

**CYNGOR SIR POWYS COUNTY COUNCIL.**

**CABINET EXECUTIVE  
6<sup>th</sup> November 2018**

**REPORT AUTHOR:** County Councillor Cllr Phyl Davies  
Portfolio Holder for Highways Recycling and Assets

**SUBJECT:** Principles of Corporate Landlord

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**REPORT FOR:** Information and Approval

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**1. Summary**

1.1 This is a report for information about the principles of Corporate Landlord and requests approval to proceed with further investigation into the advantages, disadvantages and the potential implications of Corporate Landlord.

**2. Background and Proposal**

2.1 There are approximately 700 assets within the Corporate Services portfolio (excluding Housing assets). Approximately 300 of these assets are currently managed by the Strategic Property service, and the remaining assets are managed within the Councils other service areas. However, Strategic Property do support other services in managing their assets.

2.2 Currently each service department is responsible for the repair and maintenance of their assets and the associated revenue budget. However, there are exceptions to this rule. In the school service, schools operate with delegated budgets and have responsibility for repair and maintenance of their buildings, in the leisure portfolio, Freedom Leisure are contracted to manage certain elements of the repair and maintenance of the assets.

2.3 Unfortunately, a number of assets do not have a budget for the repair and maintenance of their assets, which makes it impossible to keep the building in good repair.

2.4 In Powys County Council (PCC), each department has professionals who have expertise in delivering the day to day service of their department, but not necessarily their property assets

2.5 Very few departments have property professionals who have expertise in managing the repair and maintenance of their assets in a programmed manner. Often the management of assets are not planned and are carried out on a reactive basis.

2.6 Over many years, the lack of a planned programme of maintenance has left many PCC assets in a poor condition with a large backlog of

maintenance. This has resulted in some assets no longer being fit for purpose due to their condition and ultimately, the service responsible for the asset will have to seek capital funding to bring the asset up to a serviceable standard.

- 2.7 Corporate Landlord is the centralisation (in one department) of the management of PCC assets and the associated budgets to ensure that the maintenance of the asset can be managed in a consistent, centralised, programmed manner.

### **3. Options Considered / Available**

- 3.1 The options would be to:
- a) carry on with the status quo, or
  - b) investigate the feasibility of Corporate Landlord.
- 3.2 Initially, it may be prudent to investigate the implementation of Corporate Landlord to a small number of services, to assess the viability of the strategy and to gain an understanding of the resources required.
- 3.3 It must be appreciated that repair and maintenance budgets/ responsibilities are different within the school service due to school delegated budgets.  
The budgets and responsibilities are also different within the leisure service portfolio due to their contractual obligations with their leisure service provider.  
Therefore a different approach and a wider consultation will be required to explore the options available.
- 3.4 It is envisaged that Corporate Landlord may have the following advantages:
- It will enable professionals in each service to focus on their specialism of service delivery rather than being burdened with the responsibility of day to day and planned maintenance of their service's property portfolio.
  - If PCC assets are all being managed in the same department, it would provide greater opportunity for improved, strategic, joined up thinking rather than silo working, to ensure that our property assets have outcomes which are aligned with the Council's priorities, goals and values within vision 2025.
  - The prioritisation and programming of work will ensure that repair and maintenance budgets are managed effectively to provide buildings in good condition, which are fit for purpose, and will maintain the value and longevity of the asset.
  - It will prevent gradual deterioration of assets, which ultimately proves costly to the Council.
  - In the medium and long term, the asset will work harder for the council and in some cases may also provide increased revenue.

3.5 It is envisaged that Corporate Landlord may have the following disadvantages:

- Currently there are not adequate resources within the Strategic Property department, additional staff will have to be recruited or transferred from another service to fill the gap.
- In the Short term, funding will have to be identified to be spent on asset surveys to ensure that we have full surveys for the asset, e.g condition surveys, to enable an informed maintenance programme to be compiled.
- Revenue budgets would have to be identified for assets which do not currently have a repair and maintenance budget.
- Due to the planned analysis and programming of repair and maintenance work for the assets, the benefits of Corporate Landlord may not be realised in the short term.

#### **4. Preferred Choice and Reasons**

4.1 Our preferred choice would be to explore the advantages, disadvantages and potential implications of Corporate Landlord further to ascertain if there are any short and long term benefits to the Council. When this has been concluded, it is proposed to bring another paper to Cabinet with our findings.

4.2 Initially, the property team will explore and review the above within approximately 3 months, and produce an action plan with timescales, which will identify any additional resources required. A funding bid to the transformation fund will be made to cover the extra resource needed to take forward this piece of work.

Subject to our review we hope to implement a phased approach of Corporate Landlord by 1<sup>st</sup> April 2019.

#### **5. Impact Assessment**

5.1 An impact assessment is not required at this stage as there is no change to current policy or budget saving implications. However, an impact assessment may be applicable when a further report is brought to Cabinet regarding any findings.

#### **6. Corporate Improvement Plan**

6.1 It is envisaged that the Corporate Landlord investigation fits many of the key priorities within the Powys Vision 2025, which looks at new ways of working and delivering services.

#### **7. Local Member(s)**

7.1 All Corporate Service assets could be affected by the investigation therefore all local members have an interest.

**8. Other Front Line Services**

Does the recommendation impact on other services run by the Council or on behalf of the Council? No

**9. Communications**

Have Communications seen a copy of this report? No

**10. Support Services (Legal, Finance, Corporate Property, HR, ICT, Business Services)**

10.1 Legal – Professional Lead – notes the content of the report and supports further enquires being made as to the feasibility of Corporate Landlord. Legal Services with assist the service as and when necessary.

10.2 Finance - The Finance Manager Place and Resources notes the contents of the report.

**11. Scrutiny**

Has this report been scrutinised? No

**12. Data Protection**

If the proposal involves the processing of personal data then the Data Protection Officer must be consulted and their comments set out below.

**13. Statutory Officers**

The Solicitor to the Council (Monitoring Officer ) commented as follows :  
“I note the legal comments and have nothing to add to the report.”

The Head of Financial Services (Deputy Section 151 Officer) supports the proposal to look at the feasibility of Corporate Landlord. The development of the proposal will establish if this approach will enable the council to more effectively use its revenue and capital budgets, and better inform its forward planning.

**14. Members' Interests**

The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest they should declare it at the start of the meeting and complete the relevant notification form.

<b>Recommendation:</b>	<b>Reason for Recommendation:</b>
<b>To gain approval to proceed with further investigation into the advantages, disadvantages and the</b>	<b>To explore the advantages, disadvantages and potential implications of Corporate Landlord</b>

<b>potential implications of Corporate Landlord.</b>	<b>further to ascertain if there are any short and long term benefits to the Council.</b>
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<b>Relevant Policy (ies):</b>	
<b>Within Policy:</b>	<b>N/A</b>
<b>Within Budget:</b>	<b>N/A</b>

<b>Relevant Local Member(s):</b>	<b>All</b>
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<b>Person(s) To Implement Decision:</b>	<b>Natasha Morgan</b>
<b>Date By When Decision To Be Implemented:</b>	<b>6<sup>th</sup> November</b>

<b>Is a review of the impact of the decision required?</b>	<b>N</b>
<b>If yes, date of review</b>	
<b>Person responsible for the review</b>	
<b>Date review to be presented to Portfolio Holder/ Cabinet for information or further action</b>	

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**Background Papers used to prepare Report:**