

Strategic Asset Management Plan – draft 2024-2028



Introduction

Local authorities across Wales hold large real estate (assets made up of land and buildings) which have been acquired, inherited and gifted over many years.

The last 5 years has seen society change in how it interacts with and uses buildings and land to live, work and for recreation. This has seen people transition into using more digital technology through mobile devices and adopted different ways which they interact with each other such as social media, hybrid working, and virtual meetings. The buildings and land which we operate also have to be sustainable and efficient for the future through the use of more sustainably sourced materials, meeting the Council's net zero emissions target.

At Newport City Council we are responsible for preserving some historic buildings and land. But we are also responsible for many other assets and land which people use on a daily basis such as schools, community centres, residential homes, and libraries. Over the last 10 years, the cost of maintaining all of these assets to ensure they are safe to use has become more challenging as budgets have decreased, alongside increasing demands and statutory requirements for the Council to comply with.

Newport City Council's [Corporate Plan 2022-27](#) has 4 Well-being Objectives to deliver its vision for an 'Ambitious, Fairer and Greener Newport for everyone'. This Strategic Asset Management Plan (SAMP) will be an enabler to support the Council in achieving this overall vision for the citizens of Newport, Newport City Council and its partners which use our buildings and land. It sets out the high-level strategic framework for the effective management of our land and property assets.

Vision - draft

Newport City Council's vision for its property estate is by 2030 to:

have a sustainable and optimised estate that will deliver effective services to Newport's communities; is inclusive and provides social value to residents; and protects assets for future generations to use.

Principles and Framework

The SAMP uses Royal Institute of Chartered Surveyors (RICS) Public Sector Asset Management guidelines and Chartered Institute Public Finance Accountancy (CIPFA) Property Asset Management Framework, that requires an asset management strategy to provide rules and consistent structure to how we manage the key resources of property and land.

The SAMP is designed to ensure the principles of asset management are accepted and reflected in the business decisions of all parts of the organisation (officers, senior managers, and Councillors). To achieve this Vision and meet our statutory requirements, Newport City Council has identified 5 core principles, which will enable officers, senior managers, and Councillors to make effective evidence-based decisions on asset management:

1. Corporate Landlord

We need to embed a culture through a Corporate landlord model that recognises that property assets are a key corporate resource and that the Council will make evidence-based decisions on:

- Supporting and achieving the Council's Corporate objectives and strategic priorities set out in the Corporate Plan, and other strategic plans such as Climate Change Plan, Strategic Equalities Plan, Local Development Plan, People Plan, Digital Strategy, Welsh in Education Strategic Plan, and service plans. This list is not exhaustive.
- All decisions are made on the best available data and information in accordance with the Council's Constitution and scheme of delegation.
- Ensure effective and robust systems are in place to accurately maintain, monitor and report on the Council's property estate and delivery of the SAMP.
- Ensure land and properties support the Council's long-term vision for buildings to be net zero carbon by 2030.

Properties and land are sustainable corporate resources which will benefit the people of Newport.

2. Community & Service Need

We need to ensure that the Council's estate is maintained to a good standard which will enable staff to deliver effective and efficient services and meet the needs of its residents, businesses, and other key stakeholders across Newport. To achieve this, we will:

- Involve, engage, and listen to communities, vulnerable and disadvantaged groups, service users, staff, and other stakeholders to ensure that the Council's buildings and lands meet their needs now and in the future.
- Ensure that buildings and land are inclusive and provide social value to residents, staff, and service users whereby they are safe spaces to use and fulfil statutory / legal requirements.
- Work with our service areas to understand their longer-term requirements, are able to use the latest technology, integration of wider public services to meet the needs and demands of service users.
- Enable and collaborate with community groups, other public services, private and the third sector who are able to optimise the use of the Council's assets where it will benefit the community and provide social value.

3. Estate Optimisation

To manage and maintain property effectively, efficiently, and sustainably, whilst optimising financial return and commercial opportunities from the rationalisation and disposal of land and buildings. To achieve this, we will:

- Ensure property is suitably managed and maintained within budget constraints and in line with climate change policies.
- Challenge the current use of assets and identify co-location opportunities, to include partners, resulting in rationalisation and disposal of our land and buildings where appropriate.
- Seek efficiencies in occupancy and utilisation and move towards modern ways of agile working.
- Challenge the cost of property activities to drive performance improvement.
- Optimise financial return and commercial opportunities.

- Ensure that buildings (New and Existing) are sustainable and adaptable in design, construction, operation, and maintenance.

4. Economic Growth and Regeneration

To use land and buildings to stimulate development and growth, together with supporting local business needs and encouraging new business to the area. To achieve this, we will:

- Support and align with Newport's Local Development Plan to ensure sustainable development and regeneration for communities in Newport.
- Council and other public services are designed to meet the demand and needs of residents, and businesses now and in the future.
- Ensure Council owned assets and land protect and enhance the biodiversity and environment in Newport.
- Key Council assets stimulate and support regeneration and inward investment.
- Utilise inward investment for income generation and to create local employment, increase social value and bring sustainable revenues into Council.
- Manage our commercial portfolio effectively, balancing regeneration needs, job creation and income generation.
- Promote a high-quality physical environment and refreshed identity to Bolt on centres.
- Identify a future supply of land, suitable for climate change mitigation, adaptation and biodiversity enhancement, housing and employment needs.

5. Collaborative and efficient use of buildings and land.

To promote collaborative working where it can provide benefit for service delivery, whilst securing efficiencies and value for money. To achieve this, we will:

- Work with other agencies, third sector and public services to promote and increase co-location and joint service delivery.
- Support the integration of health and social care including Marmot Recommendations that will enable people to live independent and healthy lives within their community.
- Support the wider aspirations of the national and regional priorities of the Welsh Government Cardiff Capital Region, Gwent Public Services Board, and other regional groups.
- Collaborate with private sector consultants and developers to ensure we have an outside in view of best practice and innovation.

NCC Asset Management Policies

To support the strategic and operational delivery of the SAMP, there will also be internal policies which will outline the Council's approach to managing:

1. **Corporate Landlord Policy** – Outlines the role and responsibilities of the Council's property service partner to operate and maintain its buildings and land in accordance with the Council's SAMP, corporate policies and procedures.
2. **Acquisitions Policy (Property and Land)** – Provides the principles and approach to any land or property transaction, ensuring that it delivers best value and supports the delivery of the Council's strategic objectives.

3. **Disposal of Property Assets Policy** – Outlines the Council’s approach and procedure prior to the disposal assets that are declared surplus to requirements.
4. **Community Asset Transfer Policy** – Sets out the Council’s approach to enable communities and groups in Newport to make best use of land and property through community asset transfer.

These will also be supported by Climate Change policies such as building decarbonisation.

Each of these policies have been developed to align with the Council’s Constitution and its scheme of delegation, Financial Regulations, Contract Standing Orders, and other legislative and regulatory requirements.

Governance

To support the delivery of the SAMP and its supporting policies and procedures the governance structure below outlines the Council’s approach.

Diagram to be added in published version.

Executive Board

The Executive Board have overall oversight of Council’s Corporate delivery including those of financial and asset management. Regular monitoring and reporting of progress against corporate service and strategic delivery is undertaken by the Council’s Executive Board.

Asset Rationalisation / Optimisation Programme *(interim arrangement)*

The Asset Rationalisation / Optimisation programme has been established to examine the current and future use of its assets and land. This programme is providing a baseline which Newport City Council will assess, determine and approve the best optimal use of its assets to meet community and service user needs. This programme has enabled the Council to develop the necessary evidence-based data and information for Cabinet, Cabinet Member, and officers to determine the best use of its assets and land. This programme is anticipated to deliver until 2026 and thereafter will be part of business-as-usual activity which is outlined in the governance arrangements below.

Strategic Asset Management Group

The officer Strategic Asset Management Group (SAMG) is a senior officer group with a remit to provide governance and advice on the Council’s property and land asset management. SAMG is responsible for developing and delivering this Asset Management Strategy and any other associated Council strategies and policies. SAMG is chaired by a Strategic Director and includes staff representation from its Corporate Landlord partner, Property services, Finance and officer stakeholders from all services.

Capital Assurance Group

The officer Capital Assurance Group (CAG) provide assurance on the delivery of the Council’s Capital programme including any property related projects. CAG ensure capital projects are being delivered to time, scope and cost and support the Council’s overall Capital and Treasury Management strategies.

Directorate and Service Areas (Head of Service)

Each service area is responsible for the operational management of assets within their portfolio and is set out within the supporting documents and the Council’s Scheme of delegation which can be found in the [Constitution](#).

Strategies Aligned to SAMP

Below is a list of some of the current national, regional and local Legislation, strategies and plans considered in the development of the SAMP:

- Well-being of Future Generations Act
- Cardiff Capital Region Strategy
- Gwent Public Services Board Well-being Plan 2023-28
- Gwent Marmot Region Recommendations
- Gwent Regional Partnership Board Plan
- Newport City Council Corporate Plan 2022-27 including Service Plans
- Newport City Council Climate Change Plan 2022-27 and supporting Building Decarbonisation and operational energy policies
- Newport City Council Local Development Plan and other place strategies
- Newport City Council Digital Strategy, Strategic Equalities Plan and People Plans
- Newport City Council Welsh in Education Strategic Plan – 2023-32 and Sustainable Communities for Learning Programme 2024-2033

Climate Change Plan

As outlined in the Climate Change Plan agreed in March 2022, the Council is committed over the period to 2027 to:

- Reach Net zero carbon as an organisation by 2030.
- Review the services we provide to ensure they support the city's journey to net zero and adaptation to climate change.

This [plan](#) is a key document for the council and will shape our council's climate change mitigation and adaptation journey over the next five years.

With regards to our Assets the Climate Change Plan introduces two themes, **Our Buildings and Our Land**. The main impact on this policy regarding buildings is summarised below:

Our Buildings - 2030 Vision

To achieve net zero carbon energy and support the nature recovery across our buildings by 2030.

Priorities

1. **New Council Buildings** *All new building to be net zero carbon*
2. **Building Retrofitting** *Deep retrofit to ensure creating net zero carbon energy buildings*
3. **Renewable Heat** *Implementation of renewable heat in new buildings*
4. **Natural Gas** *A commitment to significantly reduce or remove natural gas heating across the buildings*
5. **Building Rationalisation** *Audit current assets to understand their long-term carbon impact with the aim of better strategic utilisation*

Monitoring and Review

To monitor the delivery of the SAMP we will report against an annual delivery plan – currently this includes the asset rationalisation programme. We will assess our progress against our principles and a range of performance measures to determine how we are optimising our estate to deliver best value.

Each asset acquisition, disposal, change and maintenance will be assessed on a case-by-case basis through the governance arrangements on an evidence-led basis.

The SAMP will be subject to review and updated to align with the Council's Corporate Plan and any changes in the structure, Council Constitution, legislation / regulations. Feedback and learnings from the policy will be considered by the Strategic Asset Management Group and the Cabinet Member with responsibility for assets.

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APPENDIX 1

Property Portfolio as at March 2024

Council Assets

The Council assets are subject to a review through the asset rationalisation programme of work - as at March 2024 there were over 1500 assets including buildings and land with a gross book value of £750 million. This is comprised of:

- 142 Operational assets
- 194 non – operational assets
- A number of land assets including open space, parks and allotments

Corporate Risk – Property Estate

The Council's Property Estate is currently on the Corporate Risk Register – as outlined in the draft SAMP the Council has to ensure the estate is maintained to required standards. This is a risk as the backlog maintenance costs exceed funding available.

Operational Assets

- Non-Education – 71 buildings including community centres, libraries & social services
- 71 Education buildings
- 5 assets operated by Newport Live

Non - Operational Assets

- Generally income generating properties including land
- Includes the Council's Commercial and Industrial Estate
- Range of asset uses such as Offices, Retail, Industrial, Leisure, Ground leases and Agricultural
- Mainly let to third parties, Council is Landlord, varying lease terms