



MONMOUTHSHIRE COUNTY COUNCIL

ASSET MANAGEMENT STRATEGY 2023-2027



monmouthshire
sir fynwy

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FOREWORD

I am pleased to present our Council's Strategic Asset Management Strategy. Asset Management is the function which Monmouthshire County Council (MCC) uses our land and property. Our Asset Management Strategy reflects the objectives of our Community and Corporate Plan, our response to budget pressures and increasing demands on services. It is necessary to improve our operational efficiency and financial performance. Our strategy will help to achieve this.

A well-managed, understood and maintained portfolio is a reflection of a modern and well-run local authority. It provides the physical asset from which good value and a positive contribution towards service delivery is achieved. This strategy will establish a long-term, sustainable strategy for our assets based on a thorough assessment of needs and benefits, supported by clear performance framework, embedded governance arrangements, and informed by proactive engagement with key internal stakeholders.

This Asset Management Strategy will seek to provide our Council with:

- Clearer strategic direction for property assets
- Clearer operational property management parameters
- A clear policy framework to inform property decisions
- A better understanding of our portfolio
- An annually reviewed action plan to monitor progress
- A better co-ordinated property function



Councillor Garrick

Cabinet Member for Resources

EXECUTIVE SUMMARY

The 2023-27 Asset Management Strategy sets out the strategic objectives for our land and property. The strategy sets out the way property will be managed and contribute to the policy objectives of the council. The Asset Management Strategy provides a clear vision of the future of property assets and management of their strategic performance.

This report provides the local and national context that informs property management decisions, including alignment to the Community and Corporate Plan. It is informed by the climate and nature emergency declaration, budget pressures and a necessity to reduce operating costs, and a desire to streamline services with increased asset collaboration. The strategy will look to stimulate regeneration, creating jobs and employment space, develop affordable housing, generate revenue, and support communities and the facilities within them.

Asset Management Strategy objectives-

- **A fit for purpose and collaborative estate** – providing assets necessary to deliver council services, in the right location, compliant and co-located where possible.
- **Be good role models for climate and nature practices** – manage our assets well, lowering our carbon footprint and promoting more sustainable practices.
- **Maximised and commercialised asset base** – generate more revenue and higher value outcomes (financial and non-financial) from sales of surplus assets.
- **Strengthen the enablement role of Landlord Services** – continue to support service objectives including job creation, tackling homelessness, constructing affordable homes, driving value for money.
- **Optimise social value from community assets** – support community assets equitably, transparently, and consistently.

MCC benefits from a diverse land and property portfolio that has delivered a commercial return over a number of years. There are over 1500 assets in MCC ownership which support different services and public needs.

Asset Type	No. of assets
Play Areas and Open Space	362
Acquired Investment Assets	3
Commercial and Industrial Sites	62
Educational premises (primary, secondary, nursery)	46
Leisure, Tourism and Heritage Assets	17
Car Parks	43
Allotments	4
Social Care and health premises/facilities	7
Cemeteries	4
County Farms (farms, grazing land, cottages)	90
Community Assets	49
Operational assets (hubs, depots, offices)	38
Public Conveniences	17

The Asset Management Strategy establishes the policy arrangements that will support the strategies objectives. This includes:

- **Community Asset Transfer Policy** – this will enable long leasehold or freeholder transfer of community assets in circumstances where not-for-profit groups can provide community services.
- **Rental Concessionary Policy** – this will afford community groups that occupy MCC property the ability to apply for rental grant, i.e. a reduction in the rent payable, if they can demonstrate clear community and local benefits as a result of this concession.
- **Disposal Policy** – this will establish a consistent approach to the disposal of surplus land and property, clarifying how the council will achieve its requirements for best consideration.

The Asset Management Strategy confirms the governance arrangements and structure that supports the day-to-day management of MCC land and property. Under the Asset Management Strategy, Landlord Services will manage, lease/let, acquire or dispose, maintain and support MCC assets. This will add both financial and non-financial value to the organisation. The strategy reaffirms the following working groups:

- **Landlord Services and the Landlord Services DMT** – the structure of the department and responsibility to manage the implementation of the strategy, the day-to-day operation and undertaking the actions.
- **Capital and Accommodation Working Groups** – established to consider capital pressures and accommodation decisions across directorates, with membership of officers from Estates, Property Services, Legal Services and Finance.
- **Service Asset Working Groups** – tasked with the creation of service asset plans, establishing working groups that can support property considerations in service transformation.

The Asset Management Strategy is supported by an action plan (the Asset Management Plan) and a performance framework. The performance of the assets is reported via the budget process and monitoring. The Plan will be reviewed annually to monitor progress of the plan against these core objectives.

The AMS enables efficient management of our land and property, in a way that will improve our outputs and impacts (financial and social value) whilst being affordable, sustainable and achievable.

INTRODUCTION

MCC benefits from a diverse land and property portfolio that has delivered a commercial return over a number of years. The portfolio has supported communities through the availability and use of its assets. MCC's allocated sites in the 2011-2021 Local Development Plan (LDP) have been sold or developed, and new development opportunities are being sought in the new Replacement Local Development Plan that will support the delivery of policy aspirations (housing, job creation, tourism, renewable technologies).

MCC benefits from strong relationships with public bodies (e.g. Gwent Police, Natural Resources Wales, Social Landlords) and development partners that have enabled development schemes in the county. Despite the challenges of the pandemic, MCC's investment and commercial portfolio remains well occupied and in good demand. Work is to be done to strengthen the internal relationships and discipline around property management and interaction through the organisation.

The Asset Management Strategy is one of the Council's enabling strategies. It sets out the strategic direction for property management for the Council's administrative cycle (2022-2027). The strategy assists in driving change in local government, enabling flexible operations (to adjust to pressures and service demands) whilst providing a clear vision of the future of property assets and management of their strategic performance. The Asset Management Strategy is impacted by and supportive of MCC's enabling strategies (procurement, digital, financial, etc).

WHAT IS 'ASSET MANAGEMENT'?

The Royal Institution of Chartered Surveyors (RICS) defines strategic asset management as “the activity of aligning property assets with the strategic aims and direction of the organisation and adding both financial and non-financial value to the organisation as a result”¹.

Asset Management is a strategic function with responsibility for ensuring property performs coherently to an agreed set of goals. Under the Asset Management Strategy, Landlord Services will manage, lease/let, acquire or dispose, maintain and support MCC assets. This will add both financial and non-financial value to the organisation.

The principle aims of strategic asset management are:

- Clarity on the strategic direction for property assets.
- A better understanding of our portfolio
- Clearer operational property management parameters
- A clear policy framework to inform property decisions
- An annually reviewed action plan to monitor progress
- A better co-ordinated property function

The Asset Management Strategy is the strategic planning document that establishes the suite of policies and policy positions. It provides clarity on the decision making and governance. It establishes the process by which activity is undertaken and collaboration achieved within and between organisations, with an agreed framework for measuring performance.

¹ *Strategic Public Sector Property Asset Management. RICS Practice information, global, 3rd edition, October 2022*

CONSULTATION

Critical to the success of any Asset Management Strategy is the engagement and support of property users and occupiers. In formulating this strategy, engagement and workshops have taken place with the Cabinet members, the Senior Leadership Team and service managers in different directorates and support services. This strategy has also been informed by the formulation of overlapping strategies including the Decarbonisation Strategy and Economy, Employment and Skills Strategy. All stakeholders have been asked to comment on:

- *What does a modern, innovative and well-run land and property portfolio look like to you?*
- *What is the purpose of your area of the property portfolio? i.e. “what is it for” and “what are the desired outcomes”?*
- *What is your service objective and how does it relate to land and property?*

This has assisted in collating information on the service priorities, their experiences with assets and property requirements, as well as an opportunity to communicate the required governance around property decisions, management and occupation. The intel from those engagement sessions has informed the basis of this strategy. It is for that reason that this is a Council strategy, rather than only a property strategy, with shared ownership to drive effectiveness.

The strategy’s contents have also been informed by the findings of Welsh Government’s Springing Forward Review, Audit Wales’ capital monitoring review and Audit Wales review of the 2017-2022 AMS. The latter review acknowledged that MCC had ‘a good understanding of its assets’, however it ‘lacks a strategic approach and effective information technology to support the management of its assets’. The review recommended that MCC develop short, medium and long term performance indicators, an IT asset management system that was more comprehensive and a strategy with clear embedded governance arrangements. This strategy seeks to build on this feedback.

NATIONAL CONTEXT

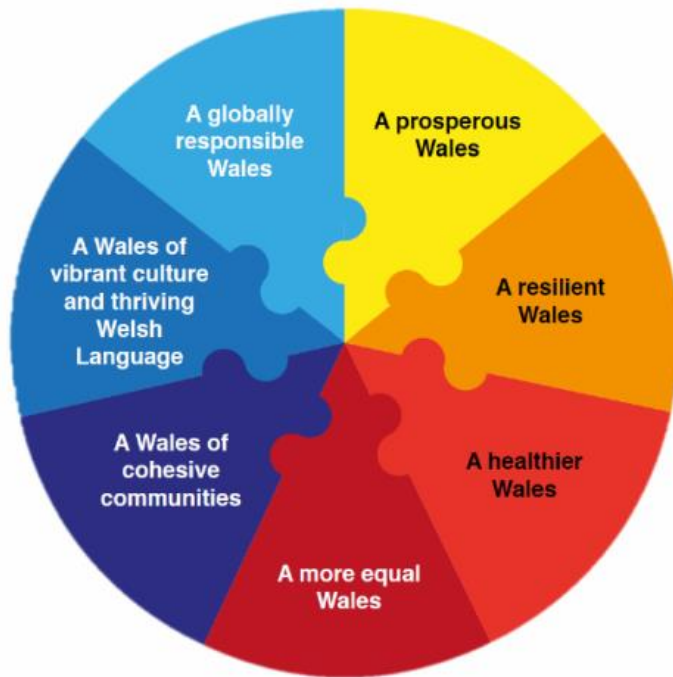


Figure 1: The Well-Being goals for the Future Generations Act

The Well-Being of Future Generations Act is the fundamental legislation that informs the development of Council policy. It ensures present needs are met without compromising the ability of future generations to meet their own needs. The Asset Management Strategy will reflect the working principles set out in the guidance for compliance with the Well-Being of Future Generations Act. The seven well-being goals for the Act are shown in the diagram under Figure 1. The Asset Management Strategy contributes to MCC's alignment to

the seven national objectives.

Nationally, climate change continues to be a catalyst of asset management transformation. The operational efficiency of buildings, coupled with low carbon commitments and a necessity for strategic decisions to be taken around the reduction of operating costs, has a direct impact on the national approach to strategic asset management. There is a necessity to identify opportunities to commercialise property portfolios where possible. The streamlining of services and movement to new models of service delivery have increased the need for asset collaboration and sharing of budgets and resources. There is a national need to stimulate regeneration and halt or reverse the decline of town centres. Property managers are being tasked with creating a more agile or dynamic operating model which enables the property function and asset base to respond to some of these shared challenges. It is critical that the asset base itself remains flexible, considerate of whole life costs (not a short-term approach to strategic decisions) and achieving better environmental outcomes.

LOCAL CONTEXT

Monmouthshire is made up of diverse communities covering an area of 880 square kilometres, with a population of 93,000 and a low population density of 1.1 people per hectare. The county benefits from a wide range of community groups, and one of the strongest economies in Wales. It is well placed for growth with circa 4,500 active businesses (2022) ranging from international companies to small family enterprises. A number of these community groups and businesses are supported through the council’s property estate. Monmouthshire has the highest house prices in Wales averaging £382,000 (Hometrack, December 2022), more than 9 times average earnings. This has contributed towards higher-than-average land values, impacting the level of development achieved in county, as well as the capital receipts generated from disposal of development sites.

COMMUNITY AND CORPORATE PLAN

An effective asset management framework has clear alignment with that of the organisational culture and that of the Community and Corporate Plan (C&CP). Monmouthshire’s Community and Corporate Plan sets the direction for the council and county of Monmouthshire, articulating the authority’s purpose and prioritising alongside the steps we will take to deliver these and the measures that will be used to track progress. The core purpose of the Community and Corporate Plan is “to become a zero-carbon county, supporting well-being, health and dignity for everyone at every stage of life”. The Asset Management Strategy will operate as one of a number of key enabling strategies to be approved by Cabinet and Full Council, that supports the delivery of the Community and Corporate Plan. The objectives of the C&CP are illustrated below:



Figure 2: The Community and Corporate Plan Objectives.

In addition to the above, MCC is motivated by a series of core values, all of which inform the contents and formulation of the Asset Management Strategy:



Figure 3: Monmouthshire County Councils Core Values

LOCAL CONTEXT

The Asset Management Strategy bridges the gap between corporate vision and the asset portfolio, management and performance. The Community and Corporate Plan describes objectives that this strategy will seek to support, including the reduction in reliance of temporary homelessness accommodation, increase in availability of affordable housing, creating a thriving and ambitious place to redevelop town centres and facilitating investment to attract more people to the towns. The asset management strategy will also in part support aspirations around the improvement of river health, more sustainable agricultural practices, and reducing the LA's carbon footprint. The Asset Management Strategy sets out how MCC will manage and develop its assets in accordance with this national and local context. The strategy goes beyond what the Council owns. It's about the focus of the organisation, its aspirations and how the portfolio will support those initiatives and outcomes.

Monmouthshire County Council's asset base continues to be impacted by the same issues facing local authorities. The changes to working practices in post-pandemic markets (i.e. an increased movement towards agile working), the climate crisis and increases in digital solutions/innovation are changing the approach to asset management and associated strategies. It's critical that a flexible approach is taken to day-to-day management of assets to respond to service demand.

The Medium-Term Financial Plan and approved 2022-23 Budget acknowledges a necessity to reduce revenue and capital spend in response to budget pressures and overspends. It is critical to enhance income generation opportunities where possible, continue to commercialise the asset base and with due consideration for the climate emergency and carbon agenda. In accordance with the existing Asset Management Strategy, the property management functions have continued to operate in accordance with this strategy. In the 2022/23 financial year, long standing commitments around community enablement, such as the BREEAM 'Excellent' rated Magor and Undy Community Hub (MUCH) has been constructed, as well as continued development of the exemplar 'dementia care' scheme of Severn View Parc Care Home in Caldicot.



Figure 4: MUCH Project – Magor & Undy Community Hub

LOCAL CONTEXT

MCC's strategic residential candidate sites in the existing Local Development Plan have been sold and are under construction, contributing more than £15,000,000 of capital receipts to the Council's 21st Century School's programme, as well as facilitating Section 106 contributions to support Adult Recreation and other initiatives.

The Replacement Local Development Plan 2022-2032 (RLDP) is being formulated, with the Preferred Strategy shortly open for public consultation. The RLDP will identify land within the county which may be suitable for different types of development, and the Preferred Strategy will establish the preferred level of growth (housing and employment) as well as the strategic site allocations and policies to implement the strategy. As part of the Stage 1 and Stage 2 Call for Candidate Sites, 9 sites were promoted on MCC land for a range of uses such as residential and commercial development, tourism, renewable technology, etc.

Any RLDP land allocations within MCC ownership present an opportunity for MCC to meet a range of objectives including bring forward housing development, inclusive of a high percentage of affordable homes and with net zero carbon design.

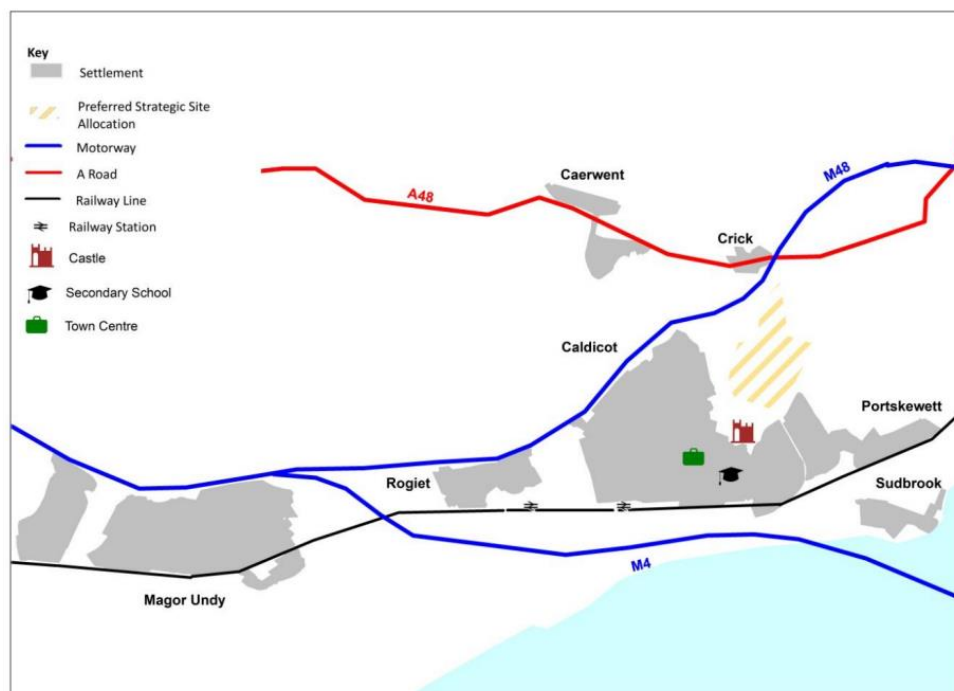


Figure 5 - RLDP Preferred Strategy Update Sept 2023 – 'East of Caldicot' MCC Strategic Site

Despite the shared and clear economic challenges facing the county, Monmouthshire remains well placed as the 'gateway' to Wales for potential inward investment and development. There is a strong demand for residential and commercial development and our economy continues to perform to its maximum capability. Investment is required to satisfy the latent demand for employment and residential accommodation. A diverse range of community groups and proactive volunteers exist within our communities, which the property estate helps to support and enable. The Asset Management Strategy will acknowledge this context in the formulation of its strategic purpose and Asset Management Plan.

STRUCTURE OF THE ASSET MANAGEMENT STRATEGY

MCC’s Asset Management Strategy (AMS) reflects and details the alignment of our property assets with the strategic aims and direction of the organisation. The principal intention of the AMS is to establish a high-level summary of those assets in our ownership, their purpose, the processes and systems that govern them, and the cultural and financial context within which they are operated. The AMS outlines an understanding of how we intend to optimise and maximise our assets, including clarity on a direction of travel for property managers and users with sufficient flexibility to adapt to a changing environment and market. The AMS enables efficient management of our land and property, in a way that will improve our outputs and impacts (financial and social value) whilst being affordable, sustainable and achievable.

In order to clearly demonstrate the contexts and intended outcomes of the Asset Management Strategy, the following structure has been applied:

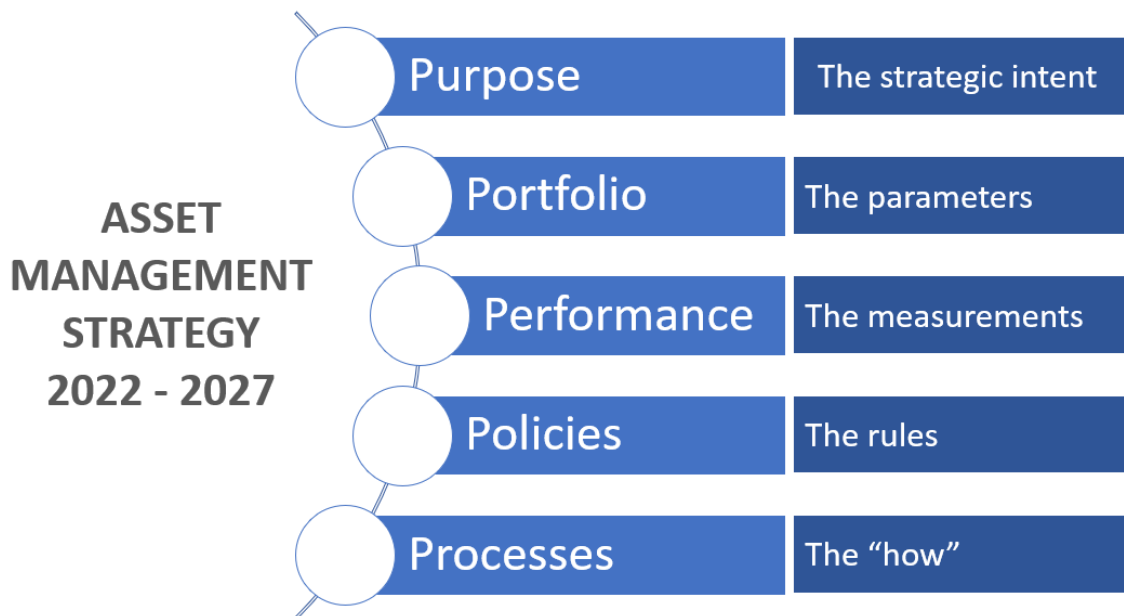


Figure 6 - Asset Management Strategy structure

The structure above will provide the framework within which strategic decisions will be taken going forward. This will ensure parity is achieved, and assets managed consistently and equitably, with the required flexibility to adjust the pressures of modern local government.

STRUCTURE AND STRATEGY

The appendices of the Asset Management Strategy will include the Asset Management Plan (or Action Plan) which will set out the actions outlined in the Asset Management Strategy document. The Asset Management Plan will be updated annually to assess and track performance. The appendices will also include each of the supporting policies relevant to the management of the Council's asset portfolio, as outlined in the 'Policies' section of the Asset Management Strategy and Appendices 1 to 5. Figure 7 illustrates this structure:

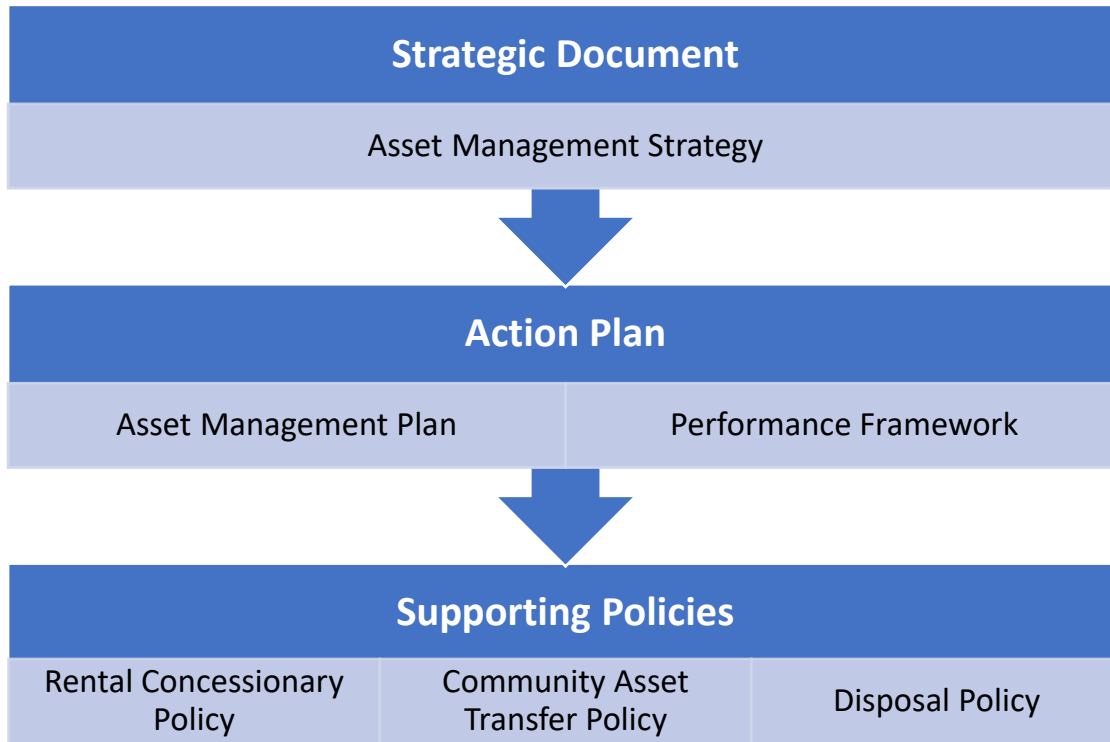


Figure 7: Asset Management Strategy structure.

PURPOSE

STRATEGIC PURPOSE

In order to manage the portfolio in such a way that best meets the needs of the organisation, it is critical that clear strategic intent is established. Reflecting on the objectives of the Community and Corporate Plan, and with acknowledgement of those objectives in an asset or property context, five core objectives have been established to inform the strategic direction of MCC's Asset Management Strategy:

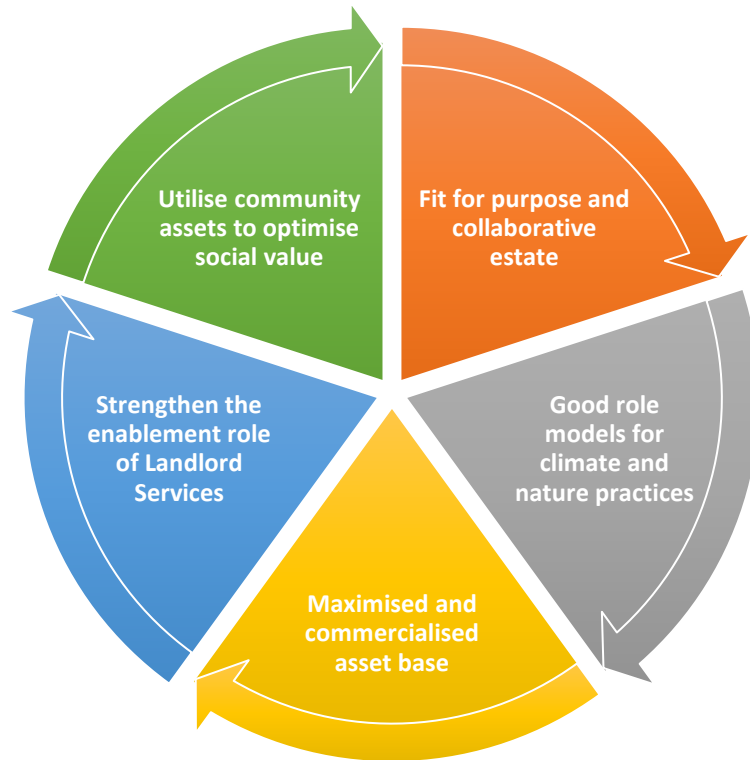


Figure 8: Strategic Purpose - Five Core Objectives

The strategic aspiration is to develop a land and property portfolio that is able to meet the five core objectives. To achieve these objectives there are a series of behaviours that need to be exhibited in relation to the portfolio. Sometimes acknowledging there will be circumstances where these aspirations appear to be in conflict. Maintaining a balance between these objectives will be critical to ensuring the desired outcomes are achieved, at speed and in the most efficient way possible. These objectives will assist in ensuring the organisation can operate a 'best run, best value' property portfolio with measurable outcomes:

Objective: Fit for purpose and collaborative estate

A land and property portfolio that is optimised, appropriate for service providers and users, and has partnership as a core principle, constantly evolving to respond to asset and service demand:

BEHAVIOUR

Work with directorates to determine whether the spaces they occupy remain fit for purpose, in the right places, accessible and best meeting current and future service needs, in order to continue to deliver the preventative benefit of services located in the heart of their communities.

Promote joint working and service co-location wherever the creation of integrated hubs can enhance service delivery, life-long learning, and educational experiences.

Continue to ensure compliance with statutory health and safety requirements (legionella, fire, etc.), addressing critical maintenance issues or risks proactively.

Utilise improved access to data to inform the planned maintenance programme, ensuring critical maintenance is undertaken on those buildings most requiring investment, and better forecast spend for reactive maintenance.

Develop service asset plans and undertake a strategic mapping exercise with directorate leaders to review existing accommodation, identify opportunities to collaborate with partners, and any regional provision or unmet demand the asset base could support.

Collaborate with partners (Gwent Police, Health Board, Eliminate Team, RSL's) to generate fees, reduce budget pressures, operational costs and where service delivery can be improved.

Support the use of assets for preventative work, such as supporting Housing in the creation and repurposing of property to support temporary, supported and permanent housing accommodation.



Figure 10 - Gwent Police HQ, design and supported by Property Services



Figure 9 - Abergavenny Hub

Objective: Good role models for climate and nature practices

A land and property portfolio which takes decisions which set good practice for climate and nature, demonstrating practical examples that can be replicated by partners and the private sector:

BEHAVIOUR

Manage farms in a way that promotes sustainable agricultural practices. Continue to apply value to the strengthening of local supply chains and engage with farming tenants around opportunities for small scale horticulture opportunities or diversification.

Utilise renewable technology and energy efficiency on council land and property where technically possible and will derive best carbon benefit, incorporating carbon sequestration in new build design and re-design decision making.

Support the roll out of ReFit, EV charging and implementation of the Decarbonisation Strategy, future proofing services and lowering long-term running costs through the commitment to deliver net zero or low carbon initiatives as part of planned maintenance replacement, and at the design stage of new build development projects and property refurbishment.

Continue to partner with other stakeholders (NRW, Farming Connect, etc.) to strengthen the tenant base knowledge of water management practices and understanding of flood management principles, contributing to address the nature emergency and rivers and oceans action plan.

Continue to feature green infrastructure and active travel prominently in the design considerations of all new schemes, developed directly by MCC or indirectly through disposal.

Take a duty of care as a responsible landlord to identify those worst performing assets from an energy perspective and consider the required investment or alternative use.

Increase access to community growing and allotment facilities, working with town and community councils to reduce waiting lists and increase the availability of growing opportunities.



Figure 11 - Wallstones Farm



Figure 12 - 3-19 Abergavenny build

Objective: Maximised and commercialised asset base

A land and property portfolio that is financially responsible, operating viably and sustainably in a way that best achieves its intended outcomes:

BEHAVIOUR

Strengthen occupancy in buildings we need, and closing those that we don't. Continue to re-let, dispose or repurpose surplus assets or property with void space. Reduce operational costs and therefore the ongoing maintenance liability wherever possible.

Continue to review the performance of the investment estate and commercial portfolio, taking decisions that enable us to maximise the receipts and financial return, balancing the desire for financial return with demonstratable social and economic benefits (job creation, new employment space, business growth, etc.)

Reassess capital projects and pressures, supported by appropriate governance arrangements and with clear alignment to council objectives.

When land or property is identified as surplus, ensure best financial and social value is achieved wherever possible.

Improve the sharing of property data to inform strategic thinking and alignment of enabling policies, whether supporting Economic Development through job creation and the increased availability of employment space, or Regeneration through town centre intervention.

Minimise vacant space within the investment portfolio, reducing rental arrears wherever possible and generate returns through the implementation of rent reviews, lease renewals or redevelopment where appropriate.

Ensure best financial and social consideration is achieved from capital receipts through the rationalisation, sale and development of surplus council assets.



Figure 13 - Monmouth Market Hall



Figure 14 - Castlegate Business Park

Objective: Strengthen the enablement role of Landlord Services

A land and property function (Landlord Services) which supports and enables services delivery, improving the organisations understanding of property matters and achieving value for money with a strong customer experience:

BEHAVIOUR	Strengthen the existing arrangements around property maintenance and liability, renewing Service Level Agreements with directorates and providing clarity on building manager responsibilities
	Design, procure and implement a new asset management system that improves the access and availability of property data to inform strategic planning.
	Strengthen the understanding of and access to services to support other council functions and goals, including the creation of active travel links, combatting of homelessness, development of affordable housing development, children services and education provision, etc,
	Improve the building training provision for staff and site managers, to achieve greater understanding of compliance requirements and responsibilities.
	Continue to create compliant accommodation and spaces that are appropriately maintained and accessible.
	Provide professional services to other areas of the authority, seeking value for money through the review and performance management of framework contractors and procurement frameworks.
	Ensure tenant works on the operational estate are undertaken with the appropriate landlord consents and having been subject to competency checks, protecting the council in the review and control of property decisions.



Figure 15 - Support with gypsy and traveller potential pitch identification

Objective: Utilise community assets to optimise social value

A land and property portfolio which is equitable and offers parity, supporting the occupation of an asset that ensures parity, transparency, and consistency:

BEHAVIOUR	Adopt a consistent community enablement role for the asset base, managing spaces in a way that promotes economic and social value and delivery of cultural and environmental outputs, equitably.
	Utilise town centre-based assets to explore alternative means of repurposing vacant high street space, operating as a facilitator and enabler.
	Strengthen relationships with existing community partners and occupiers, continuing to ensure that robust monitoring of trading performance is in place to ensure parity and equity is achieved, with rental grant awarded proportionally.
	Review the Community Asset Transfer policy and the system by which community groups and interested parties can be best supported, working with the Community Development Team to create stronger and more connected communities.
	Target appropriate lease terms that support the sustainability of a particular asset and use, granting tenancy agreements that increase the opportunity to access grant funding and capital investment.
	Promote and stipulate the requirement for apprenticeships and added benefits when undertaking disposals or development schemes on surplus assets.
	Work to ensure equalities and accessibility are fully considered in development of service area asset plan.



Figure 16 - Bridges Centre, Monmouth



Figure 17 - Abergavenny Community Centre

PORTFOLIO

PORTFOLIO

Monmouthshire County Council benefits from a portfolio with a net book value of £375,000,000 (as of July 2023) and around 1500 land and property assets. The asset base is diverse, with a range of different properties meeting different service and public needs. Council assets have come into MCC ownership over many years, through a mixture of acquisition, donations, or council/government reorganisations. In order to maximise the output of these respective asset types, it's important that a fluid and flexible approach to asset management is taken (such to adjust to the changing environment) in a manner that is still disciplined and consistent. It is critical to understand the 'property parameters' within which this aspiration can be delivered. A good knowledge and understanding of the ownership, strengths and weaknesses of the portfolio will help to inform the ability to meet the purpose:

A summary of the respective asset types and number of assets within that type can be found below:

Asset Type	No. of assets
Play Areas and Open Space	362
Acquired Investment Assets	3
Commercial and Industrial Sites	62
Education premises (primary, secondary, nursery)	46
Leisure, Tourism and Heritage Assets	17
Car Parks	43
Allotments	4
Social Care and health premises/facilities	7
Cemeteries	4
County Farms (farms, grazing land, cottages)	90
Community Assets	49
Operational assets (hubs, depots, offices)	38
Public Conveniences	17
Assets under construction	4

Table 1: Asset types and number of assets within the Council's portfolio.

Many of the asset types in Table 1 serve similar purposes, be it for income generation or social value. Asset types can also serve multiple purposes and will not necessarily be fixed to one objective over another (e.g a county farm holds capital value as potential future development or capital receipt, generates income through rent, and can facilitate objectives around the promotion of sustainable farm practices or improved flood management).

The performance of the assets is reported via budget monitoring and Performance & Overview Committee. All assets should cover their own costs or generate income, if determined to be held for that purpose/objective.

COMMERCIAL ASSET INVESTMENTS

OBJECTIVES

- Maximised and commercialised asset base

Monmouthshire County Council adopted an Asset Investment Policy in May 2018, with a further amendment to the policy approved in February 2019, which afforded the authority the powers to acquire property to meet policy objectives. The commercial asset investment portfolio contains the strategic sites that are to generate a revenue return to MCC, and/or afford regenerative or social benefit via the ownership of strategic investments.

CASTLEGATE BUSINESS PARK

Castlegate Business Park, Caldicot is a 217,000 sqft mixed use site situated over 18 acres of land adjoining the Caldicot settlement. The site is a mixture of offices and production/warehouse space. Despite the surrender of 130,000 sqft by Mitel in March 2022, the property has benefited from several new occupiers and expansion by existing tenants. In July 2022 MCC secured the single largest warehouse letting in Wales of over 89,000 sqft. The property is 85.8% let. The site benefits from a co-working/hireable meeting room initiative ('MonSpace') which enables businesses and residents to hire individual meeting rooms or share flexible desk space. The site is facilitating business growth and inward investment into Monmouthshire.



Figure 18: CastleGate Business Park, Caldicot

NEWPORT LEISURE PARK

Newport Leisure Park (NLP) was acquired in March 2019 and comprises of a mix of six restaurants/takeouts, two retail units and three leisure units within an 11-acre site. The asset was materially impacted by the Covid pandemic, resulting in all tenants unable to trade for a period of months, some of which were unable to recover and subsequently voids created. The asset is 97.5% occupied and continues to generate a strong financial return.

Ongoing management and monitoring of the performance of assets is supported by officers within MCC's Finance, Estates and Legal departments. Investment Assets are supported alongside the wider

functions and responsibilities of Landlord Services. Departments are in regular contact with the appointed external managing agents for the respective sites. The maintenance of the



Figure 19 - Title plan of Newport Leisure Park



Figure 20 - Castlegate BP's 'MonSpace' initiative

sites is funded via service charge, paid for by tenants, with MCC only contributing towards costs for the void areas. Both sites are considered to be in a good condition generally. A review is ongoing as to the suitability of the site for low carbon initiatives that would seek to reduce the running cost, improve the attractiveness of the space for prospective tenants and reducing MCC's contribution towards those costs. Roof top PV, solar car ports and an EV charging hub are all being explored.

INVESTMENT ASSETS

The investment portfolio, or 'legacy estate', consists of a varied mix of property, that have transferred into MCC ownership over a number of years. They are held primarily to generate income and facilitate economic development. Investment assets can be declared surplus or redeveloped in circumstances where revenue, capital generation or other opportunities to meet policy objectives are identified. The estate will continue to be reviewed for additional opportunities to address budget pressures and aid recovery plans. The investment portfolio is managed by the Estates Department under a range of different lease agreements and

legislative requirements. Despite the challenges of the pandemic and a necessity to afford occupiers more flexible terms (e.g payment plans for settling arrears), the portfolio has performed well and exceeded forecasted income levels. Under this Asset Management Strategy, rent reviews, lease renewals and our response to management issues or assignments will be primarily motivated by a desire to increase revenue returns.

The investment portfolio can be divided into the following sub-classes:

- Commercial, Retail and Office Assets
- Industrial Units
- County Farms

COMMERCIAL, RETAIL AND OFFICE ASSETS

OBJECTIVES

- a maximised and commercialised asset base,
- good role models for climate and nature practices,
- fit for purpose and collaborative estate

MCC hold 23 retail units across town centre/neighbourhood shopping areas. Many are held on long leasehold interests, with the freehold having been transferred to Monmouthshire Housing Association as part of the Housing Stock Transfer. The portfolio is spread across concentrations in Caldicot, Chepstow, Abergavenny, Monmouth and Goytre. A range of businesses and retail uses operate from these spaces, including local butchers, hairdressers, convenience stores, etc. The retail units are 95% occupied.



Figure 21: Hanbury House, Chepstow

The commercial portfolio also includes office lettings at locations in Chepstow, Monmouth and Magor. The management and reletting of office space has materially changed as a consequence of the pandemic. The expectation of occupiers has evolved, with an increased

movement towards smaller lettings or more flexible lease arrangements, with businesses downsizing as workforces move to a more agile model of operation. In order to retain interest and compete to re-let vacant spaces, rental concessions and enabling works (e.g subdividing large open plan rooms) may be needed to attract new occupiers. We will review and act in an agile and responsive manner to respond to market demand and conditions.



Figure 22 - Innovation House, Magor

Innovation House in Magor is the former Council offices which were vacated at the start of the pandemic. Following consolidation of a number of services into Usk County Hall and other operational premises, the building will continue to be marketed for potential occupiers. MCC also benefit from an employment allocation in Local Development Plan that has yet to be developed due to insufficient demand. There is an acknowledgement that the Monmouthshire economy is currently performing to its maximum, with a lack of pre-developed space and market finding it difficult to meet demand. Land and property such as Phase 3 Rockfield Farm, Magor and Innovation House may present opportunities for owner-occupiers to invest, as the market seeks to recover and this will be explored under this strategy.

The units within the commercial and retail portfolio are mixed in their condition, with the majority of the repairs picked up by the tenants or the responsibility of the head leaseholder.

The commercial portfolio also includes diverse investments such as Bryngwyn Livestock Market in Raglan, and the 5MW solar farm at Oak Grove Farm, Caerwent. The diversity of the portfolio is a strength and will continue to be used to support different policy commitments, including the reduction in MCC's carbon footprint and ownership in local

shopping outlets in town centres or neighbourhood shopping areas, which are invaluable to the communities they serve.

INDUSTRIAL UNITS

OBJECTIVES

- a maximised and commercialised asset base,
- good role models for climate and nature practices,
- fit for purpose and collaborative estate.

The Council’s industrial portfolio comprises of 40 industrial units ranging in size from 365 sqft to 2,850 sqft, located at three locations within the Severnbridge Industrial Estate in Caldicot and at an enterprise park in Raglan. These units primarily cater to start-up businesses or smaller occupiers, for which there a high demand in the county. The estate has



Figure 23 - Old Pill Farm Industrial Estate

a high retention rate, with tenants generally only vacating to secure larger premises elsewhere. The portfolio has a record of being fully let. The projected income in 23/24 is £213,000. The industrial units also serve as accommodation for a range of Council services, including Waste, Grounds and Transport depots, storage for Museums and office accommodation for Countryside. A number of

tenants have been moved onto fully repairing and insuring lease agreements. Under this strategy, lease renewals will be negotiated which should result in rental uplift. The estates will continue to be used to maximise the available space for economic development within the county.

COUNTY FARMS

OBJECTIVES

- fit for purpose and collaborative estate
- good role models for climate and nature practices,
- a maximised and commercialised asset base,
- strengthen the enablement role of Landlord Services

The County Farms portfolio consists of a combination of farm holdings, grazing land parcels, orphaned woodland and farm cottages. In total, the Council has 24 farm holdings and 40

areas of bare land amounting to 1,122 hectares (2,773 acres) of land, primarily located in the south of the county and in the Severnside area. The majority of the holdings are mixed livestock farms with few remaining dairy units. There are 3 market gardens. The farm holdings are primarily occupied on lifetime and retirement tenancies under the Agricultural Holdings Act 1986, which limit the ability for the landlord to increase rental values or flexibility in management. In circumstances where farms become vacated (either through surrender or passing of the tenant), new Farm Business Tenancies are granted. These agreements have more freedom to contract including setting higher rents and for the landlord to manage the holding (e.g. repairing obligations and a defined term so as to have potential to regain vacant possession).

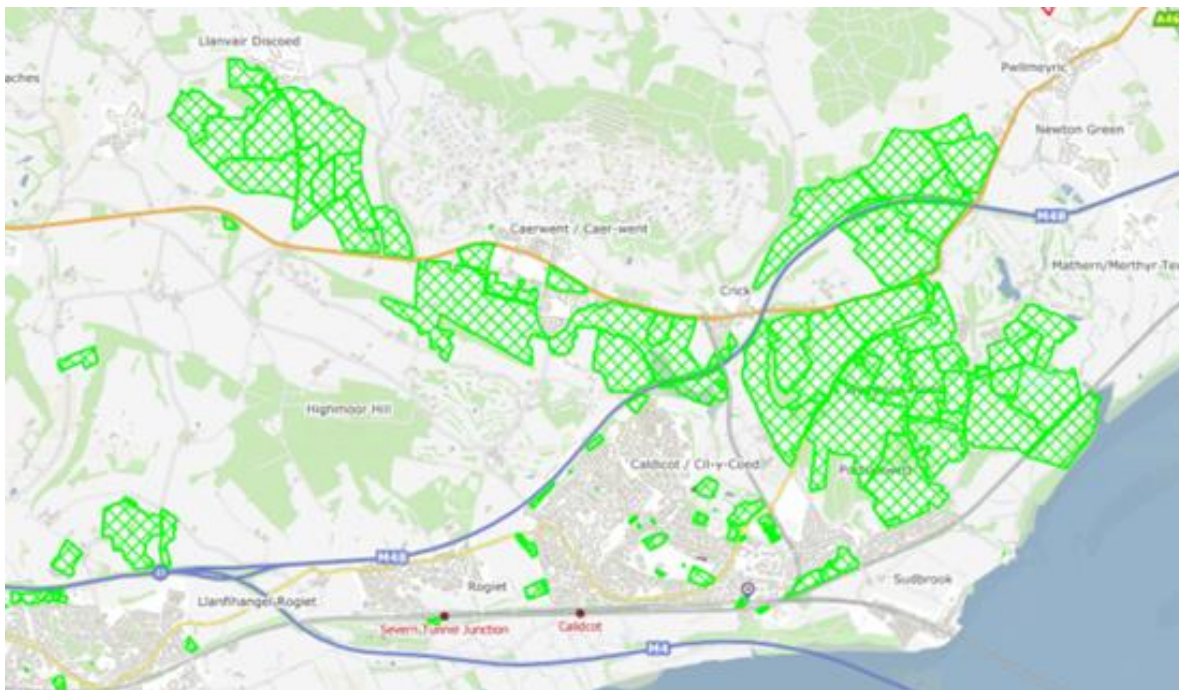


Figure 25 - Areas highlighted in green indicate land 'leased out', the majority of which is MCC farm holding or grazing land in the Magor, Caldicot and Chepstow areas

The portfolio is currently maintained through an allocated county farms capital maintenance budget, which is used to support investment in fixed equipment such as cess pits and septic tanks. Investment will be required under this strategy to continue to future proof the portfolio and support good land management practices, including carbon sequestration and repurposing poorly managed arable land where opportunities exist for new grassland or woodland.

The county farms remain a valuable asset, generating a commercial return and being situated in a location of strategic and developable value (i.e. outside of phosphate constraints, flood zones, connected to existing highways networks). In a rural county they continue to hold amenity, landscape and biodiversity value, and under this strategy will be used to promote diversification opportunities, including small horticulture business and renewable technology. One of MCC's farm holdings has been utilised for renewable technology development, with Oak Grove Farm being home to a 5MW solar farm. The portfolio continues to hold potential for wider renewable technology development.

In circumstances where farms are available to relet, there is a high competition for holdings and significant interest has been received. When awarding tenders, value will continue to be applied to those farmers that can demonstrate how they will implement more sustainable farming and land management practices, including enhancing the resilience of the ecosystems and diversifying or selling produce locally to develop supply chains. Three lettings in 2023



Figure 26 - Oak Grove Solar Farm

have made good on these commitments, running mixed farms with a variety of enterprises on site, and becoming active members of a local regenerative agriculture discussion group, contributing to discussions, and attending events on the principles of sustainable grazing and soil management.

MCC's tenants at Lower House Farm, Caerwent have applied, successfully, to join a 12-month regenerative agriculture mentoring scheme and have been paired with the world-renowned consultant Ben Taylor-Davies (Regen Ben). Together they will seek ways to reduce artificial inputs, increase soil health, water and air quality, and animal welfare, and improve business performance. This scheme has improved connection with other Monmouthshire farmers on the scheme, and with the cross-sector collaboration behind it, comprising Ben himself, MCC, Monmouthshire Food Partnership, ACE Monmouth, and Size of Wales. The Asset Management Strategy will continue to promote partnership arrangements that will enable tenants to lower their carbon footprint and improve the portfolio's environmental impact, increasing access to high quality advisors (Farming Connect, Natural Resources Wales, etc.) and technical support, and supporting the development of a more prosperous and resilient agriculture industry.

Wallstones Farm, Portskewett the tenants have reached into their community and provided a new route to market for other farms by setting up a direct-sales business, Monmouthshire Fayre. Through this they sell boxes of free-range grass-fed meat produced by themselves and other local farms that share their values. They intend to include other staple foods (fruit and vegetables, bread, etc.) in future, if the venture proves successful.

Long term, the portfolio continues to provide development opportunities and sites that afford opportunities to do this will be managed accordingly. The county farm portfolio has been classified as core and non-core holdings, 'core' defining its appropriateness for development. Core farms will continue to be retained for potential future development opportunities.

OPERATIONAL PROPERTIES

OBJECTIVE

- fit for purpose and collaborative estate.
- good role models for climate and nature practices,
- a maximised and commercialised asset base,
- Strengthen the enablement role of Landlord Services

Much like the investment portfolio, the operational estate is varied in its make up, respective uses and locations. Operational assets deliver a mixture of frontline services, service provision, and support to local communities. MCC benefits from a good representation in the respective towns but its availability of property and corporate buildings is not uniform.

Working environments have changed, with office space adjusting to the working environment. Agile working, desk booking and adjusted facilities arrangements (i.e. different expectations of service users as to the way they interact with services) has required asset management to equally adjust. Hubs are increasingly more integrated. Educational premises are including allowance for community use/spaces. Depot infrastructure is evolving to future proofing demands and an increased EV charging/fleet. Usk County Hall has been transformed into a mix of co-working and bookable desk and meeting space environments. This Asset Management Strategy will continue to support this accommodation reform. We will also continue to feature and promote flexible co-working, improving the knowledge of and availability of booking spaces or drop-in desks across the portfolio, ensuring parity is afforded to the workforce in the quality of environments they work from.

In education, MCC has benefited from a programme of new school constructions, creating plaza-based teaching environments which are of good condition and climate conscious. Much of the public and school estate benefits from roof top solar PV. The King Henry 3-19 School development will be the first net zero school development in Wales. A review is ongoing as to any future provision of a Welsh medium school and the accommodation requirements of the Pupil Referral Unit, whose relocation or new site development will be supported by Landlord Services.



Figure 27 - King Henry VIII 3-19 School Development CGI's

Hubs in various towns have transformed to meet the changing customer expectations following the pandemic, responding to the different ways service users interact with property and the importance of these assets and services being based in the heart of their communities. A continued movement towards integrated hubs is required and will be supported, acknowledging the value and footfall they provide to the areas.

Landlord Services and Social Care will continue to work collaboratively to complete the development of the new Severn View Parc Care Home in Caldicot, which is the replacement care home to Severn View Care Home in Chepstow. The development has been facilitated through the acquisition of land, disposal of residential development land to Melin Homes, and collaborative procurement of a development contractor to deliver the new care home. The care home itself and surrounding development will feature exemplar dementia friendly design principles at its core, driving operational efficiencies in an environment that prioritises the creation of a home over that of an institutional care facility. These principles and pursuit of exemplar schemes will continue to be a feature and objective of the strategy when undertaking new development.



Figure 28 - Severn View Parc Care Home

MCC Waste, Grounds and Highways services are provided from a range of locations and working depots across the County. In the south of the county in particular, investment is required in existing infrastructure to support the service in the future proofing and transformation of service delivery (e.g. expansion of fleet and move to more sustainable power solutions). In Stage 2 of the Replacement Local Development Plan, land has been promoted for the potential of a new 'super depot' which would seek to bring together the different south of the county depots in a single location which creates operational efficiencies and releases surplus assets for income generation or development. A service

area working group will be created to consider the design and financial business case for such a proposal.

MCC benefits from a range of leisure spaces, museums, and heritage spaces. It supports traditional trader’s markets at Abergavenny, Monmouth and Caldicot. It has an outdoor education centre in Gilwern and prominent heritage and amenity assets at Caldicot Castle and country park, Tintern Rail station and Shire Hall in Monmouth.



Figure 29 - Shire Hall, Monmouth

Under the Asset Management Strategy and associated Action Plan, the operational estate will continue to be reviewed for opportunities to reduce running costs and assess how to best meet corporate need. Properties such as Monmouth Market Hall, where space is being consolidated to relocate to Shire Hall, can be re-let or repurposed. The continued model of integrated hubs rather than isolated silos is necessary.

Greater clarity is required around maintenance responsibility and

knowledge of the estate amongst building operators, such to reduce backlog maintenance and assist the formulation of the planned capital maintenance programme. The “processes” section of this strategy acknowledges the working groups and forums within which these matters will be considered.

COMMUNITY ASSETS

OBJECTIVE

- fit for purpose and collaborative estate
- good role models for climate and nature practices,
- a maximised and commercialised asset base,
- Utilise community assets to optimise social value

Whilst all assets can be argued to be providing an indirect form of community benefit, ‘community assets’ are defined as those properties directly let to community groups or organisations on less than commercial terms. The portfolio consists of 49 community assets that are let to a range of not-for-profit organisations, community groups and voluntary organisations. The occupations are on a wide range of different lease and license agreements, with different terms (generally long) and rentals applied (ground leases, peppercorn rents, subsidised rents). The majority of the estate is let on “community rental values”, which reflect the not-for-profit nature of those groups operating.

Many of the existing groups access rental grants via MCC, a rental concessionary policy (appendices 2) which enables organisations to seek a reduction in their rental payment if they can demonstrate tangible community value being delivered. The application of this policy will be reviewed as part of this strategy’s implementation. This will ensure community assets continue to perform in accordance with the rental concessionary award and that any percentage of rental relief afforded is still appropriate and proportional to their financial performance.

MCC also support several Town and Community Council’s to occupy premises in our various towns and villages. These include the Drill Hall in Chepstow, Goytre House, Abergavenny Town Hall and the former household waste recycling centre in Usk. A number of MCC-owned public conveniences are also opened and operated by Town and Community Councils. The Asset Management Strategy will continue to explore opportunities to enhance the outputs of community assets and partnership arrangements, including supporting access to grant funding where it derives a tangible benefit and improvement to the asset.

MISCELLANEOUS

OBJECTIVE

- fit for purpose and collaborative estate
- good role models for climate and nature practices,
- a maximised and commercialised asset base,
- Strengthen enablement role of Landlord Services
- Utilise community assets to optimise social value

In addition to the above, MCC also benefits from a range of different specialist uses which serve to support its policy aspirations. MCC has various highway infrastructure (roads, bridges, etc.) within its ownership, however the Asset Management Strategy does not consider the highway infrastructure, vehicles or fixed assets held by the Council, which are each subject to their own strategy documents.



Figure 30 - Monmouth Allotments

MCC has 4 allotments it supports, two of which it manages directly. Ongoing consideration will be given to the merits of town and community council’s taking on management responsibility for the sites, supported by allotment associations. This strategy will continue to explore opportunities to increase the availability of community growing and allotment spaces, as per the commitments of the Community and Corporate Plan.

MCC also benefit from an extensive list of public open space and amenity land that provide a range of community, recreational and biodiversity benefit. These land parcels will continue to be managed in a manner that aligns with the climate and nature emergency, including planting schemes and natural flood management such as wetlands.

MCC operates four cemeteries: Llanfoist, Llanelly, Chepstow and Monmouth. Presently, Monmouth can only offer new cremated remains plots, burials in previously reserved plots and reopening of existing graves. Plans are in place to offer new burial plots in Monmouth in 2024.

The cemetery service also maintains Old Hereford Road Cemetery and the grounds and associated listed structures (not including the Church buildings) of St Mary's Priory Abergavenny, St Mary's Priory Monmouth and St Mary's Priory Chepstow. In addition, the cemetery service also manages a number of war memorials within the County. Under this strategy, work will continue to identify additional burial spaces throughout the county. This work will explore potential sites on council and privately owned property.

PERFORMANCE

PERFORMANCE FRAMEWORK

In order to monitor and drive success of the asset management strategy and its proposed purpose, it's critical to establish the key performance indicators and framework within which progress will be assessed.

Property performance metrics will help to determine strategic decisions. To aid the implementation of the Asset Management Strategy, a new property management software will be specified and procured in order to allow for more robust data management and access. This will reduce the holding of redundant data and improve our information security and data standards. The performance of the assets is reported via the budget process and monitoring. All assets should cover their own costs or generate income, if determined to be held for that purpose.

Whilst the strategy relates to the administrative period, it is necessary that a long-term approach is taken to the realisation of benefits and the objective delivery. Therefore a mix of short, medium and long-term indicators will be applied to assess the ongoing performance of the portfolio. These include but are not limited to the following:

- Portfolio specific actions, tied to particular service priorities or accommodation changes
- Tangible property data, updated regularly and such to inform strategic decision making.
- Financial targets – income, capital receipts, etc.
- Development targets – linked to purpose and corporate vision.
- Corporate and Community Plan targets – consistent with those reported under the plan.
- Reduction in total footprint

Further metrics may be adopted over the lifetime of this strategy to provide appropriate oversight and insight into the management of the asset portfolio. From time to time, review of metrics may require the alteration of indicators to provide improved reporting.

To ensure the performance towards the purpose can be accurately measured, tracked targets will be introduced in a number of areas. The targets and performance framework will be captured with the Asset Management Plan, which will be reviewed annually and assist in informing effective performance management. Metrics will be reviewed by Cabinet.

Bench marking initiatives and the sharing of performance can be achieved through professional networks (Royal Institution of Chartered Surveyors, Association of Chief Property managers in the Public Sector). For strategic management purposes, the following indicators will be focused on which will assist the development of the direction of travel.

POLICIES

POLICIES

The management and decision making around the portfolio must be informed by a clear strategic framework from which decisions can be taken. A clear policy framework will help to deliver the performance and purpose of the strategy and the day-to-day support system from which strategic decisions can be taken and the portfolio managed. The structure of the policy framework is below.



Further to the Community and Corporate Plan, and the enabling strategies to be read in parallel with this report, the following policies are critical to the Asset Management Strategy's delivery:

COMMUNITY ASSET TRANSFER POLICY

Community Asset Transfer (CAT) is a policy by which Local Authorities can elect to grant long leasehold interest (25 years or more) or freehold transfer property from its ownership to a community group if it's considered better placed to assist the delivery of community services. The CAT policy allows the consideration of transfers where:

- a property is not required to meet the Council's long-term needs,
- where a community activity will be carried out as a result,
- where the activity cannot be achieved more effectively, or
- where the asset does not have a high capital or opportunity value to the council that would provide a financial return or capital return.

The primary role of the CAT policy is community empowerment.

In considering CAT applications, MCC will continue to strike a balance between CAT applications and the necessity to act commercially, maximising assets to generate capital receipts from assets declared surplus.

To date, MCC has formally approved one application (Undy AFC) via the CAT policy, however a number of other historic and long leasehold agreements exist within the portfolio. Expressions of interest have been received for a number of other assets (Melville Centre, Raglan MUGA, Abergavenny Community Centre, Monmouth Cemetery).

The application details and further explanation of CAT can be found in Appendix 3.



Figure 31: Melville Theatre, Abergavenny

RENTAL CONCESSIONARY POLICY

The Rental Concessionary Policy affords community groups that occupy MCC property the opportunity to apply for rental grant, i.e. a reduction in the rent payable, if they can demonstrate clear community and local benefits as a result of this concession. The policy is aimed at supporting occupiers who facilitate recreational uses, trustees, community groups or societies, often managed by volunteers. The occupation by community groups transfers the liability of maintenance and running costs from MCC to the occupiers, as well as providing a more cohesive approach to community mobilisation, positioning those potentially better placed to provide support.

A large number of the existing community lettings are historic and operate on differing terms. In order to achieve parity and equity across the occupation of community space, leases should be let on a commercial rent (depending on the use). The tenant may then apply for rental grant, rather than agreeing a reduced rental on the assumption of rental grant eligibility. This approach will create equity for tenants and the council as a publicly funded body. Rental grant can be applied for up to 95%, as outlined in the policy in Appendix 2. As part of the Asset Management Strategy implementation, a review of the application of

this policy will be undertaken in conjunction with the policy update. 33 community groups currently access the rental concessionary policy, which amounts to a £133,000 annual concession by MCC to support community groups.



Figure 32: Caldicot Castle Football Club

DISPOSAL POLICY

In circumstances where property is deemed surplus to requirements and can be sold, the Disposal Strategy provides the process by which this happens and considerations for doing so. To enable a consistent approach to the disposal of surplus land and property, the Disposal policy clarifies the circumstances within which the council will achieve its requirements for best consideration, whilst supporting the Council's objectives as per the Community & Corporate Plan and Asset Management Strategy.

The Asset Management Strategy acknowledges a need for assets to align to its five core objectives. In circumstances where properties are considered to not meet this criteria, have alternative development potential or can be rationalised to unlock capital receipts, the Council's Disposal Policy can be exercised to support the disposal of surplus assets.

PROCESSES

PROCESSES- THE 'HOW TO'

Critical to the application of the Asset Management Strategy is the governance structure, capacity and competency within the organisation to deliver its purpose. The Head of Landlord Services is the responsible senior officer for the execution of the Asset Management Strategy. This includes annual review of the Asset Management Plan. The supporting property related governance includes:

- **Landlord Services and the Landlord Services DMT** – manage the implementation of the strategy, the day-to-day operation, undertake the actions and consider property proposals.
- **Capital and Accommodation Working Group** – established to consider capital pressures and accommodation decisions across directorates.
- **Service Asset Working Groups** – to be established in accordance with the service asset plans, as outlined in this report.

LANDLORD SERVICES & LANDLORD SERVICES DMT

The delivery of a successful Asset Management Strategy will be achieved through a cohesive corporate landlord model, with clear governance arrangements to ensure transparency in the management of the estate. MCC's Corporate Landlord Services, the department with primary responsibility for land and property matters, consists of supporting functions as per the diagram below:

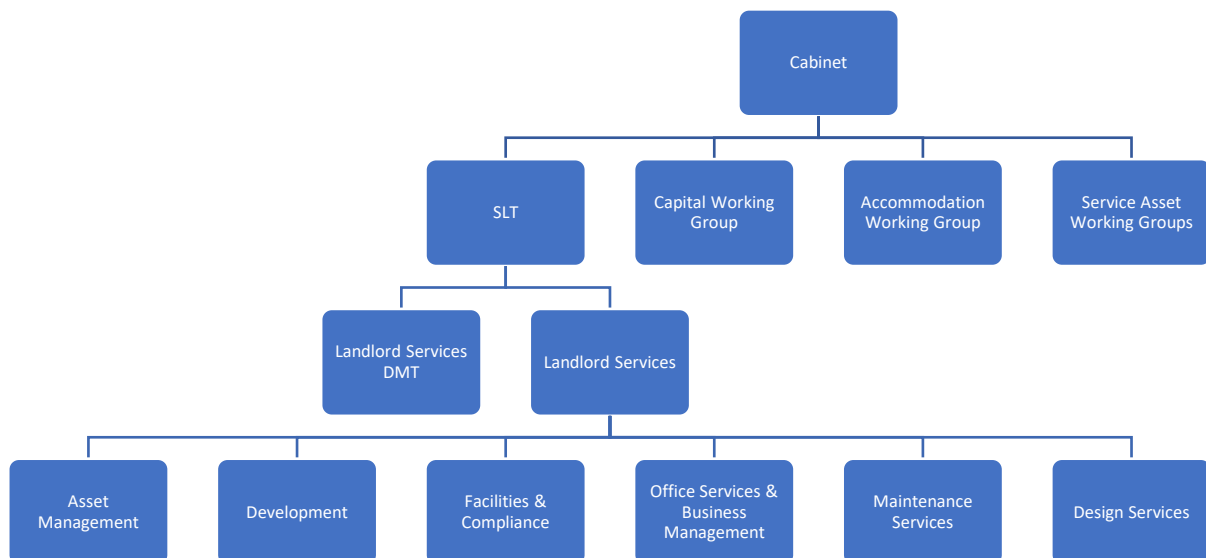


Figure 33 - Landlord Services Organisational Diagram

The Estates Department consists of two teams, prioritising areas of work in their respective specialisms. The Council's Estates Development team manage disposal and acquisitions, ensuring best value is achieved (social and financial). The team also supports, and project manages a range of different enabling functions, including project management of the Severn View Parc and MUCH project. The Estates' Asset Management Team carries responsibility for the day-to-day management of the estate, including progressing matters such as lease events, property enquiries or general property management.



Figure 34 - Land at Rockfield Farm, Magor. Sold for development to Monmouthshire Housing Association

Property Services have responsibility for the maintenance and overall condition of the operational portfolio, undertaking planned and reactive maintenance across the property estate. The planned maintenance programme is informed by condition surveys, backlog maintenance and ongoing monitoring of assets. The Design Team support the design and development of council projects, including the King Henry VIII 3-19 School project. Property Services also support the delivery of Gwent Police projects under the existing collaboration between bodies, for which fees are charged and recovered. Facilities and Health & Safety compliance officers within the department monitor regimes of asbestos, fire risk, legionella, etc and ensure statutory duties are undertaken by site managers. Cyclical Maintenance (electrical safety, gas safety, fire alarm, etc.) is undertaken periodically, annually or bi-annually, based on the specific report and service.

Offices Services and Business Management support the back-office operation of the service (accounting, invoice processing, etc.) as well as the front facing reception, post room and courier services. The accounts team provide procure to pay services, including budget monitoring, internal recharging, and Accounts Payable and Receivable support. In addition, the accounts team work to ensure that relationships with contractors/collaborators and customers remain positive through effective customer service and a full understanding of cashflow in our partner businesses.

Managers for the respective services listed within Landlord Services meet regularly to consider property specific matters and updates, and have responsibility for the production of clear and robust options appraisals to inform decision making relating to changes or disposals/redevelopment opportunities.

Each of the services within Landlord Services are supported by a data management system, for which a replacement system is currently being procured. The proposed new system will create a data bank from which property information is available and more auditable, enhancing the access to property information to inform short, medium and long-term strategic assessment of the Council's assets, and contribute towards aspirations around rationalisation, property maintenance decisions and alternative use/redevelopment. This will sit alongside the Council-wide changes in data management and migration onto share point. This will reduce the amount of redundant data and improve the quality assurance around ongoing costs and therefore strategic decisions.

CAPITAL AND ACCOMMODATION WORKING GROUPS

The Capital Working Group and Accommodation Working Group will be created to strengthen the organisations relationship with the assessment of the capital programme and reporting of pressures in relation to estate management. Equally, it will provide forums from which consistency can be sought in the approach to accommodation matters, ensuring property opportunities (e.g. through the consolidating of a service which creates available space within an asset) can be evenly considered and in advance of any consideration to declare the property surplus.

The respective working groups will provide an environment from which service managers and directorate leads will be able to present business cases for consideration of capital pressures. Business cases will need to include the strategic and economic case, the commercial considerations and management implications.

The Capital and Accommodation Working Groups will have representation from Estates and Property Services, Legal and Finance, as well as the respective service areas relevant to the agenda item or pressure. The working group meetings will be minuted and progress tracked. Each decision will differ in detail and depth but will be proportionate follow a standard template and framework. A communication plan will be put in place to communicate this change to service managers and via engagement with Senior Leadership Team and DMT's.

Further to the above groups, the Head of Landlord Services and members of the Landlord Services DMT will attend SLT and Cabinet as required where matters concern Landlord Services, and be the main point of contact alongside the Deputy CEO (Chief Executive for Resources) for Cabinet/councillors in responding to member queries or information requests that relate to Landlord Services or the portfolio.

SERVICE ASSET WORKING GROUPS

Individual working groups will be established with directorates to consider service accommodation pressures or matters relating to the operational estate. Individual service

asset plans will be established which will reflect on the key strategic considerations such as the average property running cost, demand for use, occupancy rates and arrangements to ensure best utilisation of buildings, building condition, accessibility and energy performance. This information will be reported to the Accommodation Working Group and used to inform future use and service transformation.

INVESTMENT COMMITTEE

The Investment Committee is a cross-party sub-committee of Council, established to consider investment activity the authority can undertake. As a consequence of the pandemic, investment activity has halted, with acquisitions via this committee limited to Castlegate Business Park, Newport Leisure Park and investment in 'Broadway'. In order to afford a transparent assessment of these investments, the performance updates will be reported to Performance & Overview Committee alongside updates on the wider portfolio. Any future investment will be considered in accordance with the constitution and via the appropriate decision-making forum (Full Council or Cabinet). The Investment Committee will therefore be in abeyance, with the ability to stand up the committee if required.

Cabinet Members will continue to be consulted on property decisions that relate to their specific service areas. The Cabinet Member for Resources will also be consulted for all major property decisions. At a local level, Ward Members will be consulted on specific asset related issues and afforded the opportunity to provide comments as a consultee on delegated authority, ICMD, Cabinet and Council decisions/reports.

APPENDICES

Appendix 1 – Asset Management Plan

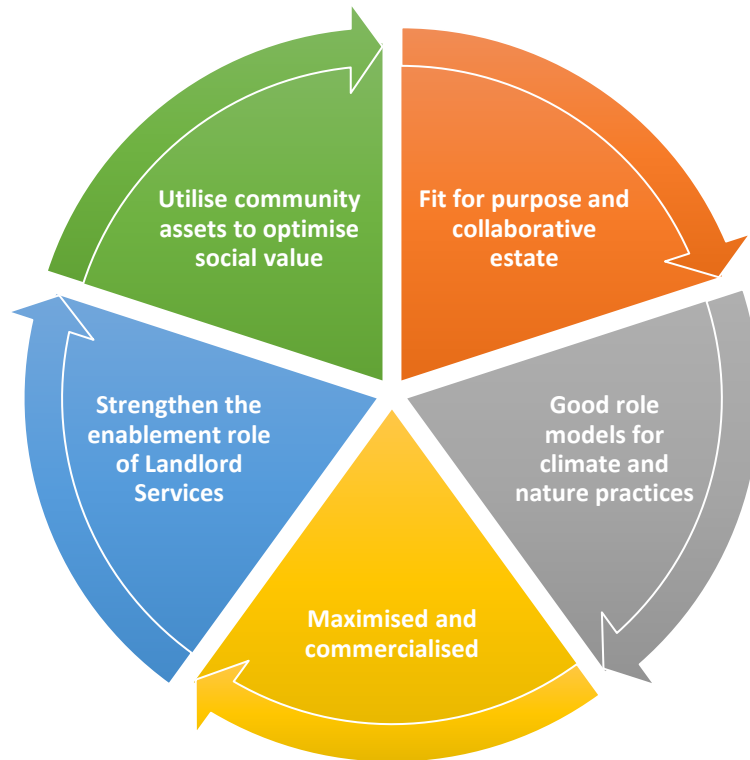


Asset Management Plan



Asset Management Plan

The Asset Management Plan converts the Asset Management Strategy into practice. It is the associated action plan for the duration of the Asset Management Strategy, acknowledging some items will go beyond the strategy period. The following pages contain the actions proposed in accordance with the strategy document. These align to the Asset Management Strategy's key themes.



The Asset Management Plan and its action list will be updated annually to monitor progress of the plan against these core objectives. The RICS define an asset management plans as the deliver plan for property assets, giving details such as timescales for action, outcomes and responsibilities:

Objective – Fit for purpose and collaborative estate						
Action No.	Action/Description	Target	Milestones			
			23/24	24/25	25/26	26/27
1	Undertake service area asset plans to review accommodation needs, and strategic mapping exercise for opportunities to meet unmet demand, cost advantages or resource benefits.	Completion of all directorate reviews by 2026/27.	Depot working group already established. Additional accommodation groups to be created (social care, education, etc.) to inform asset plan formulation.			
2	Provide design and technical support for the proposed relocation of the Pupil Referral Service to the former Mounton House School, Chepstow	Completion of the build by academic year 24/25	Education seeking consent for funding in December 23.			
3	Continued technical support with the development, completion and ongoing maintenance of Severn View Parc Care Home	Completion of build February 2024. Resident transition from Severn View Care Home in March 2024.	On-course for targeted completion date of February 2024.			
4	Renewal of Memorandum of Understanding with Gwent Police	September 2024	Solicitors drafting renewed document. New governance structure to be agreed.			
5	Repurpose vacant agricultural cottage in Llanfair Discoed, to support temporary accommodation.	April 2024 occupation	Report to Cabinet in December 23 for consent to repurpose vacant agricultural properties			
6	RLDP promotion of new depot infrastructure to support grounds, transport and maintenance teams and fleet transformation.	RLDP allocation (2025)	Formulation of working group to provide design and requirement input.			
7	Oversight and technical input into the relocation of Monmouth Museum into Shire Hall.	Feb 2025 development stage conclusion	Architectural design brief and specification for redesign works circulated for comment.			

Objective – Good role models for climate and nature practices						
Action No.	Action/Description	Target	Milestones			
			23/24	24/25	25/26	26/27
8	Ongoing technical and advisory role for the delivery of the 3-19 King Henry VIII School development, Abergavenny	Completion of build by September 2024	Ongoing supporting and advisory role. Construction started.			
9	Re-let vacant farms, with consideration for small scale horticulture opportunities or diversification to contribute to the 'food and drink economy'.	July 2024	Property to be surrendered by April 2024. End of tenancy negotiations ongoing.			
10	Undertake a carbon sequestration exercise, identifying opportunities for planting and biodiversity schemes on redundant or poorly managed land, including woodland.	Ongoing	Exercise underway to identify suitable land parcels. Land in Abergavenny being explored for wildflower/planting community scheme.			
11	Continue promotion of the RLDP Strategic Sites and support the decarbonisation team with the promotion potential renewable development.	Ongoing	Awaiting progress of RLDP and formulation of business case. 'Caldicot East' designs are being formulated in readiness of deposit plan Easter 2024.			
12	Establish tenant communications forum from which increased access to supporting groups and networks can be offered.	Jan 2024	Membership and consent to share details being collated.			
13	Award Allotment Support Grant for 2023/24 works and submit forward work plan for 24/25 bid.	March 2024	MCC allotment sites approached for proposals to access support grant funding.			
14	Continue programme of annual cyclical maintenance, and explore low carbon and energy efficient alternatives at point of repair/replacement.	February 2024	Annual programme of cyclical maintenance under review. Cyclical maintenance procurement framework being renewed.			
15	Undertake county-wide land review for potential cemetery sites, in order to address reducing number of available burial plots in Abergavenny and Monmouth	July 2024	Monmouth Cemetery reopened and changes to plot reservation policy have extended remaining burial years.			

Objective – Maximised and commercialised asset base						
Action No.	Action/Description	Target	Milestones			
			23/24	24/25	25/26	26/27
16	Complete mapping exercise of co-working opportunities through the operational estate , and the creation of incubator space at Castlegate Business Park.	March 2024	Operational asset list to be collated. Meetings required with digital team to explore booking functionality. 'MonSpaces' launched in Nov 23, making available hireable flexible office space at CBP.			
17	Reduce arrears in the investment portfolio and take recovery proceedings where appropriate.	Ongoing	Arrears review ongoing. Monthly progress meetings scheduled with Sundry Debtors.			
18	Complete business rates mitigation for Castlegate Business Park and re-let Unit 6 Newport Leisure Park	Jan 2024	Business rates consultant appointed and site visit undertaken. Marketing strategy implemented and considering offers for vacant space.			
19	Advertise vacant floor spaces at Monmouth Market Hall and Innovation House	Nov 2023	The vacant former OSS and hairdressers are being marketed via the MCC website and expressions of interest invited. Negotiations are ongoing with a flexible office provider regarding occupation of Innovation House.			
20	Explore disposal of non-core farm holdings for generation of capital receipts	Feb 2024	Discussions ongoing with sitting tenants regarding interest to acquire. Cabinet consent required to dispose of any farm holding.			
21	Exercise any lease events (rent reviews and lease renewals) effecting the investment estate.	Ongoing	Schedule of lease events reviewed monthly. Surveyors assigned to exercise reviews and commenced tenant negotiations.			
22	Establish rationalisation strategy and disposal of surplus assets (Severn View Care Home, Portal Road, etc.)	March 2025	Review ongoing for opportunities for rationalisation.			

Objective – Strengthen the enablement role of Landlord Services						
Action No.	Action/Description	Target	Milestones			
			23/24	24/25	25/26	26/27
23	Implement a revised service level agreement (SLA) for educational premises. Explore ability to replicate across other service areas.	March 2024	Draft SLA under review with consideration for overlapping existing agreements, communication to directorates and legal redrafting.			
24	Procure and implement a new asset management system.	April 2024	Data cleanse ongoing to support data transfer onto Sharepoint. Specification agreement and procurement underway.			
25	Continue to support Active Travel in the implementation of links at Kingswood Gate, Monmouth and Ysbyty Fields Abergavenny	February 2024	Negotiations ongoing with respective landowners. Third party support procured to assist with capacity pressures.			
26	Undertake a procurement framework review which assesses the success and value for money of the mechanical, electrical, building and cyclical maintenance frameworks.	April 2025	The cyclical maintenance framework has been tendered and is currently being evaluated prior to award.			
27	Dispose of land at Caldicot Comprehensive School for 100% affordable housing development	March 2024	Planning application submitted. To be considered by planning committee in January 2024. Disposal conditional upon planning consent.			
28	Assist with improvements to the health and safety with training provision to improve understanding of property occupier compliance responsibility.	November 2023	Corporate Health and Safety lead and Property Services Maintenance and Facilities Manager tailoring training to reflect MCC estate.			
29	Assist with the promotion of potential gypsy and traveller sites on MCC land within the Replacement Local Development Plan	December 2023	Site surveys commissioned following Council decision to proceed with consultation on three potential sites on land at Langley Close, Oak Grove Farm and Bradbury Farm.			
30	Support the development of the My Day My Life 'base', in accordance with the recommendations of the independent review.	November 2023	Design works commenced for refurbishment of Overmonnow Family Learning Centre and Melville Centre.			

Objective – Utilise community assets to optimise social value						
Action No.	Action/Description	Target	Milestones			
			23/24	24/25	25/26	26/27
31	Completion and handover of Magor and Undy Community Hub	Sept 2023	Development completed and occupied from September 2023. Ongoing defects period under review and operational matters relating to EV charging.			
32	Undertake negotiations for the lease renewal of Drybridge House, Monmouth	March 2024	Rental calculations shared with tenant. Heads of Terms produced and under consideration.			
33	Review existing community facility leases and award of rental concessionary grant.	Completion of review by April 25	Rental concession review undertaken. Tenants to be contacted for access to trading accounts and clarification on eligibility for claim, in accordance with policy changes.			
34	Enter a lease for the occupation of the Melville Centre, Abergavenny	March 2024	Melville Centre for the Arts committee have secured Architectural Heritage Funding to survey the roof and property. Awaiting findings to conclude lease negotiations.			
35	Advertise and continue to let vacant space at Hanbury House, Chepstow	November 2023	Small ground floor retail space being advertised. Suitable for range of different uses.			
36	Future use of Raglan Old School, Chepstow Road	March 2024	Awaiting correspondence from Diocesan Trust to resolve title transfers. Feasibility study required on alternative use.			

Performance Indicators				
Measures/Milestones	Previous year	Target	Current (23/24)	Comments
Service area measures				
Total income target for the investment portfolio	£1,257,841	£979,698	£1,076,230	Previous year spike in part from Ukrainian Relief Funds
Capital Receipts generated	£7,488,013	£2,642,045 23/24	£2,642,045 forecast	Future receipts subject to rationalisation and RLDP allocations.
No, of affordable homes granted planning consent on MCC land	32	50% AH on all dev sites	46 forecasted	
ROI of Investment Portfolio, as per Asset Investment Policy	-1.55%	2%	0.15%	Target subject to any changes agreed by Investment Committee.
Average DEC Rating of Operational Estate	D (82)	C (51-75)	D (82)	Only for public buildings - annually over 1,000sqm or every 10 years 250sqm.
King Henry VIII 3-19 School development	Completion August 23	Completion Feb 2024	On programme	Delay to Feb 24 associated with potable water and electricity connections.
Severn View Parc Care home development	Completion Feb 24	Completion Feb 24	On programme	Resident transition scheduled March 24
Affordable housing development of land at Caldicot Comprehensive School	July 24	July 24	Aug 24	Forecast planning committee January 24
Design/Maintenance Income Target	£1,102,623	£1,280,081	On budget	On budget as of M5 reporting
Cemeteries net income target	£254,171	£183,041	£246,009	
Industrial units net income target	£214,085	£188,275	£213,535	
County Farms net income target	£242,882	£269,120	£269,578	
% of rental arrears from investment portfolio's total income	6.4%	2%	4.8%	

Risks

The Asset Management Plan (and therefore strategy) are subject to a number of risks which should be quantified to assess impact on delivery. Planned mitigation, where possible, is outlined in the table below. The risks will be reviewed annually in accordance with the Asset Management Plan's review:

Risk	Risk	Impact	Mitigation
The inability to staff the action plan due to capacity constraints, staff retention and succession. High number of departmental vacancies and MCC is subject to a recruitment freeze.	Major	The inability to staff the action plan could result in failure to achieve revenue and capital returns, resulting in reputational and commercial damage. It also presents a service resilience weakness as staff retire and experience and knowledge lost.	Recruit to vacant posts and restructure to tailor to the service demands. Necessity to create pathway for succession and progression. Utilise external expertise to supplement knowledge or capacity gaps.
Market forces impacting tenant's ability to meet lease obligations, resulting in additional voids and loss of income.	Major	Shortfalls in income or additional pressures to the budget forecasting/overspend. Potential for additional vacant space and therefore liability to MCC created.	Strengthen existing tenancy agreements, reducing voids where possible and acknowledging the necessity for incentivised lease terms to secure occupiers.
Reduction in capital values or receipts associated with global market trends, changing sectors or delays to disposal of property.	Medium	Changes to planning policy are likely to impact land values and result in protracted sales processes. Implications of phosphate constraints, TAN15 introduction and limitations on the use of best and most versatile land. The evolution of markets (e.g. consolidation of offices and lack of inward investment) may impact the delivery of economic development aspirations.	Continue to undertake a disposal strategy that best enhances the consideration achievable and prioritise alternative use where liability can be transfer onto a third party.
Reduction in capital maintenance programme or spend freezes impacting the ability to meet capital pressures or deterioration of the estate	High	The portfolio's condition will deteriorate through a lack of appropriate and future proofing investment, frustrating the ability for the asset base to respond to changing service demands.	The planned capital maintenance programme will continue to be reviewed for such that investment is prioritised in those assets that present health and safety risk. The capital and asset management working group will preside over consideration of capital pressures.
Unclear policy and strategic intentions, leading to inconsistency in approach	High	Inconsistent approach to asset management and the implementation of the strategy will result in reputational damage to the authority and abortive works and costs for tenants or interested parties, e.g. in the pursuit of Community Asset Transfer.	Clearly established 'purpose' for the portfolio and strategy, supported by robust governance arrangements and a suite of endorsed policies from which day-to-day management takes place, within a framework Cabinet have agreed.

Appendix 2- Rental Concessionary Policy



Rental Concessionary Policy



Rental Concessionary Policy

The Asset Management Strategy outlines the necessity to maximise and commercialise the portfolio wherever possible. It also acknowledges a need to utilise community assets to optimise social value and outputs. The Rental Concessionary Policy assists with the delivery of social value, outlining the process by which MCC can elect to offer discount on rent payable by a tenant in occupation of property within the portfolio. The following document outlines the eligibility for rental concession, the process by which this is assessed and awarded, and the governance arrangements surrounding ongoing monitoring:

Eligibility for rental concessions

- Rental grant (i.e. a reduction in the rent payable by a tenant) can be applied for by community tenants/occupiers who can demonstrate a tangible social benefit that is derived as a result of their occupation. It is not a concessionary policy available to commercial operations or profit-making organisations.
- Rental grants are only awarded in circumstances where it is evidenced that concession is needed to enable the social outcomes and benefits to be achieved.
- Rental grant can be awarded up to a maximum of 95% of the contracted rent, however it should only be awarded to the minimum amount necessary to ensure continuity of facility and where evidenced as required. The maximum percentage of rental grant awarded under the policy is to be reviewed.
- The concession issued should be quantified and proportional, with due consideration of the financial pressures facing the Council and necessity for good and sustainable management practice.

Applying for rental concessions

- 1) Community tenants (existing or prospective) can apply to the Estates Department for consideration of rental concessions. At the point of application, a full market review of property capital and rental value will be undertaken. This can occur at any lease event (renewal, rent review or new tenancy request). No discount will be reflected in the rental calculation at this stage. The rental for the property will be calculated based on the open market value of the proposed use.
- 2) Applicants will be required to complete a rental grant application, including a business case with justification for the concession. The application will enable review as to whether the tenant has any other source of funding and/or ability to meet the rental obligation.
- 3) Applications will need to include due consideration of the council's Community and Corporate Plan, alignment to the objectives of the Asset Management Strategy and associated policies, and the Well-being of Future Generations Act. Financial evidence, accounts and business plans will be required to substantiate the proposals.
- 4) A financial strategy will be required to demonstrate efforts to reduce the reliance on the grant post-award, and evidence as to how the tenant will meet the repair obligations under the lease agreement, which will primarily transfer the properties repairing and insuring obligations to the occupier. Equally, applicants should demonstrate their ability to meet the utility/running costs of the property.

- 5) "Community leases" will include reasonable break clauses and terms, such that the tenant retains an ability to surrender the property in accordance with the lease in the event the rental concession is no longer available and without financial penalty or onerous obligations.

Rental Concession consideration and award

- 6) The completed information should be made available to the nominated Estates surveyor, who will liaise with colleagues in Finance to assess eligibility. If the evidence provided indicates a rental concession is appropriate, a delegated authority report will be submitted to the Chief Officer for Resources for consideration.
- 7) Rental Concession is permitted under the General Disposal Consent Order (Wales) 2003 and Local Government Act 1972 (Section 123) which permits disposal or occupation of an asset at less than best consideration where the Council considers the agreement to be in the interests of the economic, social and environmental well-being of the area and community it serves.
- 8) Award of the rental grant will be agreed by the Chief Officer for Resources, in consultation with the Head of Finance and Head of Landlord Services, and relevant Cabinet Member. The Head of Landlord Services will hold responsibility for the ongoing monitoring of community asset performance.
- 9) The grant will be awarded for a maximum of 3 years, reviewed annually. Tenants are able to reapply for rental grant within 3 months of the end of the period, at which point step 1 of the application process is recommenced.
- 10) Records of the rental grant award are held by the Finance Department, reviewed annually by the Landlord Services Leadership Team, such that the support afforded to community groups can be reported and acknowledged across financial years.
- 11) Successful applications will be invoiced for their contribution to the element of rental after deduction. Unsuccessful applications or occupiers who fail to comply with the requirements of the policy, will be invoiced in accordance with the market value.

Exceptions

- 12) In certain circumstances, it may be more appropriate that a community group or initiative hire part of a premises (e.g a room in a larger building) rather than occupy a whole property. In these circumstances, the same process would apply albeit the rental and contribution towards running costs should be proportional to the space occupied.
- 13) There remains a necessity for the group to occupy under an appropriate legal arrangement (licence) to clarify the responsibilities of occupier and landlord, and minimise risk to the authority of an unauthorised formal tenancy being created.

Appendix 3 - Community Asset Transfer Policy



Community Asset Transfer Policy



Community Asset Transfer Policy

The Asset Management Strategy and Community & Corporate Plan sets out the ambition to support community empowerment where possible. Community Asset Transfer Policy is a mechanism that enables local authorities to meet this ambition, utilising the powers of the General Disposal Consent Order to transfer ownership and management of buildings in its ownership over to community groups for less than best consideration.

The following document outlines the definition of Community Asset Transfer (CAT), the process by which CAT applications are submitted and considered, the criteria for eligibility and the supporting services associated and applications documented. This policy should be considered in parallel with the Rental Concessionary Policy, which outlines the process by which community groups can seek rental reductions on their tenancy agreements if achieving demonstratable outcomes:

1. What is Community Asset Transfer

Ystadau Cymru's Community Asset Transfer guidance note defines the aims of community asset transfer as "community empowerment by ensuring that land and buildings are retained and operated for public benefit through community management and ownership".

In essence it involves the transfer of the management / ownership of an asset from a public sector body to a community-based organisation e.g. a charity, community interest company or a Town / Community Council. The "transfer" of the asset can be achieved through either a freehold or long leasehold interest.

CAT's provide an opportunity for local authorities to find different ways to deliver local services, concentrating on efficiencies and cost savings over ownership.

2. Who is eligible to make a request for a community asset transfer?

CAT applications can be made by:

- Groups that are appropriately constituted e.g. a registered charity, a community interest company or a charitable incorporated organisation, a not for profit company or a co-operative, or a Town or Community Council within the county boundary of Monmouthshire County Council
- Community initiatives (i.e a community or voluntary sector group with governance arrangements with strong links to the local community).
- The applicant/group must be explicitly for social benefit and members of a community that are able to influence its operation and decision-making process.
- The primary purpose of the organisation must be non-profit making, supported by business plan and track record of service delivery.
- Demonstrate that it has the skills and capacity to effectively deliver services and manage the asset to be transferred.
- Must be able to demonstrate the long-term sustainability of the applicant organisation.

3. In applying for CAT, applicants must:

- Complete the Expression of Interest application form, attached to this policy.
- Demonstrate that they have a clear understanding of the services they wish to deliver, how they will use the asset and improve access to services and facilities
- Evidence alignment to the Council's Community and Corporate Plan.
- A clear, viable and sustainable business plan. The required contents of the business plan are outlined in section 6.
- Evidence as to how they will fund the running and maintenance cost of the asset.
- Demonstrate the demand for the activities proposed, and how they will embrace diversity and work to improve community cohesion.
- Demonstrate tangible economic, environmental or social regeneration they will provide for community benefit as a consequence of the CAT.
- Have a clear management structure demonstrating how the premises will be managed on a day to day basis and consideration for compliance, health and safety and legislative issues will be managed.

4. What assets will be considered for CAT?

MCC retains the right to refuse any application for Community Asset Transfer. The Council will consider expression of interest for assets if:

- The asset is already identified as surplus and available for disposal
- The asset is already occupied by a community or voluntary sector group (as outlined under section 2).
- The asset does not form part of a larger commercial asset (e.g a property within a mixed use or larger asset with development value or potential).
- If the property is vacant, MCC will advertise the opportunity to submit applications for the site, such that all community interest groups are afforded equal opportunity.

Assets forming part of the operational or investment estate will not be considered (e.g residential properties, operational land of statutory undertakers, assets that not assessed to be community facilities, agricultural assets) unless declared surplus to requirements.

In circumstances where an eligible property is identified, MCC will prioritise long leasehold arrangements first and foremost (as an alternative to freehold transfer) when considering CAT applications, as this will enable greater influence on the future use of the building. In circumstances where a freehold transfer is warranted, applicants will need to demonstrate why a freehold transfer is necessary for the success of the project.

5. CAT applications assessment

CAT applications will be assessed based on their individual merit, the cost avoidance and community benefit as a consequence of the transfer. The business plan and associated information (as per section 3) will be assessed on:

- How the need for the proposed transfer and use of the asset has been identified

- Planned outcomes and benefits of the transfer (freehold or long leasehold). Is there a clearly defined purpose and objective of the organisation and how CAT would support these?
- How will the success of the transfer be measured – i.e. what will be different and how will it be measured.
- Finance modelling, including 5 year revenue and capital funding plans. This should be inclusive of rent, rates, utilities, telephone & broadband, insurance, repairs, staffing, refurbishments and building improvements, H&S legislation, access for all, etc.
- Type of transfer sought and why i.e. freehold or long leasehold
- Any sources of finance including grants that the asset transfer will enable. Capacity building and how this will be delivered.
- Scope for collaboration, i.e. are there other community groups that could share the accommodation, or other groups operating in the area this proposal would conflict with? Are there already similar services being provided?
- Details of how the proposed use will be monitored and proposed arrangements in the event that the transfer is not sustainable.
- Risk log

Applicants should reflect on the above criteria prior to applying for CAT. Guidance notes are available on the formulation of the business plan and other considerations for application.

6. CAT Award

CAT applications will be assessed by the Estates Department, who hold primarily responsibility for management of the estate and provide recommendations relating to the disposal or use of property. A fair, transparent and consistent approach to CAT applications will be applied, with the acknowledgement each asset also has its own considerations, assessed against the criteria set out in this policy document. In considering the suitability for CAT, consideration will be given to the assets alternative use and development potential.

Following receipt of the business case, the Estates Department will provide recommendations to the Chief Officer for Resources and the appropriate decision-making function as per the constitution (ICMD, Cabinet, Full Council) for consideration. Officers will engage with the local ward member on applications relating to assets in their ward.

In circumstances where multiple organisations have evidenced an ability to operate via CAT, collaboration will first be encouraged between partners.

Given the obligation on the Council to achieve maximum financial value (i.e best consideration), any transfer will be undertaken on the basis of full market value, however a sale or long leasehold interest can be undertaken at less than best consideration in accordance with the General Disposal Consent Order(Wales) 2003, subject to being satisfied that the sale / lease will result in long term sustainable local social, economic or environmental benefits. Any proposed transfer at less than best price will be subject to an independent valuation. Should a freehold transfer be agreed the legal title will contain a series of clauses designed to safeguard the long term future of the building which will include a restrictive covenant, claw back clause and right of pre-emption.

7. Application process

Sections 1 to 6 of the policy sets out the definition of CAT, the criteria by which a community group can apply and the evidence required to submit a CAT application. The stages associated with the application process are outlined below:

Stage 1 - Expression of interest received for CAT

- Landlord Services' Estates Department will access the property proposed against the eligibility criteria.

Stage 2 - Community group/applicant invited to apply for CAT by submitting application form and business plan

- The formulation of the business plan will be supported by Community colleagues in Communities and Place directorate.

Stage 3 - Evaluation and Council consultation on submission/decision

- Recommendations will be made based on assessment against Sections 4 and 5 of this policy. A recommendation will be made to the Chief Officer for Resources and appropriate decision making body for consideration.

Stage 4 - Decision on proposed transfer

- If its determined the application does not meet the criteria the applicant will be provided feedback.
- If successful, legal will be instructed.

It is acknowledged that not all applications will progress and that many application processes can occur over a number of years. A register will be kept of enquiries and successful CAT's monitored to assess the achievement of the desired outcomes.



Community Asset Transfer – Stage 1 - Expression of Interest

Stage 1 of the application process has been designed to assess whether the application will meet the Council’s eligibility criteria, as set out in the Community Asset Transfer Policy. All of the information below is required to assess the suitability of the applicant and property for Community Asset Transfer.

Applicants that meet the Council’s suitability criteria will be invited to progress to Stage 2 of the application process, and submit a formal business plan and supporting evidence to support consideration of the application.

It should be noted that completion and submission of Stage 1 form does not guarantee or bind the Council to progress to Stage 2 of the CAT application process.

1. Please provide details of the organisation making the application

Name of Organisation:	
Address of Organisation	
Contact Name:	
Position:	
Telephone Number:	
Email Address	
Date:	

2. Type of organisation

What types of organisation are you e.g. registered charity, CIC?	
Do you have a formal constitution, governance document or set of rules?	

If you are not currently established please outline the type of organisation you are considering establishing – registered charity, company limited by guarantee?	

3. What is the structure and purpose of your voluntary or community organisation? (If you are not established and set up at the moment please indicate what you think the structure will be)

How many people are involved in your organisation?	Management Committee	
	Full Time Employees	
	Part Time Employees	
	Volunteers	
When was the organisation established?		
What is the purpose and main activities of your organisation?		
Does your organisation have experience of managing an asset? If yes please provide details		

4. Please tell us about the asset (land or buildings) you are interested in?

Name and address of asset	
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If this is a speculative application please provide details of the type of asset and location required	
Type of transfer you are interested in including level of discount and proposed length of lease Lease or freehold transfer?	

5. Please tell us about the proposed use of the asset
(please continue on a separate sheet if required but no more than one side of A4)

What do you want the asset for?	
What benefits will this bring to the organisation, the local community and the Council?	

7. Please tell us about any partners, collaborators and stakeholders

<p>If you are proposing any arrangements with public sector or other third sector partners please provide details.</p> <p>Summary of any community consultation undertaken regarding the proposal</p>	
<p>If this application is in respect of an asset with existing users, please provide written evidence from them that they are aware of this application</p>	

8. Finance

<p>Is there any finance/ funding in place to support the application?</p>	
<p>Have you (or any partners) experienced any financial or legal issues which could impact on the operation of the facility e.g. bankruptcy, county court judgements, legal disputes or similar?</p>	

The Council reserves the right to check the accuracy of the information submitted within the Authority and with other agencies:

Please return the completed form to:

Estates Department, Monmouthshire County Council

Email: estates@monmouthshire.gov.uk

Appendix 4 - Disposal Policy



Disposal Policy



Disposal Policy

The Asset Management Strategy acknowledges a need for assets to achieve a range of objectives. In circumstances where properties are considered to not meet these objectives, have alternative development potential or can be rationalised to unlock capital receipts, the Council's Disposal Policy can be exercised to support the disposal of surplus assets. The following policy establishes the criteria by which disposals are undertaken, the protocol and relevant legislative requirements.

Introduction

To enable a consistent approach to the disposal of surplus land and property, the Disposal policy clarifies the circumstances within which the council will achieve its objectives and requirements for best consideration, whilst supporting the Council's objectives as per the Community & Corporate Plan and Asset Management Strategy.

The following policy sets out the core principles to be applied when disposing of property. Whilst a consistent approach will be taken wherever possible, it is acknowledged that each asset should be assessed on its own merits and disposal undertaken in accordance with that portfolio and circumstances.

Legal Background

When disposing of property assets, the Council is obliged via S123(2) of the Local Government Act 1972 not to dispose of land for a consideration less than the best that may reasonably be obtained.

Best consideration is defined as the amount that would be received for a disposal of a property where the principal aim of is to maximise the value of the receipt.

The General Disposal Consent Order 2003 (Wales) gives LAs the ability to sell an asset for less than best consideration where the reduction in value is £2,000,000 or less and the authority considers that the disposal is in the interests of the economic, social or environmental wellbeing of the whole or any part of its area or any or all person's resident or present in the area. When disposing of land, the General Disposal Consent Order should only be accessed when subject to clear justification, evidenced through the required delegated authority report or decision-making body.

Disposal Protocol

Should an internal occupier of MCC property determine that an asset is no longer required for their service, the Chief Officer of the occupying service area should liaise with the responsible Cabinet member to declare the asset "surplus".

Consultation should be undertaken with the Estates Department in Landlord Services, who will seek to determine whether any alternative internal use is required (e.g. other services or occupiers). Representations to occupy property should be made to the Capital and Accommodation Working Groups (as per the 'Processes' section of the Asset Management Strategy).

In circumstances where an asset has been determined to be surplus to requirements and not have a justifiable internal need, assets may be disposed of in accordance with this policy. Option appraisals will be produced to inform any assessment of need and use where multiple have been identified.

Declaring an asset surplus to requirement will require Cabinet approval, whereupon the management of the asset will transfer to the Estates team. Associated holding costs (utilities, rates, disposal costs) should be secured as part of the Cabinet decision process.

Disposal of an Asset

The Council is obliged via S123(2) of the Local Government Act 1972 not to dispose of land for a consideration less than the best that may reasonably be obtained. In circumstances where a property has been declared surplus and is to be disposed of, the asset should be added to the capital receipt forecast.

The disposal of assets is managed by the Estates Development Team.

Community groups will be afforded the opportunity to bid for property, however it should be noted that the eligibility and justification for occupying an asset (freehold transfer or long leasehold) will be considered in accordance with the Community Asset Transfer policy. Ward members should be contacted prior to marketing of the site, such that local community groups can be notified where interest exists, or local intel considered.

Wherever possible, disposals should be advertised on the open market and on terms that will result in best consideration. Obligations included within sales contracts should reflect the council's policy objectives and pursue opportunities to enhance social outputs.

The Estates Development Team will seek to include restrictive covenants and overages in terms of sale, such to protect the council's interest and intended use at the point of sale.

Disposals can be undertaken to facilitate a range of activities, including residential and commercial development, low carbon or net zero development, provision of services normally undertaken by the council, tackling local social issues, environmental enhancements, reducing fuel poverty, support local economic base, facilitating inward investment, etc.

The need to seek best consideration however has to be measured against wider social needs. Decisions to declare assets surplus should be supported by a robust options appraisal, such that consideration can be given on balance and with an acknowledgement of the alternative means by which the Council can reduce its operational costs and liabilities.

The Estates Development Team will provide recommendations to the authority on the best alternative use of the asset or development potential. In circumstances where the disposal is considered specialist or requiring broader marketing, external agents can be accessed to facilitate the disposal.

Officers should seek to enhance the value of assets wherever possible, including the commissioning of surveys and securing planning consent wherever possible to reduce the development risk and uncertainty for prospective purchasers, thereby increasing the capital value.