



**POWYS COUNTY COUNCIL - ASSET  
MANAGEMENT STRATEGY  
2022**



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# 1. FOREWORD



Powys County Council owns, rents, and leases a significant portfolio of land and buildings, from offices and schools to leisure centres, libraries, workshops, and farms. It is vital that the management and use of Powys' property assets aligns with the strategic objectives and aspirations of the Council in discussion with its public sector and community partners.

This Asset Management Strategy is my opportunity to ensure that our assets are utilised in a sustainable way to meet the existing and projected needs of the Council without impacting on future generations, and where possible, supporting the social, economic, and environmental wellbeing of the communities it represents, helping them to tackle the complex issues and challenges we all face.

Very simply, this document sets out the Council's Vision and key actions necessary to ensure that the management of the Council's assets is undertaken in a robust, timely, cost-effective, considered, and sustainable way.

We are facing very challenging times, a cost-of-living crisis, a housing crisis and climate and ecological emergencies, all of which put a squeeze on our limited resources and frustrate our ability to deliver the services necessary to help the people and communities of Powys cope and to adapt over time. We recognise the importance of maximising income from our property assets and will seek opportunities to generate capital receipts and increase revenue generation aligned to our medium-term financial strategy. We will do so responsibly, having weighed the options and implications for others, wishing, where possible to strengthen community resilience and evidence a social return on investment.

I will continue to work closely with communities, partner organisations, elected Councillors, and officers to ensure we maximise the benefit derived from the use of Powys' property assets and deliver our Corporate Plan objectives, revisiting and reviewing the Strategy in three years' time.

**Councillor Jake Berriman**  
**Cabinet Member for a Connected Powys**

## 2. INTRODUCTION

- 2.1 This strategy sets out the framework within which all the Council's land and property assets (excluding assets managed by the Housing Service) will be appraised, managed, and released to ensure that they continue to contribute to and deliver the Council's corporate objectives. It will be supported by a new, combined, Asset Management Policy.

## 3. OUR VISION

- 3.1 The efficient and effective acquisition, management, use and release of property assets is fundamental to sound financial management and the delivery of exemplary public services. The right asset in the right place at the right time for the right purpose has to be what we are seeking to achieve.

- 3.2 This document sets out how we will accomplish this by:

- Providing timely reviews of asset condition, user needs, and expenditure demands to meet our current and future needs.
- Delivering value for money for ourselves, service users and tenants.
- Maximising our financial return on investment whilst being a fair and socially responsible landlord seeking to safeguard and strengthen social cohesion.
- Supporting service needs as well as those of the people accessing services.
- Providing assets that are in a sound condition, fit for purpose and compliant with legislation.
- Being open and accessible and promoting collaboration over the shared use of our assets and consideration of community asset transfers where mutually beneficial.
- Being proactive in adapting our assets to address the climate and biodiversity emergencies.
- Using our assets creatively to provide exemplars of best practice which also deliver the Council's corporate objectives.
- Helping to deliver vibrant, resilient, and sustainable communities.
- Promoting innovation, embracing technology and data analytics to better manage our assets.
- Embracing the benefits of corporate landlord in responsibly discharging our health and safety and maintenance obligations.

## 4. Acting sustainably with social responsibility

- 4.1 It is proposed that the seven well-being goals of the Well-being of Future Generations (Wales) Act 2015, be used to guide asset related decisions.



- 4.2 The Act requires the Council to carry out sustainable development which means that the Council acts in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. In doing so we are guided by 5 ways of working to help demonstrate the application of sustainable development principles, promote collaborative working, avoid repeating past mistakes and tackle some of the long-term challenges we are facing.

Five Ways of Working:

### Long term



The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.

### Prevention



How acting to prevent problems occurring or getting worse may help public bodies meet their objectives.

### Integration



Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.

### Collaboration



Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.

### Involvement



The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.

## 5. OUR ASSETS

- 5.1 The Councils property portfolio has over 639 separately listed land and building assets with an estimated value in excess of £421 million. The assets (excluding those managed by Housing Services) are listed below:

Asset Type	Number
Archives/Arts/Libraries/Monuments/Museums/Theatre/TIC/Tourist Attraction	28
Cemetery Facilities	12
Commercial Properties	24
Community Centres/Facilities/Conference	49
Domestic Housing	9
Council Farms and Land	171
Day Care/Residential Care Homes/Social Care	31
Early years/Nursery/family centre/Health & Social Care	11

Highway's depots/Waste Management	26
Leisure Centres/Recreation Facilities	36
Livestock Markets	5
Offices	13
Schools/Pupil Referral Units/School Houses	109
Public Toilets	44
Workshops	16
Youth Centres	9
Misc.	24
Declared Surplus	15
Vacant	7

(Please note that this is a snapshot in time of asset numbers)

5.2 This diverse and dispersed portfolio represents an ongoing opportunity to flexibly adapt to changing needs and demands and to take advantage of emerging opportunities, while complying with legislative requirements, making a positive contribution to the Council's Medium-Term Financial Strategy and delivering its corporate objectives.

## 6. ACTION PLAN

6.1 The following actions are proposed to help the council achieve its vision for a well-managed property portfolio:

a) **Condition assessments/surveys:**

Properly recording and understanding the condition of council owned property assets is vital to ensuring their efficient and effective use. Robust information relating to the condition of the estate will enable the authority to make timely, informed choices and investment and divestment decisions. The absence of professionally conducted condition assessments/surveys has been identified as a corporate risk, which is why Strategic Property will ensure that all property asset, as set out in Part 5, are subject to an appropriate condition assessment or condition survey on a minimum five-year rolling basis. Our initial priorities are, schools, leisure centres and the farm estate and resources will be allocated accordingly.

- Key Performance Indicator: Percentage of assets with condition assessment or condition survey within the last 5 years:



b) **User Reviews and Action Plans:**

Securing regular feedback from those using the council's estate, whether direct service providers or tenants, is vital to our dynamic understanding of how each premise works. It ensures that land and buildings continue to be fit for purpose, areas for improvement are identified and opportunities for repurposing, working differently or asset sale or transfer to meet changing market conditions or demands are considered. Coronavirus impacted the Strategic Property team's ability to secure sufficient feedback to proactively manage the estate in a truly sustainable way. This Strategy proposes asset reviews are undertaken with all service areas and tenants annually, using a range of techniques, from light touch digital to face to face discussions. Information from these reviews will inform both user choice and corporate landlord decisions to deliver the Corporate Plan.

Key Performance Indicator:

- 2023/24 onwards – 100% of service areas and tenants have an annual asset review with clear action points as appropriate.

c) **A new Asset Management Policy:**

This Strategy is a high-level document, intended to provide clear and purposeful guidance for decision makers. The opportunity is being taken to further streamline our operational policies and practices by bringing together and abridging our corporate asset and farm estate policies together into a single Asset Management Policy. This will provide a comprehensive transparent and standardised approach to property management across the Council's property portfolio. The Council's Corporate Asset Policy was last reviewed in 2017. To ensure that the Corporate Asset Policy is fit for purpose to achieve the council's objectives, a full review of the Corporate Asset Policy is to be implemented in 2022.

Key action:

- December 2022 – Corporate Asset Policy and Farm Estate Policy to be reviewed and a new Corporate Asset Policy adopted.

**d) Asset Reviews:**

Effective asset management is a dynamic process, requiring up to date intelligence, appraisal, review and costed planning.

This strategy requires each asset or, where appropriate, group of assets to be reviewed by Strategic Property every five years.

This “review” comprises a matrix methodology where competing pressures and interests are tested in a clear and consistent way, allowing all options to come to the fore. Avoiding arbitrary weighting mechanisms and not allowing any one aspect - such as price, to dominate, leads to agile, yet robustly evidential, decisions on potential and existing assets under consideration. Where decisions on the treatment of surplus assets have been reached a principal consideration will be the potential contribution to the revenue budget and the capital programme.

It is anticipated that the reviews, undertaken by Strategic Property, will produce a range of appropriate recommendations, for example to:

- Purchase an asset for use by the Council, and or its partners.
- Seek alternative uses and or tenants for an existing building.
- Seek co-uses and/or tenants to cost share, or more closely align services in an existing building.
- Retain/remodel/extend and invest in an existing asset.
- Seek external funding and or partners to improve or repurpose a building, for example improving its energy performance envelop, or generating on site electricity.
- Disinvest from land or property, consolidating assets or relocating to meet changing markets and demands.
- Respond to, or actively seek opportunities for Community Asset Transfers (sale or lease).
- Use tenancy renewals (leases) as an opportunity to seek more appropriate uses and or land management practices to meet the Council’s corporate objectives.

Each recommendation will be discussed with the relevant Portfolio Holder to optimise the performance of each asset or group of assets.

CONSIDERATION	KEY AREAS
Corporate Plan	• Corporate objectives.

	<ul style="list-style-type: none"> <li>• Corporate values, actions, and targets.</li> </ul>
<b>Asset assessment/survey</b>	<ul style="list-style-type: none"> <li>• Asset condition, performance, and liabilities.</li> <li>• Opportunities.</li> <li>• Building utilisation/adaptability/objectives.</li> <li>• Asset energy performance.</li> <li>• Cost information, viability, and value for money.</li> <li>• Backlog maintenance and investment -projected spend over five years.</li> <li>• Property rationalisation, constraints, and opportunities.</li> <li>• Risks.</li> <li>• Potential for sustainable and beneficial improvement.</li> <li>• Protection of the built environment.</li> </ul>
<b>Compliance with legislation</b>	<ul style="list-style-type: none"> <li>• Health and safety.</li> <li>• Access and equalities.</li> <li>• Statutory compliance – fire safety, asbestos, legionella, electrical etc.</li> <li>• Legal situation leases, covenants and other restrictions, existing or to safeguard Council interests.</li> </ul>
<b>Environmental impact</b>	<ul style="list-style-type: none"> <li>• Sustainable development.</li> <li>• Climate emergency.</li> <li>• Biodiversity emergency.</li> <li>• Supporting the transition to a low carbon.</li> <li>• Partnership opportunities.</li> <li>• Energy efficiency.</li> <li>• Energy generation.</li> </ul>
<b>Community/ Social value/ cultural value</b>	<ul style="list-style-type: none"> <li>• Working with partners to identify opportunities.</li> <li>• Welsh language impact.</li> <li>• Cultural heritage.</li> <li>• Social impacts of investing in or withdrawing from an asset or community.</li> <li>• Social value and social return on investment.</li> <li>• A well-connected Powys enriching and making more resilient communities of place.</li> <li>• Working to empower communities to manage valued community assets or services.</li> </ul>

	<ul style="list-style-type: none"> <li>• Collaboration around opportunities.</li> <li>• Placemaking.</li> <li>• Building aesthetics and safeguarding listed and other valued building and community spaces.</li> </ul>
<b>Service area requirements</b>	<ul style="list-style-type: none"> <li>• Annual review and action plan information.</li> <li>• Working with service users and tenants to understand requirements.</li> <li>• Delivery of council services.</li> <li>• Innovation opportunities.</li> <li>• Forecasting of demand.</li> <li>• Changes in head count.</li> <li>• Possibilities for co-location.</li> </ul>
<b>Financial health</b>	<ul style="list-style-type: none"> <li>• Medium term financial strategy demands and return on capital borrowing.</li> <li>• Operating costs, recoverable and non-recoverable overheads</li> <li>• Rental income absolute, and potential.</li> <li>• Market value, book price and yields.</li> <li>• Capital information.</li> <li>• Revenue information.</li> <li>• Asset comparison with national indicators and market comparators.</li> <li>• Funding/grant opportunities to self or partners, including community groups.</li> <li>• Commercial investment opportunities.</li> <li>• Affordability - Whole life costs of options.</li> <li>• Finding viable, cost-effective solutions.</li> <li>• Benchmarking.</li> </ul>
<b>Equalities Impact</b>	<ul style="list-style-type: none"> <li>• Equalities Act 2010.</li> </ul>
<b>Health and wellbeing</b>	<ul style="list-style-type: none"> <li>• Creating opportunities for stronger, safer fairer and more resilient communities.</li> <li>• Adaptability of premises/accommodation to new working practices.</li> <li>• Building safety.</li> <li>• Neighbourliness, and any persistent issues such as noise pollution or environmental containment</li> </ul>

	<ul style="list-style-type: none"> <li>• Community accessibility.</li> </ul>
<b>Economy</b>	<ul style="list-style-type: none"> <li>• Supporting economic growth and regeneration.</li> <li>• Financial opportunities for Council and/or others.</li> <li>• Jobs creation/retention.</li> <li>• Supporting replacement Local Development Plans and Strategic Development Plans.</li> <li>• Seeking new opportunities to use land and buildings to add value to existing offer.</li> </ul>
<b>Technology and data</b>	<ul style="list-style-type: none"> <li>• Advancements in technology and data analytics are changing the way we utilise our assets.</li> <li>• Innovation in and opportunities for community broadband sharing etc.</li> </ul>
<b>Partnership working</b>	<ul style="list-style-type: none"> <li>• Collaboration opportunities within and across sectors.</li> <li>• Grant opportunities available to others.</li> <li>• Strategic effectiveness and actions of PSB and other partners.</li> </ul>

Key Performance Indicators:

- 2023/24– At least 25% of assets have had an Asset Review undertaken within the last 5 years.
- 2024/25 – At least 50% of assets have had an Asset Review undertaken within the last 5 years. All assets within 18 months of any break clause or lease term end date, shall have had an Asset Review
- 2025/26 – At least 75% of assets have had an Asset Review undertaken within the last 5 years.
- 2026/27 onwards: 100% of assets have had an Asset Review undertaken within the last 5 years.

## 7. RESOURCES

- 7.1 This Strategy, although ambitious and moving at pace can be delivered by the Strategic Property with timely input from other services areas. Resources will, however, need to be closely monitored moving forward to ensure that deadlines are achieved or appropriately amended.