaining stock.
• Tourist Information Centres (TICs)	15 Tourist Information Centres (TICs) receive support from Powys County Council. The service faces particular challenges and the sustainability of the existing provision is under review.
• Miscellaneous (Caravan site, Mid Wales	Economic Development Services has an interest in one caravan site and property at Mid Wales Airport. The Service interest in these properties is kept under review.

Council Service	Current assessment of assets
Airport)	
Economic and Community Regeneration - *Recreation & Countryside*	
• Leisure and Sports Centres	The Service manages 17 Leisure and Sports Centres. The stock of buildings is in relatively good condition with a rolling programme of repair and maintenance. However, there are a number of specific structural problems relating to certain buildings.
• Outdoor Recreation	This service has significant responsibility for a diverse range of property. This area of service is poorly resourced to sustain the size of property portfolio held.
• Museums and Theatres	The Council has direct responsibility for 5 museums and indirect responsibility for 2 regional theatre venues. Several museums have been refurbished in recent years.
Technical & Local Services - *Transport & Network Management*	
• County Farms Estate	County Farms comprises 195 smallholdings, 13 industrial / commercial lettings, 4 cottage lettings, 9 sporting lettings and 141 hectares woodland. A strategy for progressive rationalisation and reinvestment has been developed.
• Amenity Services / Transport Co-ordination	The Amenity Services / Transport Co-ordination have responsibility for public conveniences, car parks, bus shelters etc. The sustainability of these assets is a challenge. Rationalisation on public conveniences is being considered. The Car-park Service is entering into management agreements with Service Directorates. The service also manages indoor produce markets and owns a number of livestock markets.
Technical & Local Services - *Municipal Works and Construction*	
• Local depots	The service operates from 18 depots, which are in a poor state of repair with an outstanding backlog of maintenance requirements.

Council Service	Current assessment of assets
Technical & Local Services - *Engineering & Building Services*	
• Technical Laboratory	The Engineering & Building Services function has a Technical Laboratory from which it undertakes testing of materials. The building is in a satisfactory state of repair.
Corporate & Democratic Services – *Procurement & Corporate Property*	
• Corporate Property	Corporate Property manages the Council's office portfolio comprising 29 offices. The County Council is reviewing local access to services and investigating options for one-stop shops, which will impact on this service. A new modern records facility was acquired in 2003/04. The Council is landlord for two Magistrates Courthouses and responsible for non-operational surplus property. There are a number of small registration offices.

4B. NEW WORKING PRACTICES WITHIN THE COUNCIL

As described earlier in this document, the council has developed a draft Work Life Balance Scheme (August 2003) (see Chapter 3). A range of flexible working methods have been considered, such as, home working, flexible hours, job swap and job share, although their suitability will vary for each employee. Home-working or working from a base closer to an employee's home could give greater flexibility to employee's working hours, reduce time and money spent on commuting to work, and could provide a more conducive working environment. This, together with the job swap scheme supports the council's environmental objectives of reducing travel, freeing up office accommodation and being a more attractive place to work.

However, the cost effectiveness of home working needs to be considered, in terms of whether there is a significant impact on freeing office space and the level of technology that is required for each employee. Also being considered is the option of employees operating on a mobile basis which may result in a dedicated workstation for each employee not being required in Council accommodation, because of shorter time being spent at the office. This would involve utilising hot-desk arrangements. The Council's Work Life Balance Scheme has not been formally approved by the Council and is currently the subject of consultation within the Council.

Workstyle, when taken together with other egovernment initiatives designed to improve the councils customer interface, may lead to opportunities to review current office accommodation provision.

4C. OTHER RELEVANT AGENCIES AND JOINT ACCOMMODATION REQUIREMENTS

The Welsh Assembly Government has called upon local authorities and local health boards to jointly develop a Health, Social Care and Well-being Strategy. This has led to the integration and sharing of office facilities and co-location social care facilities, opportunities remain to further integrate and share property resources.

Powys County Council encourages its links with the voluntary sector through PAVO (Powys Association of Voluntary Organisations) and the many community groups and associations throughout the County and therefore community groups often take responsibility for managing community facilities. This model may be continued and enhanced. Partnership arrangements exist with local charitable trusts responsible for community centres constructed at a number of small rural schools in Powys. The community centres serve as school halls in school hours and local community halls in the evening, weekend and school holiday period.

Those partnerships with the private sector, where assets have been a significant element, mainly relate to the externalisation of the management of elderly persons care homes. In this case, the Council has retained the ownership of the assets and as part of the contract, BUPA (the service provider) has ongoing responsibility for investment and maintenance. In appropriate cases the Council may consider similar arrangements in other services.

Powys also has partnership arrangements with other Local Authorities and the Police Service, to manage, maintain and provide property services for property owned by those organisations and located in the County of Powys, for example, outdoor pursuit centres. This provides some economies of scales to the service and is well received by outside organisations. It is unlikely that there will be significant change in this area in the foreseeable future. Partnerships involving shared use with other public sector organisations may give

opportunities to rationalise accommodation. However, although this will happen as appropriate it seems unlikely that partnership working will have a significant impact on the quantum of accommodation required for the Council's workforce.

There are currently no major outsourcing initiatives that will give rise to any significant changes in accommodation requirements in the next 3-5 years.

5. LIKELY FUTURE REQUIREMENTS

THE CHALLENGE

The Council would like to maintain, and if possible improve access to services in the county especially bearing in mind the distances involved in getting to facilities in this geographically dispersed area. The Council recognises that this sometimes means that the utilisation of some facilities falls below the levels that would normally be expected from similar facilities in more densely populated areas.

However, the Council acknowledges that it may find it increasingly difficult to sustain the current configuration of the property portfolio in the coming years for the following reasons

- Difficulty in funding maintenance and improvement works on land and buildings from current budgets, at the level necessary to upgrade the property portfolio to present day standards and the standards likely to be required in the future
- Increasing calls on capital and revenue to fund new initiatives
- A desire to keep Council tax rises at as low a level as possible

It also recognises that the existing property portfolio is in some cases obsolete and more property may become obsolete over the next few years.

RECENT REVIEWS UNDERTAKEN BY THE COUNCIL

For this reason the Council has embarked on a number of property related reviews of services and in particular has identified possible changes in those services which would improve the overall sustainability of the property portfolio. The most significant of these are:

- **Elderly Persons' Homes** – this service was outsourced to BUPA in October 1999 and the properties subsequently transferred to BUPA's management.
- **Public Conveniences** – A Review was undertaken in April 2001 and rationalisation proposals brought forward which the Council is currently considering.
- **Schools** – A review of the management and organisation of Primary Schools was started in the Spring of 2003 and to date two schools have been identified for possible closure. Statutory notices have been published to discontinue use of these two schools. The future of six other schools remains under review.
- **Public Car Parks** - A review was undertaken in September 2001 and recommendations brought forward for the improved revenue benefits of car parks.
- **Smallholdings** – A review was undertaken in 1999 by consultants which set a framework for estate management

and a rationalisation programme. The portfolio is kept under constant review and the alternative options of:
- disposal
- retention of estate
- rationalisation
are taken on a case by case basis.

- **Workshops Portfolio** – A review was undertaken in May 2001, which recommended
  - take immediate steps to implement the schedule of repairs to improve the workspace
  - establish effective benchmarking
  - investigate sale of sites to tenants
  - investigate management by Estates Department

Benchmarking is still being developed with Neath / Port Talbot CB (lead authority) and major repairs to workshops have been undertaken with funding from capital repairs budget. One workshop has been sold to a tenant and the capital has been reinvested into stock.

- **Town Clocks** – A Review was undertaken in February 2003 and a programme to bring the clocks up to standard and then to transfer their ongoing ownership and maintenance to local communities is underway.

THE REVIEW PROCESS IN THE FUTURE

The Council now recognises that there is a need for a more comprehensive approach to this review process, which will involve:

- Clarification of service requirements, customer relationship and access to service requirements over the forthcoming 5 to 10 years
- A clearer identification of the property and accommodation implications (in all property categories) of these requirements
- An assessment of the ongoing revenue and capital commitments that this will involve and the impact of these on these on the Council's finances
- A judgement on the relative benefits and affordability of these property and accommodation requirements (using more sophisticated appraisal techniques than hitherto)
- Strategic choices to optimise as far as possible the overall benefits to the community within the capital and revenue budgets likely to be available

This is the first time that the Council has produced an Asset Management Plan and the process outlined in the foregoing paragraph will be the basis for the plan's ongoing development over the coming year.

In considering the Council's future asset requirements, the Council will be particularly mindful of:

- Changes in government policy regarding services and the way in which the Council decides to deliver those services, for example:
  - Changes in the demographic composition of the population in Powys (an ageing population)
  - Changes in attitudes to lifelong learning (pre-school, school and adult) and the implication for schools and other buildings
  - Schools transport and its implication on school location
  - The changing role and nature of libraries and community information and its implication for library buildings
  - Increased burdens placed on Local Authorities requiring more staff – e.g. licensing, freedom of information etc.
  - New attitudes to the increased integration of child care and education services
  - The nature of tourism and the provisions of Tourist Information Centres and other tourist facilities in the future
  - Culture and the nature and types of theatre and arts facilities needed
  - Community Halls and meeting facilities and their ongoing management and responsibilities
- eGov and the use of ICT and community access to information, for example
  - The development of customer access channels and their implications for property
  - A review of the physical access requirements to different types of facilities by the community
  - Workstyle of the Council's staff and its impact on office accommodation
- The impact of Partnership arrangements with other Public Sector and Voluntary Organisations on the Council's ongoing property requirements for example
  - Health
  - Emergency Services
- Any future outsourcing of Council services or accommodation provision and the impact of this on the council's property ownership (the BUPA Contract is an example of this)
- The potential for shared use by Council services and with outside public and private organisations
- The ability to access other funding streams to assist with property provision, improvement or running costs
  - Access to parallel funding streams – e.g. eGovernment
  - Shared/pooled budgets
  - PPP/PFI schemes
  - Prudential borrowing

6. THE EXISTING PORTFOLIO AND CURRENT PERFORMANCE

6A. STATEMENT OF THE PORTFOLIO

The Council's property portfolio comprises the following assets (excluding Housing and Highway Infrastructure). The core data is summarised in Appendix 13 and Powys County Council service maps, showing the location of properties, are in Appendix 14.

Service & Property Type	Asset Value £	No. of Properties
Childrens, Families & Lifelong Learning		
Schools	£108,794,680	125
Misc. School Property (inc houses on school sites)	£220,547	16
Libraries	£4,622,664	18
Community Centre	£4,582,008	44
Youth Centres	£4,694,978	21
Misc C,F & LL	£769,934	6
Community Services		
Cemeteries	£126,136	16
Misc Public Protection	£83,948	5
Elderly Persons Homes (let to BUPA)		12
Day Centres	£1,597,280	7
Adult Training Centres		(5 Let in) 9
Misc. Adult Community Care	£1,006,511	2

Service & Property Type	Asset Value £	No. of Properties
Economic & Community Regeneration		
Workshops	£1,457,348	17
TIC's	£621,903	(10 Let in) 14
Misc. Economic Development Services	£6,974,208	9
Leisure Centre	£23,233,510	15
Misc Recreation (inc Museums, Oudoor Pursuits etc)	£20,483,553	46
Corporate Support Services		
Offices and Ancillary Buildings	£10,925,137	44
Magistrates	£36,198	2
Misc. Corporate	£380,459	7
Technical & Local Services		
Estates (Small Holdings)	£8,905,577	227
Market Halls/Shops	£3,211,542	12
Public Convenience	£2,609,623	88
Depots	£1,566,918	17
Misc. T & LS	£1,202,126	17
Total	£208,106,789	

In overall terms a subjective assessment of the performance of this portfolio is summarised as follows:

Aspect	Current assessment of performance
Condition	In the 2003-04 financial year approximately £925,000 revenue and £3.1M capital was spent in the maintenance and improvement of the Council's property portfolio. The total maintenance backlog for the authority has been assessed at £119M to bring all the existing stock to as new standard and approximately £58M to bring the stock to a good and satisfactory standard. An area of particular concern is the ability of the Council to adequately maintain listed and historic public buildings which do not make significant contributions to service delivery (e.g. listed market halls, spa buildings etc). A further challenge is the ability of the Council to meet its landlord obligations in respect of external maintenance responsibilities for community halls managed by local community groups. The Council has set a local performance measure to show a reduction in the percentage of properties categorised C (Poor –exhibiting major defects) and D (Life expired). One area of service with a high percentage of category D buildings is public conveniences but other service areas also have buildings within this category band. Options will be explored to reduce the category D and C buildings.
Suitability	Detailed suitability assessments of all of the Council's properties have not been undertaken.

Aspect	Current assessment of performance
	Ten aspects of suitability criteria have been identified in the Council's asset management review process and these will be developed and buildings assessed against these criteria in the 2004/05 financial year. However, suitability assessments in respect of public disabled access requirements and health and safety requirements are well advanced. Disabled access audits have been completed for all of the Council's properties classified as *"buildings with public access"* and a programme of improvement works required to make reasonable adjustments to comply with the Disability Discrimination Act is underway. It is planned to complete at least 80% of High Priority works by the end of the 2004/05 financial year. The Council is well advanced in undertaking asbestos surveys of its properties and by March 2004 approximately 45% of the Council's buildings had been surveyed. The challenge facing the Council in the coming year is to raise awareness of the need for Duty Holders to demonstrate that they have an asbestos management plan to satisfy the requirements of Regulation 4 of the Control of Asbestos at Work Regulations. There is also a need to monitor the suitability of the Council's buildings in respect of the testing of fixed electrical wire installations and assessments of Legionella risk and action taken to satisfy code of practice L8 (HSE 2000).

Aspect	Current assessment of performance
	These two aspects will be monitored and assessed in order to measure and target improvements in these suitability criteria for property.
Sufficiency	Schools make up approximately fifty percent of the Council's property portfolio. Sufficiency measures and criteria are well advanced in the education sector with detailed assessments of capacity held for each school. Whilst a number of schools in the "hot spots" for development in the County are short of capacity there is generally a surplus of capacity throughout the County as a whole. The Council has utilised high specification demountable units to provide additional teaching spaces in schools that are significantly short of accommodation but acknowledges that this is not always the most effective solution. Three high schools in the County are currently short of designated teaching spaces and are operating with pupil numbers over the assessed pupil capacity. The Council has detailed knowledge of its property holdings in terms of size and running costs and uses robust measurement techniques to assess the utilisation of schools and offices. However, there is a need to develop sufficiency and utilisation measurements for other service areas and this is a key objective in 2004/05. The Council faces changes in its requirement for office accommodation and a review will be undertaken in 2004/05. Recommended space

Aspect	Current assessment of performance
	utilisation standards for offices have been agreed by the Council and these will be used to assess and compare utilisation throughout the corporate holding. A customer satisfaction survey will also be undertaken as means to inform the review process.
Costs	The Council's financial systems can provide detailed breakdowns of premises related costs. These together with details of property data (floor areas etc) will enable comparative cost information to be assessed. An objective in 2004/05 is to investigate and develop performance indicators to enable improvement measures to be identified. There is potential for the Council to maximise the use of under-utilised and possibly identify property that is no longer required and surplus. Such surplus property is defined as non-operational property and where practical shall be sold in order to realise a capital receipt and also reduce the revenue burden on the Council. The retention of non-operational property shall be subject to annual review.
Environmental Impact	The Government has set targets for environmental improvements particularly in respect of reduction in CO2 emissions. Energy costs account for £1.8M expenditure annually and the Council has targeted to make a 5% reduction in CO2 emissions over a three year period with has a consequential benefit of also reducing revenue expenditure. The Council operates an energy conservation

Aspect	Current assessment of performance
	loan scheme which provides interest free capital resources to undertake energy conservation works. The loan is repaid from savings in the energy budget. The Council also has targets in respect of the minimisation of waste and has introduced recycling processes and procedures at its corporate buildings.

6B. THE ASSET MANAGEMENT FUNCTION

PROPERTY SERVICES

Powys CC property responsibilities are not centralised in a single Property Services Section but are located in different services in departments in the Council – see diagram below. Each service area manages delegated property budgets and through this mechanism property managers have greater autonomy over where they procure property services.

Powys County Council
Organogram showing property related services within the Authority
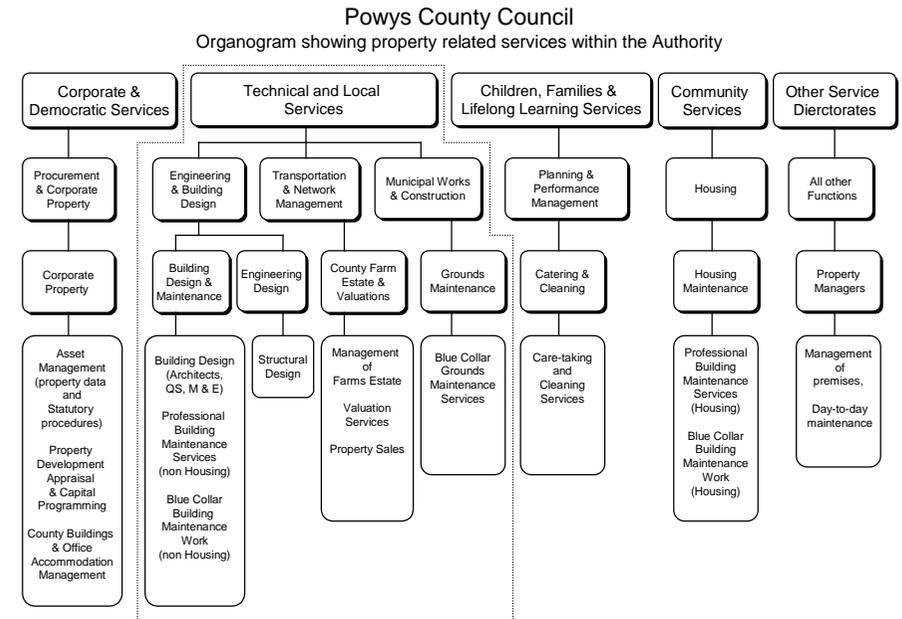
RS PCC Organogram MJ PP Reports

The Corporate Property Unit has a complement of 10 FTE staff. The responsibilities of the Corporate Property Unit are:
- To manage the Council's corporately occupied property (mainly offices)
- Property appraisal and related capital planning
- To orchestrate effective good practice on Strategic Asset Management across the Council and to manage the drafting of the Council's Asset Management Plan

Day to day property management services for the rest of the Council's property portfolio are provided by units of:

- Technical and Local Services Directorate
  - Building, Design and Maintenance
  - County Farm Estates and Valuation
- Service Departments managing the property they occupy
- Property services procured from outside consultants and contractors Bought-in property services as necessary

Each Service has delegated budgets and is responsible for decisions regarding the property it occupies.

STRATEGIC ASSET MANAGEMENT

The Council's Corporate Property Officer is Geoff Petty, the Head of Procurement and Corporate Property.

The Asset Management Working Group (AMWG), which is chaired by Rob Shelton, the Corporate Property Manager acts as a forum to:

- Consider the content of the Council's Asset Management Plan
- Communicate and co-ordinate Asset Management issues
- Recommend how property resources are deployed to meet the Authority's corporate and service objectives

The Council's Corporate Property Panel was formed in March 2003 following the ACiW Interim Report on the Council's Best Value Review of Strategic Asset Management. Its Terms of

Reference are:

- To develop the Corporate Property Strategy and monitor it's implementation
- To formulate and keep under review an Asset Management Plan (including related procedures, protocols and manuals), which identifies priority areas for action and clearly defines departmental responsibilities, to coordinate a property review programme and the production and review of service asset management plans
- To ensure that the Council's Asset Management Plan has due regard for the WPI and Best Value processes
- To ensure that all property held by the Council is required and used for operational, social or investment purposes in accordance with corporate objectives
- To identify surplus property or non-essential property and make recommendations on alternative use/disposal
- To identify cross service opportunities where services and/or partner organisations can share, or maximise the use of, accommodation
- To examine innovative options for service provision, e.g. PFI, Trusts, Joint Ventures etc
- To seek to optimise the benefits of new technology e.g. egovernment, hot desking, home working and call and /or contact centres
- To make the necessary arrangements for the review of the condition of the Council's property and to seek to ensure that appropriate provision is made for planned programme maintenance

- To ensure that all capital projects and property proposals are consistent with the Asset Management Plan and are affordable and value for money
- To monitor property performance by reference to the adopted performance indicators
- To monitor the spending of repair and maintenance budgets and the execution of the works

The Corporate Property Panel is chaired by County Councillor, Jack Evans, who is the Board Member with responsibility for Property. The panel also comprises five other Members on the Board - one member representing each Subject area

PROPERTY AND CAPITAL PROGRAMME PROCESSES

Property Management
Service Committees deal with property matters (including maintenance) and capital programming issues affecting their service. Maintenance budgets are set as part of the annual budget preparation process. Services can purchase property services from Technical & Local Services or procure work directly from the private sector. There is a wide degree of delegation of all property-related budgets – including Health and Safety. A central corporate budget has been established to undertake Asbestos Surveys although the remedial works are funded from service budgets. Legionnella and fixed wire electrical testing is the responsibility of the service budget holder.

Capital Projects
Capital Investment programmes are determined by bids for capital allocation, or external grant provision, except for County Farms where the investment programme is self-financed. The Children Families and Lifelong Learning Service uses a system of assessment and planning for capital projects and is now developing a more sophisticated system in consultation with Corporate Property and the Schools Forum. There are also processes and procedures for assessing bids for "major capital repairs" and the Council is developing this further.

The Corporate Property Unit undertakes the programming and monitoring of capital expenditure for the Children, Families and Lifelong Learning Service. Other Services (with much smaller capital spend) set and monitor capital budgets themselves. All services make annual bids for capital funding and a three year programme is set by the Council, which is considered by each of the portfolio members on the Board and then submitted to the Board for formal approval.

A Briefing and Starter Sheet system is used by the Corporate Property Unit to procure capital schemes from Technical and Local Services. Capital investments are normally monitored by Corporate Support Services, but in the case of certain specific projects, multi-discipline officer groups monitor these In the future, progress with the capital programme will be reported to the new Corporate Property Panel.

Office Accommodation

The Corporate Property Unit uses a process to assess office accommodation needs and to develop utilisation standards and allocates space according to those needs and standards.

Surplus Property

Property for disposal is usually identified when its use ceases or changes, or when changes in the law or regulation mean that it is no longer suitable to provide the service and cannot be adapted to do so. All Group Directors are notified when a property becomes surplus to a service users requirements, giving them the opportunity to consider it for an alternative use which fits in with their particular needs. Decisions on releasing and selling property are referred to the Property Panel.

The Council's disposal procedures require consultation with the local member and the local community council prior to placing property on the open market. This is in line with the Council's increasing awareness of the need to dispose of unused assets and in the past few years a significant number of decisions have been taken to sell surplus property.

The need for a significant Capital investment in the agricultural estate and a re-structuring of the estate has driven forward the identification of property for disposal to generate capital receipts. There is not quite the same scope to apply this to the non-agricultural portfolio due to the geographical constraints of the County and the difficulty of rationalising and amalgamating the delivery of services.

Where a property needs to be acquired instructions are issued to the Valuation service to negotiate the acquisition.

A monthly property meeting of officers monitors the disposal and acquisition of property.

7. REVIEW AND CHALLENGE

7A. GAP ANALYSIS

The foregoing sections of this plan have already identified some of the challenges confronting the Council. These are repeated in summary in the following three paragraphs.

It has already been stressed that the Council is aware that because of financial constraints and the ageing portfolio it may not be able to meet the funding required for the capital and revenue expenditure to bring all of its existing property portfolio up to future required standards in terms of:
- Condition
- Suitability
- Sufficiency

The Council is also aware that the likely changes in its service delivery over, say, the next five years, will have an undoubted impact on its property portfolio and may give rise to opportunities for rationalisation. Examples of these changes are:
- Changing demography (ageing population)
- EGovernment and ICT,
- The council's interface with the public,
- Workstyle,

- New visions of care for the young, for families and for adults,
- The provision of education services,
- Partnerships,
- Outsourcing,
- The community taking more responsibility for the direct provision of some services,

At the same time the Council is also mindful that, as far as possible, it needs to provide services close to hand for citizens in a geographically and demographically dispersed County with a relatively sparse population.

At the present time the Council is not in a position to quantify the "gaps" between its future property needs and its current portfolio. However, during 2004 the Council plans to review the full extent and implications of these gaps and to bring forward proposals to narrow the gaps.

7B. BEST VALUE REVIEW AND AUDIT COMMISSION FOR WALES INSPECTION

The Council has already reviewed and challenged its strategic asset management activities in the Council's Best Value Review of Strategic Asset Management undertaken in 2002. This was followed by an inspection by the Audit Commission in Wales (ACiW) which made a number of recommendations, all of which are being acted upon.

The summary of the findings of the Inspection and its recommendations are set out in Appendix 15. In brief, the findings and recommendations covered:

- Strategy, aims and objectives and definitions for Corporate Asset Management
- The effectiveness, leadership, co-ordination and corporatism in strategic asset management
- Performance management and monitoring
- Organisational issues
- Access and maintenance
- Training
- Data management
- Procedures

A re-inspection has recently been undertaken by the ACiW and the report of this is awaited at the time of writing this Plan.

7C. REVIEW OF ASSET STRATEGY, PROPERTY OBJECTIVES AND DELIVERY MECHANISMS

The Council recognises that it needs to review its property and asset objectives and to develop an improved asset strategy. Earlier in this Plan it has recognised the pressures upon it and the consequent effects that these are having on its asset base. For this reason it has welcomed the WAG/CLAW initiative on asset management and asset management plans which, as has been outlined in the Preface to this Plan, it sees as a fundamental stepping stone in the process of reviewing the use and deployment of its assets.

This plan represents the next stage in that review process and has highlighted many areas where the Council needs to make further investigations in order to improve its strategy and objectives and the consequent performance of its asset base. The Council intends to continue this process through 2004 so that the next version of the Asset Management Plan will link into the Council business planning and budget preparation process in late 2004/early 2005.

The Council has already taken some initiatives to improve its asset strategy, property objectives and delivery mechanisms and amongst these are:

- Production of the Powys's first formal Asset Management Plan
- Review of the key characteristics required of the portfolio
- Introduction of a performance management framework and development of initial indictors
- Ongoing awareness programme for Members and Officers
- Increased staff resources to meet the challenge of asset management
- Secured independent external advice when needed

The Council will review the following during 2004 to make further improvements in for example:

- The relationship between service planning and capital and asset planning
- The relationship between asset objectives and the council's key priorities

- The capital planning process
- The identification of the Council's critical success factors for assets and the performance measures needed to monitor their achievement
- Maintenance and energy strategy
- Reviewing patterns of capital and revenue expenditure on the portfolio
- The appropriateness of the current deployment of assets in relation to the councils objectives

7D. REVIEW OF ROLES AND RESPONSIBILITIES FOR PROPERTY

The Council accepted the recommendations of the ACiW and has begun to make the changes suggested in its Inspection Report. It has:
- Strengthened the Councils Asset Management Working Group (Officers)
- Implemented the integration of data sources and systems
- Reviewed the overall management of the Corporate Property Unit and strengthened its corporate role through restructuring

However the Council acknowledges that this is the beginning of the process of clarifying roles and responsibilities for property matters and it intends to:
- Further review the responsibilities of the Corporate Property Unit to give it a more strategic function and reduce its operational workload

- Reallocate operational property management functions as appropriate
- Improve property management co-ordination between Services Directorates, Technical and Local Services and Procurement and Corporate Property
- Build on the Asset Management Working Group as the officer forum for corporate asset management
- Review strategy and budget responsibilities where appropriate
- Improve capital programme preparation and project evaluation techniques and capital programme monitoring

7E. REVIEW OF DECISION-MAKING PROCESS

The way in which member decisions are made has been reviewed recently and in the last six months:
- A member level Corporate Property Panel has been established
- A senior Councillor has been identified who holds the Property/Asset Portfolio and who takes a close interest in the way the Council manages its assets and property.

This has improved the decision making process at member level. Over the next year the Council will seek to improve:
- Reporting to members on property matters
- Involvement of members and officers in the strategy making process
- The delivery of challenging decisions regarding assets

8. OPTIONS APPRAISAL

STRATEGIC OPTIONS

This part of the plan is as yet incomplete. Over the next few months the Council intends to develop its strategic asset options and select the one that allows the most favourable outcome within the resources that are available.

In general terms, the options open to the Council are in two categories

Direction
For example:
1. To continue the status quo – Patterns of expenditure would remain largely the same and the portfolio would only gradually change as resources permit.
2. To seek to reduce the size of the portfolio and consequently to reduce the revenue demands of the portfolio (and possibly raise capital receipts to re-invest in the portfolio) by reducing the geographical coverage of facilities.
3. To change the nature and extent of the portfolio over time to better reflect future needs. This would be aimed at reducing the extent of the portfolio and might, for example, involve;

- embracing new a patterns of citizen interface (i.e. contact with the public through eGovernment initiatives;
- adopting new workstyle for the Council workforce to allow flexible working;
- co-location of uses between services, with partners and possibly with commercial organisations (e.g. retailers), and;
- more intensive use of retained assets
- pooling budgets with joint users.

The objective would be to reduce the Council's exposure to ongoing asset liabilities to affordable levels whilst at the same time seek to preserve and enhance services levels.
…or some combination of these.

Delivery
For example:
1. To continue ownership of existing assets (whether at current or reduced levels) and to provide for all future asset needs through extending Council ownership of assets (acquisition or new build)
2. To continue ownership of existing assets (whether at current or reduced levels) and to provide for future asset needs through a combination Council ownership and ownership by public and voluntary sector partners, and also private sector occupiers.
3. Transferring ownership of existing assets to a third party (private sector provider) and to provide for all future asset needs by transferring risk for providing these assets to a third party (private sector provider). All of this would be done for, say, a 25 year period involving the Council (and

partners as appropriate) in an annual accommodation charge.

…or some combination of these.

Different options may be more or less appropriate to different types of asset (e.g. schools, libraries, offices) and there will be a need, on the one hand to keep the number of options down to manageable levels whilst at the same time allowing a richness of alternatives for all property types.

Until the Council fully considers and works up options no firm decision can be made on which options will be adopted for appraisal. The Council will embark on the task of working up the options as soon as possible.

OPTION APPRAISAL

The options will need to be appraised using a combination of non-financial and financial criteria. For example:

- Extent of contribution to meeting the Council's service objectives
- Extent of likely impact on citizen satisfaction.
- Extent to which the Council's risk requirements are met both now and in the future.
- Discontinuity of service caused by any changes
- Affordability both now and in the future
- Value for money

Inevitably, none of the options are likely to fully fulfil all the Council's service objectives as the resources necessary to do this are unlikely to be available. Therefore compromise will be needed.

PREFERRED STRATEGY OPTION

The preferred approach is likely to be drawn from a combination of the best elements in the options. This might be encompassed in one of the options or be from parts of different options.

The preferred approach will act as the guide for working up detailed programmes for future investment/dis-investment in assets.

9. ASSET MANAGEMENT PROGRAMME

CURRENT APPROACH TO THE PROGRAMME

The WAG/CLAW Guidance suggests that this part of the plan should cover the future programme of work and expenditure involved in implementing the Councils asset strategy. As already explained, the Council is not yet in a position to do this and in addition it could not influence expenditure in 2004/2005 as the budgets for that year have already been set. In consequence this chapter of the plan sets out the Councils summary action plan over the next six months to enable it to produce a further version of this plan later in 2004 which will then inform business planning and budget planning for 2005/2006.

THE ASSET MANAGEMENT ACTION PLAN

The key elements of the plan are as follows:

Action	Respon-sibility	Timing
1. Review and make any necessary changes to organisation, roles and responsibilities for property matters	HPCP	June 2004
2. Review Property/Asset Objectives	HPCP	May 2004
3. Clarify and quantify Service Directorates views on their asset needs over say the next five years	CPM	June 2004
4. Clarify and quantify likely pattern of customer interface over the next five years	DCDSS	May 2004
5. Assess asset implications of partnership and outsourcing	CPM	June 2004
6. Confirm and organised property data	HPCP	May 2004
7. Confirm performance measures and assess and benchmark performance	CPM	April 2004
8. Assess specific problems with service and corporate portfolios in terms of future asset needs	CPM	July 2004
9. Formulate overall asset implications	CPO	July 2004
10. Undertake preliminary overall costing exercise of 9. and compare with likely funding availability	HPCP/ CPM	July/Aug 2004

11. Develop strategic options	HPCP/ CPM	July/Aug 2004
12. Assess options in terms of overall service/corporate benefits, cost and affordability	HPCP/ CPM	July/Aug 2004
13. Formulate Asset Strategy	HPCP/ CPM	July/Aug 2004
14. Develop programmes to achieve strategy	HPCP/ CPM	July/Aug 2004
15. Undertake detailed benefits cost/value appraisals of individual projects	HPCP	Sept/Oct 2004
16. Clarify and record detailed proposals	CPP	Nov 2004
17. Include in 2004/2005 budget planning	HPCP	Dec 2004
18. Implement proposals	Council	Jan 2005

Key:
HPCP = Head of Procurement & Corporate Property
CPM = Corporate Property Manager
DCDSS = Director Corporate & Democratic Support Services
CPP = Corporate Property Panel

Appendices

APPENDIX 1 - ASSET RELATED IMPLICATIONS OF COUNCIL WIDE PLANS AND STRATEGIES

Plan or Strategy	Objectives and Assets Implication
Community Strategy	The Council is producing its strategy in partnership with other public bodies and a draft document will be published by April 2004. Every 4 years the strategy will be reviewed to make amendments and take on board changes in circumstances and legislation. This strategy will point to the future pattern of public services in the County and in consequence will provide insights into future public sector accommodation and property needs.
Corporate Plan	The Draft Plan, which was agreed on 26 February 2004, sets out the Councils six priorities to enable it to meet its aim of building a better Powys. The six priorities are listed in the next section. The Corporate Plan also provides the context for the accommodation and property needs of the County Council.
Improvement Plan	This annual plan contains an overview of the Councils performance as well as setting out key targets for future service improvements, which are categorised under the six key priority areas. Any asset and property implications will be picked up from this improvement plan.
Best Value Reviews	Directorate and Service Business plans seek to improve services and where applicable to highlight any accommodation and property areas for improvement. The Best Value Review of Strategic Asset Management considered the corporate and departmental processes for managing property assets across the authority, together with budgeting, decision making and strategic processes.

IEG	The Council's Implementing Electronic Government Statement (IEG) has implications for the location and function of properties used by the public as well as the long-term accommodation requirements of staff.
People Management Strategy	A strategy which predominantly defines how employees are treated (equally and provided with the skills and competencies required to complete roles) and what is expected of staff (i.e. to be customer focused and responsive, efficient, effective and competitive). This may have accommodation and property implications.
Risk Assessment	The Council has adopted a Risk Strategy and there is a Member led Risk Management Panel. Property issues are currently identified through insurance or health and safety experience. In future, the emphasis will change to the early identification and management of risk rather than dealing with its consequences.

APPENDIX 2 - THE COUNCIL'S SIX PRIORITIES, KEY ACTIONS AND THEIR ASSET IMPLICATIONS

The Six priorities and their Key Actions have asset implications and these are shown below and an asterisk in the table below indicates the key actions with obvious asset implications.

Corporate Objective	Key Actions
Act as community leaders : • *To complete and implement the Community Strategy for Powys* • *To take account of sustainability in everything we do* • *To make sure that Powys' voice is heard* • *To make the most of our money* • *Community development*	• Complete the final version of the Community Strategy in 2004/05 • Incorporate sustainability principles into the Council's own activities by achieving Green Dragon accreditation (Level 3: 2004, Level 4: 2005, Level 6: 2006)* • Achieve a 5% reduction in carbon emissions in the non-domestic public stock by 2006/07* • Implement an effective communications strategy for internal and external communications channels* • Arrange at least 1 meeting each year with AMs, MPs and MEPs who represent Powys people to ensure they are aware of the Council's priorities

Build stronger communities :
 	
   • *To improve our Health and Well-being*
 	
   • *To support our vulnerable people*
 	
   • *To listen to our young people and provide better services for them*
 	
   • *To ensure appropriate housing*
 	
   • *To protect the public*
	• Develop the Health, Social Care and Wellbeing Strategy and subsequently implement its action plan
	• Increase the number of swims and other leisure visits to leisure centres per 1000 population*
	• Develop and subsequently implement a Family Support Strategy to ensure that these services are provided equitably across the county
	• Eliminate the use of bed and breakfast accommodation for homeless families (except in emergencies)*
	• Reduce the average length of time people spend in temporary accommodation*
	• Reduce the rate of delayed transfers of care, for social care reasons (per 1000 population aged 75 or over)*
	• Adopt the seven core aims of the Children's Partnership, the WAG's ten entitlements for young people and the UN Convention on the rights of the Child
	• Review "affordable housing" policies as part of the review of the Unitary Development Plan*
	• Review the policy in relation to the sale of land at "best price" and consider a policy to dispose of redundant land to housing associations, community trusts and other organisations at values to account for community benefit where housing need has been identified*
	• Identify more rural settlements where "affordable housing" can be built, as part of the review of the Unitary Development Plan*

Develop a learning county :
 	
   • *To give our children a flying start*
 	
   • *To provide a quality education for all*
	• To ensure that all three year olds have the opportunity to access a quality part-time education place from the term following their third birthdays*
	• Develop the new Children's Information Service to provide information and advice to parents/carers on the broad range of services for children available within Powys.
	• Further develop the Youth Services ensuring Youth Information Services per 500 youth population in each community forum area, are accessible for a minimum of 2 hrs per week.*
	• Ensure all of our core Youth Work training programmes are accessible to the voluntary sector and we will provide a minimum of 15% of places for volunteers.*

• *To help people develop their skills*	• Develop a co-ordinated corporate graduate placement programme for young people of Powys and co-ordinate secondary school placements within the Council. • Achieve an increase in attendance of adult education classes, in partnership with the county's colleges.
Develop the County's infrastructure : • *To enhance the county's road network.* • *To help people to get around.* • *To manage our waste.* • *To build for the future.*	• Develop five year asset management strategy for county's Trunk and Class 1 roads. * • Introduce touch screen travel planning information points in the major towns in Powys and on in bus timetables • Reduce the amount of waste, which goes for landfill. * • Increase proportion of trade and commercial waste recycled. * • Improve the efficiency of the Council's Waste Collection service through implementation of the results of the recent logistics study. • Increase the percentage of Council buildings taking part in waste recycling schemes. * • Implement Construction Industry Key Performance Indicator benchmarking standards to monitor and facilitate the improvement of the efficiency of the service. * • Increase the percentage of homes achieving the energy efficiency element of the Welsh Housing Quality Standard. *
Build a prosperous county : • *To create a framework for economic and cultural prosperity.* • *To support business to create quality jobs*	• Consult on an economic development strategy for Powys, in the light of the Mid Wales Economic Strategy, the Powys Regeneration Strategy Programme Documents and the Wales Spatial Plan and review it regularly thereafter. • Increase access to broadband facilities for Powys based businesses. • Increase the percentage of bus services which run to and from main centres of employment during commuting times (i.e. 6a.m.-10.00a.m. and 4p.m.-7p.m). • Support the formation of new businesses and the growth of existing ones, to create better quality jobs and encourage young people to remain in our communities. • Increase the number of registered childminders. • Sustain, with other partners, an annual tourism marketing campaign in Britain and Europe.

• *To support tourism* • *To develop recreational and cultural services for local and visitor needs* • *To encourage appropriate development while working to conserve and enhance the county's built heritage, landscape and biodiversity.*	• Create an over-arching cultural strategy for the Council reflecting the aims and objectives of the Council's Leisure, Arts and Museums strategies and wider cultural issues by 2007. • Undertake 4 major park/open space refurbishments by 2010* • Carry out 2 major museum redevelopment projects at Llandrindod and Brecon by 2010* • Increase the proportion of public rights of way that are open and easy to use. • Implement the actions set out in the county's Arts Strategy by 2006/07. • Approve the Unitary Development Plan and formally adopt it (approve 2004 adopt 2006) • Implement the Powys Local Biodiversity Action Plan, in conjunction with others. • Develop proposals for a Townscape Heritage Initiative Scheme in Machynlleth by end 2004. • Increase the percentage of highways and relevant land inspected (i.e. in towns and villages) of a high or acceptable standard of cleanliness.
Build a better Council : • *To set and achieve improvement targets.* • *To treat people equitably.* • *To look after our assets (people, property and finance) wisely.* • *To help you get the service you need.*	• Each year, the Council will produce an Improvement Plan, which details how it has progressed against a series of national and locally set targets. • Improvement programmes to meet the targets chosen as part of Policy Agreements with the Welsh Assembly Government. • To work towards the Equalities Standard for Local Government in Wales Level 1. This Standard requires us to have in place formal systems for ensuring that we are treating our people equally. • Develop a Human Resources Strategy and implement its finding 2004/05 onwards.* • Develop and implement three year budgetary planning 2004/05 onwards.* • Develop and implement a new Asset Management Strategy with a particular emphasis maximising use of all property and looking at opportunities for sharing of resources 2004/05 onwards.* • Prepare a balanced budget and maintain appropriate financial reserves annually. • Implement the Council's Procurement Strategy to ensure the tens of millions of pounds the Council spends on externally sourced goods and services obtain maximum value for money 2004/05 onwards.* • Implement key areas of the Access to Services Strategy such as departmental call centres by 2006/07.

	• Improve communication with the public in terms of environmental health, trading standards and community safety issues with the development of a new web site by 2006/07.

APPENDIX 3 – THE CHIEF EXECUTIVE'S SUPPORT TEAM AND THE FIVE DIRECTORATES

Chief Executive's Support Team provides a range of support services to other departments of the Council to assist their efforts to further the objectives set out in the Corporate Plan. The Directorate is made up of three sections – Corporate Policy Development and Support, Corporate Performance Improvement, Information & Communication Management.

Children, Families and Lifelong Learning Directorate has been set up to ensure that all services relating to young people are managed and delivered in a co-ordinated manner. The Directorate is made up of three sections – Lifelong Learning & Community Services, Children and Families, Schools.

Community Services Directorate aims to provide high quality, locally accessible services for the people of Powys and is split into three sections – Social Care, Housing, Public Protection.

Economic and Community Regeneration Directorate is responsible for a wide range of mandatory and discretionary services that benefit Powys communities, support the local economy and sustain the environment. The Directorate is made up of four sections – Economic Development Services, Planning Services, Recreation and Countryside Services, Community Planning and Support Services.

Corporate and Democratic Support Services Directorate is central to the new political decision-making structure of the Council. Support is provided to the Board, the Principle Scrutiny Committee, the Subject Committees, Shire Committees and all other committees, which are responsible for Council services and make decisions on the way the Council operates. Support services are provided to the whole authority and are made up of four sections – Legal, Scrutiny & Democratic Services, Personnel Services, Financial Services, Procurement and Corporate Property Services.

Technical and Local Services Directorate provides the county's infrastructure, drawing together the management and delivery of a wide range of services that support everyday life in our communities.

APPENDIX 4 - PERFORMANCE INDICATORS

A key element to the preparation of the asset management plan, is the development of local property performance measures / indicators (PI's). Powys is a member of CLAW (Consortium Local Authorities Wales) and has participated in the benchmarking club, which initially developed a number of performance measures for 2000/01 for its strategic asset management criteria. These are listed below:
- Asset value per head
- Operational asset value as a percentage of the total asset value
- Capital receipts as a percentage of the total asset value
- Total expenditure on buildings per sq. metre
- Staff costs as a percentage of total asset values.

Comparisons between Powys' performance and other public bodies in April 2002 highlighted that Powys was performing reasonably well and was within the middle quartiles for most of the initial indicators.

However, the real value of these PI's for strategic management purposes was limited. Therefore, in 2002/03 the CLAW Steering Group developed additional PI's. These CLAW Corporate Property Management PI's (2003) are:
- Building area per head of population
- Condition categories as a % of gross Internal floor space
- Backlog of maintenance by cost as a (%) for each category
- Backlog of maintenance value (£) by each category
- Total revenue and capital repairs expenditure on buildings per m2
- Total management costs of non-operational property per m2
- Value of capital receipts per annum
- Number of sales
- Average sale value

Again, there is some concern over whether these measures can give an indication of how economic and efficient the Council is in respect of its asset base and on the contribution that assets make to the Councils corporate and asset aims and objectives. This raised the importance for local PI's to be produced and five characteristics have been identified. Some initial performance measures have set for each of them.

The Corporate Property Panel at its meeting on 27 January 2004 approved the following local performance measures as the first stage in moving towards more comprehensive performance management of assets:

Performance Characteristic	Measures/Indicators
Condition	• Percentage of buildings assessed as unsatisfactory

Suitability	• Fixed Electrical Testing
	  - Percentage of properties tested as required
	• Legionella
	  - Percentage of routine checks made as required
	  - Percentage of "annual" checks made as required
	• Asbestos
	  - Percentage of buildings with a Management Action Plan in place
	• Disabled Access
	  - Percentage of buildings complying with DDA
	  - Percentage of buildings assessed as having "High Priority " items

Sufficiency	• Occupancy levels expressed as a percentage of Council's recommended standards • Customer satisfaction level

	• Contact Procedure Rules
	  - Number of major non compliance
	   a) with Quality Management System detected (if applicable)
	   b) reported by internal audit
	• Number of properties
	  - Total asset value
	  - Number held for over 12 months
	  - Value of assets held over 12 months
	  - Number of assets reviewed

Environmental Impact	• Reduce CO_2 emissions

The assembly of detailed information of floor areas on the Asset Register combined with financial data from the E-Financials system will enable comparative running costs per square metre to be assessed. This should assist in identifying poorly performing property and assist in targeting resources to areas of need. Although there is further work to be done to develop the council's performance measures and to identify procedures to review performance, condition surveys and access audits are well developed. Condition survey assessments have been made for all the Council's properties and a comparative analysis from these will be completed by August 2004. Access audits have been completed for all public buildings and a programme of upgrading works approved over a three year period 2004/05-2006/07. The assessment of disabled access requirements at Schools will be undertaken in 2004/05.

Powys

APPENDIX 5 – CURRENT PROGRESS ON THE MEASUREMENT OF PROPERTY PERFORMANCE

Performance Aspect	Performance Measure	Assessment of Current Progress
Condition	Percentage of buildings assessed as unsatisfactory. This will be measured in accordance with an A – D condition criteria	The Council has completed an assessment of the condition of its property stock. The base line data will enable the authority to identify whether there is improvement or deterioration in the stock and assist in determining a maintenance strategy for the Council. The overall findings were (percentage by cost of works): A = 16% B = 35% C = 43% D = 6%
Suitability *General criteria*	Currently the Council does not have any performance indicators for overall suitability. Ten aspects of suitability criteria have been identified in the Council's Asset Management Review process.	Service specific suitability assessment criteria will be developed with a scoring matrix to reflect the different priorities of each service function or discipline. Initial work has already been undertaken.
Suitability *Fixed electrical testing*	Percentage of properties tested as required. This will be measured by: - Percentage of properties where fixed electrical wiring has been tested to satisfy requirements of the	Property management duty holders will be required to provide evidence that a programme of testing fixed electrical installations has been implemented. Technical & Local Services has established a data-base and offers a service to enable Duty Holders to programme these works

Performance Aspect	Performance Measure	Assessment of Current Progress
	Electricity at Work Regulations 1989 in on a five year cycle	
Suitability *Legionella management of risk*	Percentage of routine checks made as required and percentage of "annual" checks made as required. This will be measured by: - Percentage of properties where routine Legionella risks have been assessed and checked - Percentage of annual monitoring checks undertaken to satisfy code of practice L8, Health and Safety Executive, 2000	Property management duty holders will be required to provide evidence that a process of assessing Legionella risks is in place. Technical & Local Services has established a monitoring and management procedure and offers a service to enable Duty Holders to satisfy the HSE Code of Practice. Duty Holders not subscribing to Technical & Local Services management system will be required to submit evidence that they have undertaken adequate assessments of Legionella risk and have established monitoring procedures to control risks
Suitability *Asbestos management*	Percentage of buildings with a Management Action Plan in place. This will be measured by: - Percentage of properties where Duty Holders have in place an Asbestos Management Plan to satisfy requirements of the Regulation 4 of the Control of Asbestos at Work Regulations	Under a Corporate Property initiative a programme to survey all of the Council's properties to identify asbestos risks is being undertaken over a five year period. By March 2004 approximately 45% of the Council's properties had been surveyed. The survey data includes information to enable Duty Holders to undertake asbestos risk assessments and establish management regimes

Performance Aspect	Performance Measure	Assessment of Current Progress
Suitability *Disabled Access*	Percentage of buildings complying with DDA and percentage of buildings assessed as having "High Priority" items	DDA audits and schedule of works categorised into High, Medium and Low priority order has been undertaken. Funding for High priority work has been budgeted in 2004/05 and a target set to complete 80% of "High Priority" items in the year Detailed Access Audits have been completed on all public buildings, following the initial audits during 2000
Sufficiency *General criteria*	There are currently no performance measures for overall sufficiency. Under and over-utilisation of property, impacts on the quality of service delivered. Sufficiency criteria for schools and offices are well developed but further development is required for other services. The key objective is to develop Sufficiency (utilisation) assessment criteria with a service specific matrix to allow comparison across services.	The Council has detailed knowledge of its property holdings in terms of areas of buildings, annual running costs etc. With the exception of schools and offices a measurement to assess the utilisation of property has yet to be developed for the other service providers.
Sufficiency *Office*	At the moment this is only measured for corporate offices by: - Occupancy levels for Council Offices	The Council has detailed knowledge of its office accommodation capacity and occupancy levels. Changes in establishments and working practices places challenges for the council to satisfy needs

Performance Aspect	Performance Measure	Assessment of Current Progress
accommodation	expressed as a percentage of the County council's recommended standards - Customer satisfaction analysis of office accommodation provision.	within resource capacity. Consultation with customers requires greater development in the provision of office accommodation.
Costs *General criteria*	At the moment there are currently know general measures for costs. However, the Council is able to compare the running costs for each category of building as a cost per square metre of floor area	The comparison of costs per square metre will be a property performance indicator to enable improvement measures to be investigated
Costs C*ontract Procedure Rules*	Number of major non compliance with Quality Management System detected (if applicable) and reported internal audit	Measurement of this PI will commence during 2004
Costs *Surplus property*	Number of properties - Total asset value - Number held for over 12 months - Value of assets held over 12 months - Number of assets required The Council will seek to identify property that does not assist Service delivery and	It is considered that the Council does not currently hold a large amount of surplus non-operational property. The strategy to monitor disposal rates on an annual basis will ensure the Council can realise maximum capital receipts for reinvestment in service delivery

Performance Aspect	Performance Measure	Assessment of Current Progress
	where practical dispose of it. Non operational surplus property shall be subject to annual review	
Environmental impact	Currently the only measure is CO2 emissions. Measures that are being development: - Energy costs per square meter of gross internal area – (gas, electricity, oil, solid fuel) - Water costs per square metre of gross internal floor area - Interpolated CO2 emissions in tonnes of carbon dioxide per square metre of gross internal floor area (Using a factor calculation against cost information)	Over a three year programme establish resources to (i) in year one (2004/05) develop an energy policy and energy management system (ii) in year two (2005/06) target to reduce CO2 emissions by 2% (from 2004 base) (iii) in year three (2006/07) target to reduce CO2 emissions by a further 3% (from 2005 base)

An assessment of the Building Design and Maintenance Group's performance was completed for 2002/03, looking at service profile and performance, which was benchmarked against the Construction Industry as a whole. The findings highlighted a good performance, with a service that contributed significantly and demonstrably to delivering the Authority's aims (Building Design & Maintenance Key Performance: 2002/03).

APPENDIX 6 - PROPERTY PERFROMANCE INDICATORS FOR LOCAL AUTHORITIES IN ENGLAND

Performance Indicators		Objectives	Definitions
1A	**Percentage gross internal floor space in condition categories A-D**	• To measure the condition of the asset for its current use	• Backlog is defined as "The cost to bring the building from its present state up to the state reasonably required by the authority to deliver the service or to meet statutory or contact obligations."
1B	**Backlog of maintenance by cost expressed (I) as total value and (ii) as a percentage in priority levels 1-3**	• To show the severity and extent to which maintenance problems affect the portfolio	• All Freehold and Leasehold property where the authority has a direct repairing obligation.
			• Excluding Housing and Schools.
		• To show year-on-year changes in maintenance backlog	• To be reported by main CIPFA category (Operational [other land and buildings], Non-operational general, non-operational surplus).
		• To provide information on the overall condition of the local authority estate.	• To be calculated for buildings. Land should also be included where it lies within the site curtilage and is an integral element of the building (e.g. parking necessary for office use). In these circumstances, the condition of the land should only be taken into account in assessing the condition of the building and the backlog maintenance cost; its area should not be included.
			• Any *de minimis* used for condition surveys to be clearly stated.

Performance Indicators	Objectives	Definitions
		• Floor space to be calculated as the gross internal area (GIA) in accordance with the RICS Code of Measuring Practice
		• Definition of condition categories and priority levels:
		A: Good – Performing as intended and operating efficiently B: Satisfactory – Performing as intended but showing minor deterioration. C: Poor – Showing major defects and/or not operating as intended. D: Bad – Life expired and/or serious risk of imminent failure.
		1: Urgent works that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation.
		2: Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation.
		3: Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of the occupants and/or a minor breach of the legislation.

Performance Indicators	Objectives	Definitions
2A **2B** **2C** **Overall average internal rate of return (IRR) for each of the following portfolios: (a) Industrial, (b) Retail (c) Agricultural investment property**	• To demonstrate the justification, in financial terms, for retaining a non-operational-investment portfolio. It will ensure accountability for investment decisions illustrating the financial advantages and disadvantages of holding/disposing of assets in the portfolio.	IRR calculated in accordance with DCF techniques based upon a ten-year projected cashflow period or the remainder of the existing property interest, whichever is the shorter. To exclude investment property let on leases for periods over 21 years provided that: • Such leases either have no provision for rent reviews, or provision for reviews at intervals of 25 years or more; • The CPO has in place a programme for reviewing and reporting to members the performance of such long-lease property and the justification for retaining and disposing of it. It is recognised that non-operational investment property is held for social as well as investment use and these reasons can be set out within the AMP document. This indicator should apply to those properties that the Corporate Property Officer deems to be held primarily for investment purposes. The Agricultural estate includes County Farms, Smallholdings, and agricultural land. The information will enable continual review of the appropriateness of retention, restructuring, acquisition or disposal of investment assets through:

Performance Indicators		Objectives	Definitions
			• Monitoring the performance of the investment portfolio over time;
			• Comparison of the performance of the investments held by authority;
			• Opportunity cost comparisons (eg. PWLB loan rate; alternative investments).
			The authority will need to indicate in the AMP how it is using the IRR information to review to challenge and improve the performance of retained non-operational investment assets. A demonstration of the calculation has been placed on the ODPM Website:
			http://www.local.dtlr.gov.uk/finance/capital/data/ppi2-irr.htm
3	**Total annual management costs per sq.m (GIA) for the property portfolio**	• To measure the cost and efficiency of property services provision.	• The Indicator covers the strategic management of the portfolio including: • Corporate preparation of both AMP and CS documents; • Preparation of other property-related programmes and strategies; • Corporate management of programmes (not the management of projects); • Condition and suitability surveys, (not including the carrying out of surveys);

Performance Indicators	Objectives	Definitions
		• Data management (not including data entry)
		• Option appraisal, prioritisation;
		• Input to service reviews;
		• Corporate property reviews (prior to decisions on disposals re-use, etc).
		• A reasonable assessment of staff time should be made where the person spends less than their full time on the management process.
		• Management costs to be reported per sq.m GIA as an average.
4A	**Repair and maintenance costs per sq.m GIA**	• To encourage efficient use of assets over time and year-on-year improvements in energy efficiency	4A • To be reported for operational buildings (excluding Housing and Schools) occupied by the LA; • Repair and maintenance is the total maintenance programme (responsive and programmed) including any associated fees for the works.
4B	**Energy costs per sq.m GIA (gas, electricity, oil, solid fuel)**		4B • To be reported for operational buildings (excluding Housing and Schools) occupied by the LA
4C	**Water costs per sq.m GIA**		4C • To be reported for operational buildings (excluding Housing and Schools) occupied by the LA

Performance Indicators		Objectives	Definitions

4D	**CO$_2$ emissions in tonnes of carbon dioxide per sq.m**		4D • This indicator to focus on energy consumption rather than spend;
			  • CO$_2$ emissions data will fit with the UK's Climate Change Programme targets;
			  • To be reported for operational properties occupied by the LA (excluding Housing and Schools, which are subject to separate arrangements).
			  • Further information on this calculation can be obtained from:
			
			The Energy Efficiency Best Practice Programme:
			
			http://www.energy-efficiency.gov.uk/document/factfigs/emiss.htm
			
			The Environment and Energy Helpline: 0800 585 794

Performance Indicators	Objectives	Definitions
5A	**Cost Predictability: Percentage of projects where outturn falls within ±5% of the estimated outturn, expressed as a percentage of the total number of projects completed in the financial year.** **(Comparison of estimated outturn project costs at "commit to invest" with actual outturn cost at end of defects liability period)**	• To measure and monitor the performance of the whole authority in the delivery of capital projects in terms of cost and time predictability	• Applies to all new single capital projects (excluding Highways and IT) over £50,000 for large asset base authorities – County, Metropolitan Boroughs, and Unitary authorities – and over £25,000 for District/Borough Councils. • Applies to projects where the LA is the sole or majority partner. 5A. Cost Predictability "Outturn projected costs" = final cost of construction work (including value of contractual claims, inflation, etc) + cost of professional fees and statutory costs. "Commit to Invest" = as Construction Best Practice definition, "The point at which the client decided in principle to invest in a project, sets out the requirements in business terms (programme and costs) and authorises the project team to proceed with the design" (Commencement of RIBA work stage C).

Performance Indicators		Objectives	Definitions
5B	**Time Predictability: Percentage of projects falling within ±5% of the estimated timescale, expressed as a percentage of the total number of projects completed in that financial year.** **(Comparison of estimated timescale against actual timescale)**	• To impact on the prioritising process for projects and the associated local performance measures and monitoring systems put in place	5B. Time Predictability "Time Predictability" = measure difference between 'A' and 'B' where 'A' = the Duration from "Commit to Invest" to Practical Completion as estimated at "Commit to Invest"; 'B' = actual duration from "Commit to Invest" Practical Completion; "Commit to Invest" = as for Cost Predictability.

Powys

APPENDIX 7 - STAKEHOLDER VIEWS

As far as assets are concerned the main stakeholders are considered to be
- Council Members
- Service Departments
- Building Users – Public, Staff, Residents of Council Property, Tenants
- Partners - Other government and public service organisations, Voluntary organisations, Private sector partners
- Contractors and suppliers

As part of the Best Value Review of Strategic Asset Management (2002) Powys undertook a survey of three groups of stakeholders to obtain their views on how the authority manages its assets. The general conclusions gathered are summarised in the table below.

Group	Conclusions
Group One – Members 15% response rate	• A corporate strategy is needed • A corporate property panel to make decisions on a centrally held portfolio • More information/training for members • More consultation with public/communities • Disposals to rationalise stock and to improve the remainder • More planned maintenance • Location and condition is very important for image
Group Two – Staff 40% response rate	• Policies need to be communicated • A property handbook setting out procedures would be useful • More systematic planning by services on property needs including accommodation • More consultation at an earlier point with staff • Feeling of we have to cope with what there is – nothing will change • Condition is important • Repairs need to be more reactive and client orientated • Funding increased for property matters • Home working considered

	• More centralised management and monitoring of department actions
Group Three – District Audit Staff Response rate unknown	• There needs to be strategic consultation on specific property issues such as access and satisfaction with buildings and facilities. • There needs to be a systematic attempt to obtain staff feedback on the quality and suitability of accommodation occupied or how space or property management might be improved. • The Council needs to strengthen its arrangements for consulting with both staff and service users.

This consultation was an integral part of the Councils Best Value Review and influenced its recommendations that have been, and are being, implemented.

APPENDIX 8 – THE COUNCIL'S OVERALL RESPONSIBILITIES

Service	Non-Discretionary	Discretionary
Service Responsibilities – Non-discretionary and Discretionary		
Chief Executive's Directorate		
Information & Communication Management		Information technology services, network and telecommunication
		Communication and public relations
Corporate Policy, Development & Support	Welsh Language Act provisions	Advice on corporate policy, Community Strategy, Welsh language
	Community Strategy	
Performance Management		Corporate support and monitoring of performance management activities
Children, Families & Lifelong Learning		
Schools	Primary Schools	
	Secondary Schools	
	Support services for Schools	
	School meals	
Children & Families	Child protection	Oversight of Youth Offending Team
	Adoption and fostering	Behaviour support service to young people
	Special Schools Support	

	Service Responsibilities – Non-discretionary and Discretionary	
Service	**Non-Discretionary**	**Discretionary**
Lifelong Learning & Community Services	Library Services	Schools Library service
	Archives	Modern records
	Early Years & Childcare	Theatre Powys & Powys Dance
	Youth Service	Community and Village Halls support
	Provision of education for excluded pupils	
Community Services		
Social Care	Services for older & Disabled people	
	Services for people with a mental illness and substance misuse	
	Services for people with a mental illness and substance misuse	
	Services for people with a learning disability	
Housing	Council's landlord role (Housing Revenue account)	
	Strategic housing issues and liaison with housing associations	
	Anti-poverty initiatives and development of advice services	

Service Responsibilities – Non-discretionary and Discretionary		
Service	**Non-Discretionary**	**Discretionary**
Public Protection	Environmental Health	
	Trading Standards	
	Emergency Planning and Community Safety	
Economic and Community Regeneration		
Economic Development		Economic development policy, projects and funds
		Tourist development (information centres, attractions, marketing)
		Workspace for rent to small businesses
		Enterprise centres
		"Business Eye" advice and training
Planning Services	Planning policy	Built heritage conservation services
	Development control	
	Building control	
Recreation & Countryside		Environmental policy initiatives (eg Powys Energy Agency)
		Leisure & sports centres
		Outdoor recreation, public parks, play areas, allotments
		Outdoor pursuits centres
		Theatres, museums and galleries

Service Responsibilities – Non-discretionary and Discretionary		
Service	**Non-Discretionary**	**Discretionary**
Technical & Local Services		
Transportation & Network Management	Transport management services	Car park management
	Streetworks co-ordination	County farms management/valuation services
	Waste management	Trunk road agency
		Management of produce and livestock market
Municipal Works & Construction		Highways maintenance, refuse collection, grounds maintenance
		Public conveniences and bus shelters
Engineering & Building Services		Construction design services
		Building maintenance services
		Highways and bridge design services
		Laboratory testing
Corporate & Democratic Support Services		
Legal, Scrutiny & Democratic Services	Registration services	Legal services
		Member support
Finance Services	Statutory financial duties	Accounting, insurance, pensions, audit

Service Responsibilities – Non-discretionary and Discretionary		
Service	**Non-Discretionary**	**Discretionary**
Personnel Services		Personnel support service/payroll
		Health and safety
Procurement & Corporate Property		Capital finance advice
		Procurement/purchasing
		Corporate property advice (asset management)

APPENDIX 9 - CURRENT POLICY AND STATUTORY REQUIREMENTS WHICH ARE IMPACTING ON ASSETS

E-government: The Government has identified a number of key areas where services may be capable of electronic delivery and expects that authorities will move to more and more electronic delivery of its services as time goes on. The Council's egovernment Strategy Identifies how the Council plans to deliver and secure high quality services for its communities by focusing on people's needs and providing them with a greater choice of access for those services through new technologies. This will assist to reduce the number of physical locations in terms of buildings required to provide the same outcome.

Disability Discrimination Act: *(DDA)* From October 2004, service providers are required by the DDA to make <u>reasonable</u> adjustments to the physical features of their premises to overcome physical barriers to access. Currently schools are excluded from this legislation although new regulations are currently being considered by the government, which has started the consultation process prior to an anticipated extension of the regulations in 2004. To achieve this the Council has undertaken a programme of Access Audits to assess the accessibility of the service provided from its public buildings and agreed a programme of works to overcome physical barriers to access.

Health & Safety: The Council has Corporate Health and Safety Policies, Guidance and Codes of Practice. The following are of particular relevance to asset management matters:
- COSHH
- Asbestos Management
- Fire / Emergency Evacuation
- First Aid Policy
- Fixed Electrical Installations Management
- Management of Legionella Risk

Early Years Education: The Welsh Assembly Government has made a commitment to make available high quality early years education opportunities and to extend provision to ensure that a place is available to every three year old by September 2004. In Powys it is proposed that places will be provided in Cylch Meithrin, playgroups, day nurseries, integrated centres, schools and approved childminder networks.

Magistrates: The Magistrates Courts Service in Powys is currently administered by the Dyfed-Powys Magistrates Courts Committee (DPMCC). Powys County Council is one of four "paying authorities" in the Dyfed-Powys area and is responsible for making a proportional contribution to the overall service. In April 2005 the Magistrates Courts Service will become the responsibility of a new United Administration Courts Service under the control of the Department for Constitutional Affairs (DCA). Powys County Council holds the freehold interest in two of the five courthouses used by the Magistrates Committee in Powys – Brecon and Newtown Courthouses. The DCA is currently seeking new replacement courthouses in Brecon and Newtown, which are likely to be completed in 2005/06 resulting in the opportunity to review the future of the County Council's properties at these towns. The other courthouses used in Powys at Ystradgynlais and Llandrindod Wells are owned by the Police Authority and in Welshpool by the Town Council – the County Council does not have an interest in these properties.

Local Government Act 2003 will allow councils to fund local improvements by borrowing money without Government consent (prudential borrowing), provided they can afford to take on the debt. It also gives councils new powers to trade and charge for non-statutory services, and gives powers to reward councils, which promote business development in their areas by allowing them to keep a proportion of their local business rates (ODPM).

APPENDIX 10 - POLICY AND RESPONSIBILITIES DIRECTLY AIMED AT ASSETS

Asset Register: This is compiled and maintained along with other property databases (including the Asbestos register). The Asset Register comprises a full GIS linked database of all the Council's property holdings and interests in property together with their values.

Energy conservation The Corporate Property Officer and Technical and Local Services advise on energy matters and in conjunction with the Procurement Manager make the necessary arrangements for cost effective procurement of energy and water supplies.

Asset Management: The AMP Guidelines were produced in September 2001 as a joint document between the Welsh Assembly Government and the Consortium of Local Authority in Wales (CLAW) and therefore, effectively set out the government policy on asset management. They cover:
- Background on the need for asset management
- Steps that Local Authorities should take to introduce good asset management processes in Wales
- Recommended timescales over which these steps should be taken

Supplementary guidance was produced by CLAW in March 2003, which sets out:
- The reasoning behind producing the AMP
- The suggested format that all Asset Management Plans (AMPs) in Wales should follow.

(This AMP follows those guidelines.)

Constructing Excellence – Constructing Excellence is the government sponsored initiative to achieve a step change in construction productivity. Powys County Council will consider the principles of Constructing Excellence in its construction procurement activity.

Hot Property - In April 2000, the Audit Commission underlined the significant financial and service implications of failing to treat property as a strategic resource. It stated:

"Property is a valuable resource that directly impacts on the performance of a wide range of local authority services. It is also costly to run and maintain. Successful asset management requires input and effort from across the authority. Too many

authorities devote insufficient attention to the use and costs of their assets resulting in many being wasted and at times, sub-standard service delivery to users". (Audit Commission Report, April 2000)

Hot Property went on to outline recommendations for Government, Councillors and Officers on good practice in asset management.

APPENDIX 11 - THE RESOURCE CONTEXT

REVENUE EXPENDITURE

Powys County Council spends £15 million on running its properties other than council houses. This represents 9% of the Council's net revenue budget. These costs include energy, business rates, insurance water and sewerage, and revenue repairs and grounds maintenance. The responsibility for managing many of these costs is devolved to individual property managers (e.g. headteachers, leisure centre managers etc).

The budgets for revenue repairs are intended to fund the day to day costs of maintaining a property e.g. minor repairs, redecoration. Indeed, government and accounting rules prevent such costs being capitalised. The long term investment in the Council's property is made through the Capital Programme. This encompasses works to improve or renew the Council's property and represents the main mechanism by which the standard of the Council's property stock can be raised or, where necessary, rationalised.

CAPITAL EXPENDITURE

The Council's General Fund capital allocation for 2004/05 is £11.5m. This resource has to fund the Council's property requirements and also the requirements of its substantial highways infrastructure, its capital grant programme and information technology requirements, and capital contributions into the Pension Fund.   Once these requirements have been taken into account, the sum available to fund property investment is unlikely to exceed £4m in any single financial year. The sum available for property investment in 2004/05 is:

	£
Children, Families & Lifelong Learning	2,470,000
Workshop Asset Management	100,000
Recreation & Countryside	303,000
Community Services	100,000
Public Conveniences Renovation	165,000
Amenity Services	88,000
Corporate Property	110,000
Modern Records Store	110,000
Disabled Access Works	325,000
	3,771,000

It should be noted that the allocation of the above capital resource is a matter for Councillors' discretion and can be varied if desired. In particular, the allocation is largely based on historical expenditure patterns. There is an explicit commitment for the 2005/06 budget process to move away from historical allocations and align investment more clearly with the Asset Management Plan and to introduce formal option appraisal techniques.

The foregoing is supplemented by grants from a variety of sources. The most notable is the School Building Improvement Grant, which is £1.9m for 2004/05. There are various other smaller grants from a variety of sources e.g. lottery boards. Very often these grants are for new property provision e.g. all weather pitches, rather than to sustain existing property.

The Council also has the ability to supplement its capital programme from its own resources, notably from capital receipts and revenue. In particular in 2004/05, the Council is funding the County Farm rationalisation programme (£319,000) from capital receipts. The depot improvement at Kirkhamsfield (£422,000) is largely being funded from revenue reserves.

The Local Government Act 2003 has introduced the concept of prudential borrowing. This allows the Council to borrow as much (or as little) as it can afford, having regard to the long-term affordability of the borrowing. Powys County Council has agreed to undertake £1m prudential borrowing in 2004/05 to supplement its highways capital programme. A similar discretion will exist in the future to borrow to

fund improvements to property. However, the Council will need to make sufficient provision to repay the debt, which will be a competing demand against already scarce revenue resources.

The Council's capital and revenue budgets will be stretched over the next 5 years. The Council's physical infrastructure, its roads and buildings, are deteriorating and it is unlikely that sufficient resources will be available to arrest the deterioration unless the Council frees itself of some of its property holdings and uses the capital receipts to invest in its remaining stock. This takes no account of the other calls on the Council's capital and revenue budgets, in particular the continuing deficit on the Pension Fund.

The Councils current 3 year capital programme is set out below.

	2003/04			2004/05			2005/06		
	Receipts	**Other Funding**	**Total**	**Receipts**	**Other Funding**	**Total**	**Receipts**	**Other Funding**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Children, Families & Lifelong Learning	0	8,014	8,014	0	4,625	4,625	0	4,573	4,573
Community Services	850	5,443	6,293	1,025	7,770	8,795	55	6,881	6,936
Corporate Support & Democratic Services	146	2,284	2,430	165	2,261	2,426	0	2,569	2,569
Economic and Community Regeneration	304	3,121	3,425	100	1,078	1,178	0	983	983
Technical and Local Services	960	10,355	11,315	1,234	7,607	8,841	314	4,640	4,954
Performance Management	0	278	278	0	292	292	0	0	0

APPENDIX 12 – THE COUNCIL'S SERVICES

Council Service	Current assessment of assets
Children, Families & Lifelong Learning *Schools* Schools	The Schools Service comprises approximately fifty percent of the Council's building portfolio. This includes 13 high schools, 109 primary schools and 3 special schools. The Council has considered a programme to rationalise the number of Primary schools but this is still subject to review. Three of the High Schools are deficient in capacity whilst the remaining have surplus capacity. Similarly there are a minority of Primary Schools deficient in capacity. The schools with pressure on capacity are located in development "hot-spots" of the County (Welshpool, Builth Wells, Crickhowell). A proposal to construct a new area school in the north of the county to serve the catchment areas of three existing schools is being considered by the Council. A new Special School and Residential Unit is being constructed in the south of the county (Brecon). The schools enjoy a high level of delegated authority and are given the opportunity to procure property services from Technical and Local Services. An assessment of the condition of its property stock has been undertaken. The base line data will enable the authority to identify whether there is improvement or deterioration in the stock and assist in determining a maintenance strategy for the Council.
Children, Families & Lifelong Learning *Lifelong Learning & Community Services* Theatre Powys	The Theatre Powys provides theatre and education services and operates from a drama workshop building. Arts council is currently considering this for a major refurbishment scheme.
Children, Families & Lifelong Learning *Lifelong Learning & Community Services* Library, Information and Archive Service	The Library Service includes 18 libraries located in the communities throughout the County. Local access to library services is seen as a major objective of the service. The libraries are generally in fair condition with reasonable level of access. Works are being programmed over the next three years to ensure full compliance with DDA requirements. Opportunities will be explored to utilise library facilities in partnership with other services (Powys Training, Information Services, one stop shops etc) The library service headquarters are housed in premises not considered suitable for the requirements of the service. The Archives Service operates from inadequate accommodation on the County Hall campus. This accommodation is not sufficient or suitable and in a very poor state of condition. Resources for a new Archives Centre are being sought by way of Heritage Lottery Funding.

Children, Families & Lifelong Learning ***Lifelong Learning & Community Services*** Youth Service	The Youth Service has 23 youth centre buildings, many of which have wider community use. It is considered that the youth centres are located in the optimum geographic locations to provide local access to the service. The condition of the Youth Centres is generally poor, following a number of years of under-investment in maintenance. The service wishes to retain most the dedicated youth facilities but recognises that this will necessitate significant investment to bring the stock up to better condition. Consideration is being given to the disposal of one youth centre in north Powys and the redevelopment of a youth centre in mid Powys through a community management initiative.
Children, Families & Lifelong Learning ***Lifelong Learning & Community Services*** Village Halls & Community Centre	The County Council has a freehold interest in 43 Community Halls. The County Council has landlord responsibility for external repairs and maintenance of less than half of these Centres, which are managed by local community groups. The remaining are the responsibility of local charitable community associations under full repairing lease arrangements. The local Community Groups receive revenue support from the County Council as a contribution to the running costs. This revenue support is currently under review. A review of the level of use, local needs and outstanding requirements of Community Halls must be undertaken to inform a long-term strategic plan in respect of this service.

Community Services ***Social Care*** Office Accommodation	In addition to utilising office accommodation under the control of Corporate Support Services the Social Care Service operates in partnership with the Local Health Board and shares some office accommodation with Health. The appointment of additional field workers will result in a need for increased accommodation in 2004/05. The council has agreed office accommodation standards. The future needs of Social Care Services will be assessed and reviewed as part of the Corporate Review of office accommodation.
Community Services ***Social Care*** Care Homes for Older People	The Council has a freehold interest in 12 care homes for older people that are subject to long-term lease and management agreements with an external provider; BUPA Care Homes. BUPA has full responsibility for capital improvements to ensure the properties are maintained to registration standards.
Community Services ***Social Care*** Day Care Centres for Older People	Social Care service has 7 dedicated day care centres that it directly manages plus 2 day centres that are subject to long-term lease and management agreements with the voluntary sector. The day centres are in a good state of repair and fit for purpose. Opportunities are being investigated to extend their opening times at the beginning and end of the day and to utilise the kitchen facilities to support the community meal services. It is not proposed that there will be any significant changes to this service.
Community Services	People with learning disabilities are supported in a number of buildings throughout the county.

Social Care Learning Disability Service	Social Care service uses 4 units that are owned directly by the council, 10 other units are subject to lease agreements. One of the Councils units is a demountable building that will require replacement with a permanent building. Opportunities continue to be investigated to lease accommodation from the private sector where appropriate.	Trading Standards / Emergency Planning	office accommodation standards and Emergency Planning will be assessed and reviewed as part of the Corporate Review of Office accommodation which is currently in progress.
Community Services **Public Protection** Environmental Health	The Environmental Health Service utilises office accommodation under the control of Corporate Support Services. Additional duties in response to the transfer of responsibilities for sale of alcohol and entertainment licensing will result in a need for additional accommodation. Office accommodation standards have been agreed by the authority and the needs of the Environmental Health Services will be assessed and reviewed as part of the Corporate Review of Office accommodation which is currently in progress. Environmental Health has responsibilities for cemeteries and gypsy sites. Health and safety checks of monuments and trees are necessary at cemetery sites and the acquisition of additional land at one cemetery to allow for expansion. The viability of the one gypsy site managed by the authority is subject to review.	**Community Services** **Housing** Housing (non-dwellings)	Housing assets will form part of the Council's Asset Management Plan from 2006. However, Housing Services utilise office accommodation under the control of Corporate Support Services. The authority has agreed office accommodation standards and the needs of Housing Services will be assessed and reviewed as part of the Corporate Review of Office accommodation, which is currently in progress. The Housing Maintenance Service has a number of bases from which it operates its' blue collar services. One depot is located on a site with potential for commercial development and opportunities will be explored to realise the potential for this site.
Community Services **Public Protection**	The Trading Standards Service utilises office accommodation under the control of Corporate Support Services. Additional duties in response to the Enterprise Act will result in a need for additional accommodation. The authority and the needs of the Trading Standards have agreed	**Economic and Community Regeneration** **Economic Development** Workshops / Enterprise Centres	Economic Development Services manage a portfolio of 180 workshops on 14 sites, which are let to small businesses. Particularly in the north of Powys the property portfolio comprises a number of premises that have been converted from their original public service use (e.g. village schools). Not all premises are in good condition and opportunities are being taken to dispose of appropriate units so that capital can be reinvested in the remaining stock. Where opportunities arise the Service looks to bid for surplus property that offers potential small business workshop opportunities.

Economic and Community Regeneration *Economic Development* Tourist Information Centres (TICs)	15 Tourist Information Centres (TICs) receive support from Powys County Council. 12 of those are in County Council buildings with 10 directly managed by Economic Development either as stand alone dedicated units or sharing with other services. Of the other 5, 3 receive County Council support, but are run and owned by the private sector and 2 are in County Council Buildings but at "arms length". The service faces particular challenges and the sustainability of the existing provision is under review.		opportunities for the public. There are, however, a number of specific structural problems relating to certain buildings that require high levels of investment
Economic and Community Regeneration *Economic Development* Miscellaneous (Caravan site, Mid Wales Airport)	Economic Development Services has an interest in one caravan site and property at Mid Wales Airport. The Service interest in these properties is kept under review.	**Economic and Community Regeneration** *Recreation & Countryside* Outdoor Recreation	This service has significant responsibility for a diverse range of property from playgrounds to pavilions, sports pitches to outdoor pursuits centres. There is a significant challenge in maintaining outdoor services to an acceptable standard and limited opportunity for divestment. This area of service is poorly resourced to sustain the size of property portfolio held
Economic and Community Regeneration *Recreation & Countryside* Leisure and Sports Centres	Recreation and Countryside Services manage 17 Leisure and Sports Centres ranging from large multifunctional sites to small community facilities. 10 of these are facilities located on High School campuses. Local access to recreational activities is seen as a major objective of the service. The stock of buildings is in relatively good condition with a rolling programme of repair and maintenance. Although many of the leisure centres are 15 to 20 years old they still provide on the whole excellent	**Economic and Community Regeneration** *Recreation & Countryside* Theatres and Museums	The Council has direct responsibility for 5 Museums and indirect responsibility for 2 regional theatre venues. Several museums have been refurbished in recent years and plans are being progressed to submit HLF bids to renovate and develop two remaining Museums. The Brecknock Museum and Gallery presents a particular challenge particularly in respect of the scale and urgency of the renovation task. The Theatres are managed by partner organisations but the Authority retains a degree of landlord responsibilities.
		Technical & Local Services *Transport & Network Management* County Farms	The County Farms comprises 195 smallholdings, 13 industrial / commercial lettings, 4 cottage lettings, 9 sporting lettings and 141 hectares woodland. Following a review of the County Farms Estate by Consultants, a strategy for progressive rationalisation and reinvestment has been developed. Over the past two years the number of holdings has

Estate	reduced by 26 and a further reduction of 11 is expected mainly through consolidation.
Technical & Local Services ***Transport & Network Management*** Amenity Services / Transport Co-ordination	The Amenity Services / Transport Co-ordination units have responsibility for public conveniences, car parks, produce markets, town clocks, bus shelters etc. The sustainability of the current provision of many of these assets is a challenge. A review of public conveniences in the County recommended a programme of rationalisation. Opportunities to partner with local Community Councils in the maintenance local Amenities such as markets, town clocks etc will be explored in 2004/05. The Car-park Service is entering into management agreements with Service Directorates to manage and integrate car-parking provision at public buildings in co-ordination with public car-park arrangements. Over a period of forty years land has been acquired for proposed highways improvements. The retention of such land will be subject to review.
Technical & Local Services ***Municipal Works and Construction*** Local depots	The Municipal Works & Construction function provides the blue collar service for Highways and Amenity Services. The service operates from 18 depots strategically located throughout the County. Condition surveys undertaken in 2003/04 indicate that the depots are generally in a poor state of repair with an outstanding backlog of maintenance requirements. Increasing levels of recycling means that there may be a need for additional new infrastructure for waste management.

Technical & Local Services ***Engineering & Building Services*** Technical Laboratory	The Engineering & Building Services function has a Technical Laboratory from which its undertakes testing of materials. The building is in a satisfactory state of repair and no immediate property requirements are foreseen.
Corporate & Democratic Services ***Procurement & Corporate Property*** Corporate Property	Corporate Property manages the Council's office portfolio comprising 29 offices. There are six main offices and the remainder small area offices. The County Council is reviewing local access to services and investigating options for one-stop shops, which will impact on this service. A Corporate Office Accommodation review is currently in progress. In 2003/04 the Council acquired property to accommodate the modern records service. The Council is also landlord for two Magistrates Courthouses which are scheduled for replacement by the Department for Constitutional Affairs resulting in an opportunity to redevelop the two old courthouses. Corporate Property is also responsible for non-operational surplus property and seeks to dispose of such assets within twelve months of such property being identified. There are a number of small registration offices.

APPENDIX 13 – CORE DATA SHEET

SUMMARY GROSS AND NET REVENUE BUDGETS (2003/04 FINANCIAL YEAR)

	2003/2004	
	£	**£**
Gross Expenditure		305,472,062
Fees & Charges	-90,787,427	
Specific Grant	-44,000,542	-134,787,969
		170,684,093
Contribution to/from (-) Working Balances		-1,005,257
Net Budget Requirement		**169,678,836**

ASSETS (31/03/03)

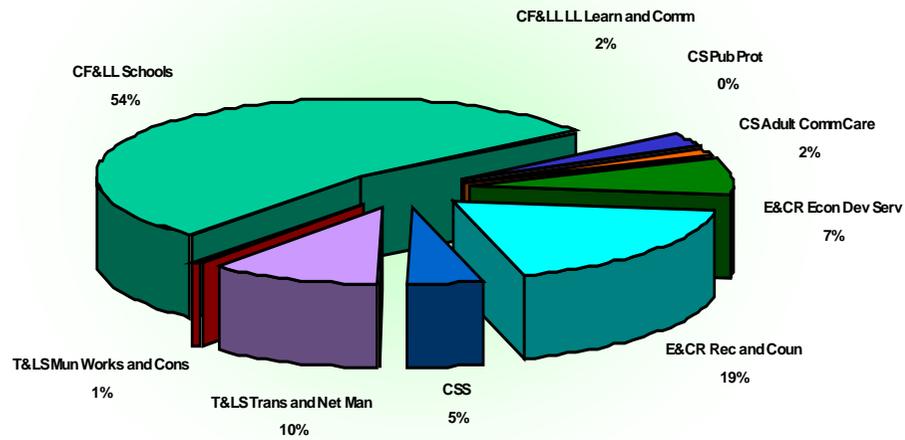| Land & Building	Asset Value £
Children, Families & Lifelong Learning	
- Schools	112,749,644
- Lifelong Learning & Community	5,013,687
- Children & Families	0
Community Services	
- Public Protection	404,926
- Adult Community Care	3,277,601
Economic & Community Regeneration	
- Economic Development Services	15,438,068
- Recreation & Countryside	39,008,236
Corporate Support Services	
- Finance & Corporate Property	9,926,135
Technical & Local Services	
- Transport & Network Management	21,168,930
- Engineering & Building Maintenance	0
- Municipal Works & Construction	1,119,560
Total	**208,106,787**

Powys

ASSETS BY VALUE

CF&LL LL Learn and Comm
2%

CS Pub Prot
0%

CF&LL Schools
54%

CS Adult Comm Care
2%

E&CR Econ Dev Serv
7%

T&LS Mun Works and Cons
1%

E&CR Rec and Coun
19%

T&LS Trans and Net Man
10%

CSS
5%

VALUE OF ASSESSED MAINTENANCE BACKLOG (NOVEMBER 2003)

Directorate	Backlog	Condition Categorisation			
		A	B	C	D
Children, Families & Lifelong Learning	65,219,397	2,471,668	18,910,239	38,132,295	5,705,195
Community Services	1,690,741	278,999	581,486	830,256	0
Economic & Community Regeneration	11,369,388	3,527,918	4,566,928	3,274,542	0
Corporate Support Services	7,814,699	817,341	1,750,799	5,119,372	127,187
Technical & Local Services	32,949,800	12,270,995	15,265,296	3,730,262	1,683,247
Total	**119**	**19,366,921**	**41,074,748**	**51,086,727**	**7,515,629**
%		**16%**	**35%**	**43%**	**6%**

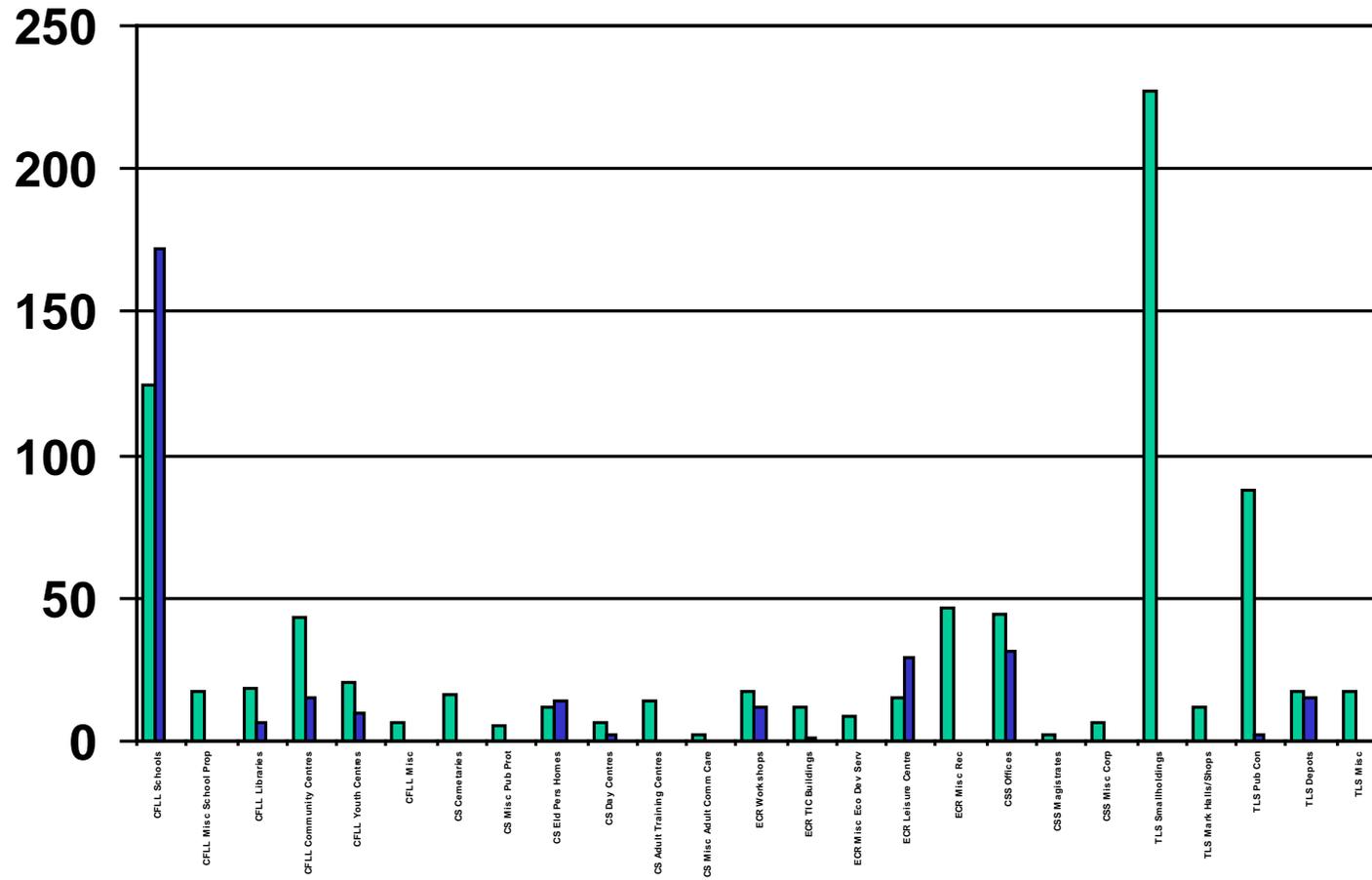COSTS OF MAINTENANCE WORKS IN CATEGORIES A - D
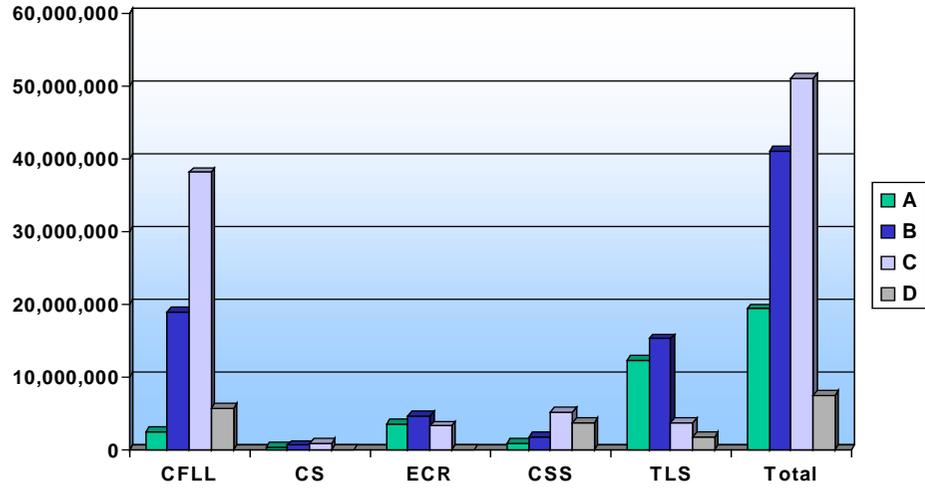
TOTAL BACKLOG BY SERVICE

Powys
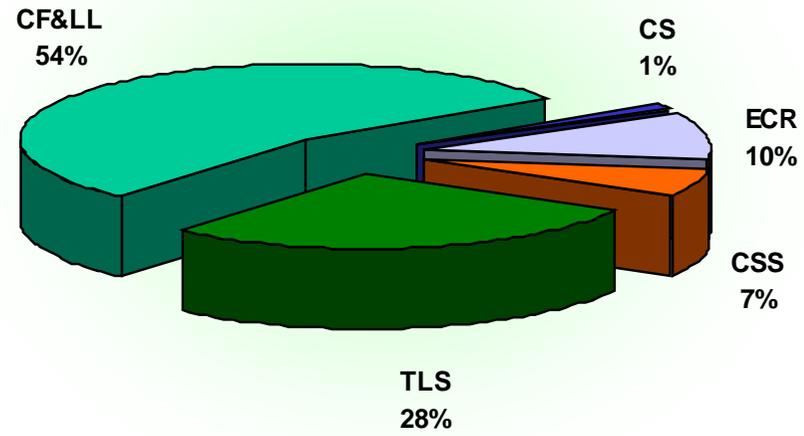
BREAKDOWN OF THE COUNCIL'S PORTFOLIO IN TERMS OF NUMBER OF PROPERTIES AND FLOOR AREA (MARCH 2004)

	Number of Properties	Floor Area (m^2)
Children, Families & Lifelong Learning		
Schools	125	172355
Misc School Property	17	Not applicable
Libraries	18	6546
Community Centre	43	15237
Youth Centre	21	9233
Misc Children, Families & Lifelong Learning	7	Not applicable
Community Services		
Cemeteries	16	Not applicable
Misc Public Protection	5	Not applicable
Elderly Persons Home	12 (BUPA)	14581
Day Centre	7	2386
Adult Training Centres	14 total (10 held on lease / license)	Not applicable
Misc Adult Community Care	2	Not applicable
Economic & Community Regeneration		
Workshops	17	11607
TIC Buildings	12 total (4 held on lease / license)	1017
Misc Economic Development Services	9	Not applicable
Leisure Centre	15	29079
Misc Recreation	46	Not applicable
Corporate Support Services		
Offices	44	31229
Magistrates	2	458
Misc Corporate	7	Not applicable
Technical & Local Services		
Estates (Small Holdings)	227	Not applicable
Market Halls/Shops	12	Not applicable
Public Convenience	88	2495
Depots	17	15513
Misc Technical & Local Services	17	Not applicable

NUMBER OF PROPERTIES AND FLOORSPACE (000'S m^2)

CAPITAL PROGRAMME

	2003/04				**2004/05**				**2005/06**		
	Receipts	**Other Funding**	**Total**	**Receipts**	**Other Funding**	**Total**	**Receipts**	**Other Funding**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Children Families & Lifelong Learning	0	8,014	8,014	0	4,625	4,625	0	4,573	4,573
Community Services	850	5,443	6,293	1,025	7,770	8,795	55	6,881	6,936
Economic & Community Regeneration	304	3,121	3,425	100	1,078	1,178	0	983	983
Corporate Support & Democratic Services	146	2,284	2,430	165	2,261	2,426	0	2,569	2,569
Technical & Local Services	960	10,355	11,315	1,234	7,607	8,841	314	4,640	4,954
Performance Management	0	278	278	0	292	292	0	0	0

THREE YEAR CAPITAL PROGRAMME £000s
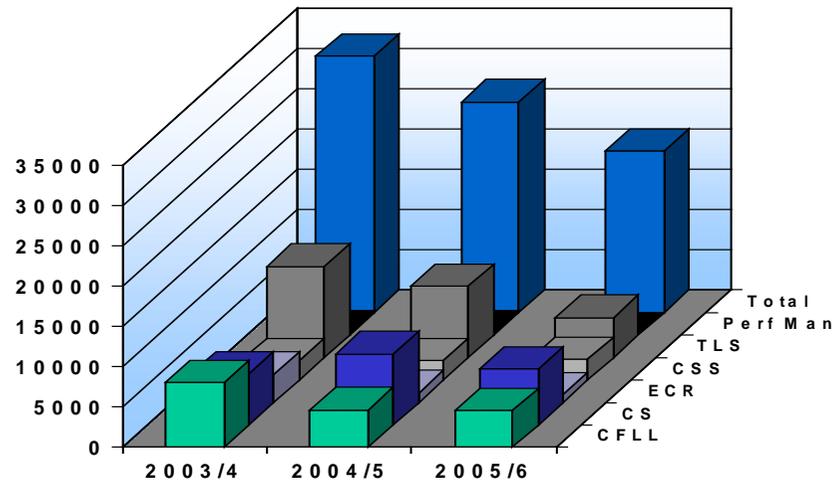
## OVERVIEW OF RUNNING COSTS BY CATEGORY OF PROPERTY (2003/04 BUDGET)

	Repairs & Maintenance Premises	Energy Expend-iture	Rent, Rates, Hire etc.	Total Water & Sewerage	Premises Cleaning	Insurance	Fixtures & Fittings	Security Systems	Accomm. Recharges
	£	£	£	£	£	£	£	£	£
Children, Families & Lifelong Learning									
Schools	1,850,649	880,549	1,633,607	219,913	1,692,157	373,023	2,000	0	98,680
Lifelong Learning & Community	113,198	71,113	183,499	10,666	182,901	87,402	545	0	219,430
Children & Families**	5,902	7,232	56,078	3,184	27,068	1,540	111	31	136,971
Community Services									
Public Protection	103,360	9,940	17,190	3,870	1,950	290	1,640	0	193,890
Adult Community Care	71,030	51,020	145,530	17,750	58,000	23,520	3,910	840	195,448
Economic & Community Regeneration									
Economic Development Services***	61,580	49,330	195,940	13,820	21,330	53,390	800	2,380	211,900
Recreation & Countryside	888,588	459,860	584,730	96,040	137,350	251,510	20,860	340	74,840
Technical & Local Services									
Transport & Network Management	1,943,090	39,200	1,398,020	76,490	0	79,980	500	0	592,835
Engineering & Building Service	1,541	4,331	8,523	0	2,250	1,200	0	0	132,170
Municipal Works & Construction	90,925	1,165	11,465	0	0	0	1,001	200	231,657
Corporate Support Services									
Finance & Corporate Property*	488,900	271,520	565,880	57,890	414,130	71,400	500	0	1,304,645
Total	5,618,763	1,845,260	4,800,462	499,623	2,537,136	943,255	31,867	3,791	3,392,466

* Finance & Corporate Property figures include calculations from Business Support Services, Scrutiny & Democratic Services, Personnel Management, Legal Services and Directorate Management & Admin.

** Includes Resource figures

*** Includes Community Planning & Support and Planning Services

RUNNING COSTS BY TYPE (£) 2003/04
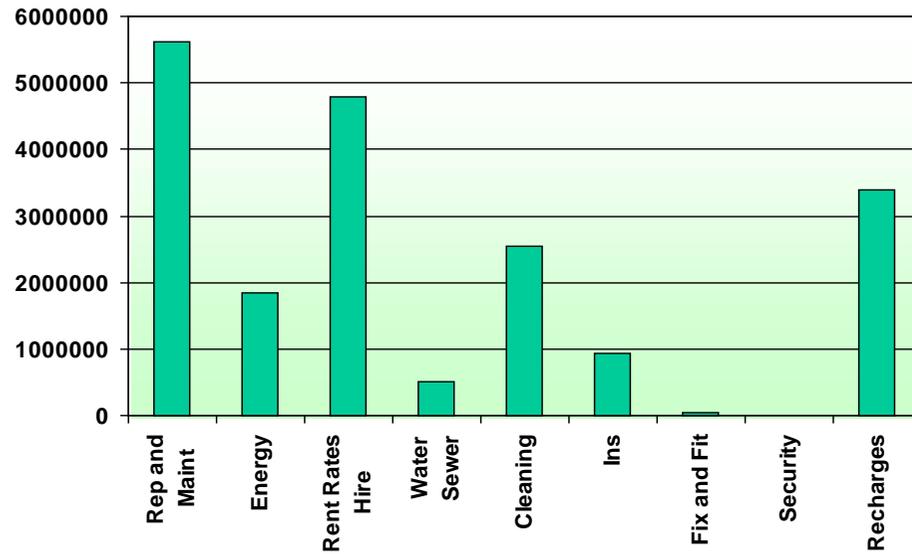
RUNNING COSTS BY SERVICE (£) 2003/04