Order of Business 8.2

Paul Warren
Chair of Cardiff Partnership Scrutiny Panel
c/o Cardiff Council Scrutiny Services
Room 243
County Hall
CF10 4UW

4th March 2014

Dear Paul

Cardiff Partnership Scrutiny Panel - Public Sector Asset Management (PSAM)

Thank you for the Panel’s scrutiny report, detailing key findings and recommendations of the meeting held on 23rd of September. The effective management of public sector assets forms an important part of our collaboration agenda and this letter provides the Cardiff Partnership’s response to the Scrutiny Panel’s recommendations below:

R1 CPB partner organisations work towards a shared and explicit understanding across all partners about how much of a priority PSAM is to the CPB.

Partners in Cardiff have already committed to exploring the potential for collaboration in the use, management and development of the property estate. The work was initially supported through Welsh Governments’ Invest-to-Save programme and was endorsed by the National Asset Working Group.

The overall aim is to reduce operating costs, provide capital investment to refurbish and modernise the estate and consider how services could be delivered more effectively within our current assets.

The scale of the financial challenge facing all partners has brought the need to identify savings and efficiencies into sharp focus. Already, as part of the 2014/15 budget process, discussions between partners have centred on more effective use of key assets.

A recent example of how assets have been better utilised in the city is the creation of community hubs. The hubs co-locate several different services, such as libraries and housing advice, along with partner agencies or voluntary organisations. As a result of co-locating services in the Llanrumney Hub it has been possible to close the Llanrumney Housing Office - releasing savings on operating costs that have been reinvested in the hub services and ensuring sustainable delivery of joined up services in the community. Each hubs offers services tailored to local need.

Following a successful pilot of community hubs in areas such as Llanrumney, St Mellons and Butetown a number of new hubs are proposed in areas such as Ely, Splott and Maelfa. These
proposed hubs allow us the opportunity to co-locate services and potentially rationalise assets and make savings on operating costs in each area. This highlights some of the good work being done to join up services and make better use of our assets and is an approach that we can take forward in other areas and widen to include further partners.

Given the financial position across the board however, there is a clear need to build on this work and develop a strategic approach to PSAM in Cardiff for the medium to long term whilst also identifying immediate priorities for delivery.

The structures are in place and all partners accept the need to accelerate the pace of the work.

R 2 The CPB commit to produce a Public Sector Asset Management Strategy.

The Cardiff Partnership Board is committed to developing a Public Sector Asset Management Strategy. Already work had been undertaken to inform the development of the strategy, with key milestones including:

- Individual organisations reviewing their internal land and property assets (i.e. Cardiff Council’s Review of Community Buildings and Office Buildings, Cardiff Council undertaking audits to determine energy saving and cost saving potential of buildings)
- Baseline information collated about Public Sector Assets
- Assets geo-mapped across Cardiff
- A multi-agency workshop held in November 2013 to progress the CPB’s aspiration for further collaboration between public sector bodies in the use and management of property.

Taken together, partners in Cardiff are well positioned to drive forward this strategy.

R 3 Clear timescales and milestones are established by the CPB for the completion of a Public Sector Asset Management Strategy.

The Cardiff Partnership Board recognises the need for a Public Sector Asset Management Strategy. The responsibility for developing the Strategy has been given to the Director of Economic Development, Cardiff Council, who has undertaken a body of work to deliver this.

Given the clear need for the strategy the CPB will write to the project lead and request a publication date, with implementation milestones for delivery. We will share this with the Partnership Scrutiny Committee as soon as it is received.

R 4 That any PSAM strategy should complement (and not await results of) the alignment of service delivery plans.

The aims of the strategy are to identify and inform collaborative opportunities around public assets whilst maximising the efficient use of property. A key part of this will involve ensuring that our use of assets are aligned with joint service delivery plans and are flexible enough to accommodate changing need over time.
A successful PSAM strategy, however, will be reflective of other important drivers such as the Local Development Plan (which sets out how the city will accommodate growth), Neighbourhood Partnership Action Plans (which set out priorities for each neighbourhood) and the wider economic vision for Cardiff. These factors will shape the development of the PSAM strategy, however the strategy needs to have the flexibility to respond to immediate challenges and opportunities as they arise. Again, given the current financial situation and the instances of fairly immediate budget contractions, the ability to use our assets to develop effective and cost efficient solutions to service delivery challenges will be more important than ever.

**R 5** The PSAM strategy should help to guide the process of service delivery and provide clear guidelines for the community approach that is being undertaken, as in the case of Worcester.

Worcester is a best practice example of what can be achieved through a joined up strategic approach with appropriate resource. The processes and ideas implemented in Worcester are comparable to those proposed and required in Cardiff. There are a variety of challenges Cardiff will need to overcome to establish such a model. Nevertheless a draft proposal can be created for the purposes of articulating the vision and seeking a corporate consensus.

**R 6** The current database of partners’ assets be made available to all partners in an accessible format, which can be easily interrogated by any partner organisation wishing to explore potential collaborative projects in their area.

Baseline information about Public Sector Assets has been collated and the assets themselves geo-mapped across Cardiff. This information will be presented by Neighbourhood Partnership area and uploaded on to the partnership website.

Moving forward, a more accessible on-line function will be made available to search for and examine the partnership assets pool. It should be noted that E-Pims is currently available to all partnering public sector organisations and this system can be used to extract data as required. This system provided the information on assets to shape the November workshop. This represents the best platform for multi-partner data sharing given current resources but will require agreement from all partners. Moving forward, better asset mapping, data management and the regular updating of uploaded data will be key to making the database relevant and useful. These issues will inform our approach to resourcing the PSAM Strategy.

**R 7** The CPB commit to providing resources to create and implement a PSAM strategy.

Members of the CPB have already contributed staff time to inform the development of the PSAM. This is evidenced by the broad cross section of organisations represented at the Asset Management workshop held in November 2013.

**R 8** All partners commit to their involvement in the process of creating a PSAM strategy, even if this has to be in phased, developmental way.

A number of organisations have already committed to developing this agenda, as evidenced by their involvement Cardiff City Collaborative Property Assets Management Initiative.
These have included:

- Cardiff Council;
- Welsh Government;
- Cardiff and Vale University Health Board;
- South Wales Police;
- Cardiff University;
- Velindre NHS Trust;
- Welsh Ambulance NHS Trust;
- University of Glamorgan;
- South Wales Fire and Rescue Service;
- Cardiff Metropolitan University;
- Cardiff Third Sector Council (C3SC); and
- Housing Associations
- Communities First Clusters

The CPB will ask for a renewed commitment from all members at its next meeting.

R 9 CPB public sector partners commit their expertise to assist the third sector throughout the PSAM process.

The CPB will use The Third Sector Partnership Planning Group (which was established to consolidate and improves the strategic working relationships between Cardiff’s Third Sector, Cardiff Council and the Cardiff and Vale University Health Board) as an appropriate body for considering any strategic support required by the third sector to progress PSAM. PSAM will therefore be an agenda item for the next meeting and any specific issues will be addressed via a working group, and fed into the CPB.

R 10 Current barriers to the creation of a PSAM strategy be identified and an action plan put in place on what will be done to address them.

This recommendation is not supported by the CPB.

Given the pressure on resources, the CPB believe that officer time would be better spent actually developing the PSAM and working through barriers and constraints as part of the process of developing the strategy.

R 11 Clear roles and responsibility are identified for the Asset Management Board, the CPB and all the individual partners involved.

Responsibility for developing the PSAM will rest with the Director of Economic Development, Cardiff Council. A lead member will also be identified by each CPB partner to attend the Council’s existing Asset Management Strategic Group.
R 12  Clear lines of communication for all partners relating to the PSAM strategy be identified.

Periodic updates will be sent to all partners, and progress reported to the CPB to ensure satisfactory delivery. In line with R3, those required to contribute towards meeting the agreed milestones must evidence action, which will include clear lines of communication

R 13  A specific target for the savings that can be achieved be identified and promoted to help partner organisations plan their way through current financial and economic pressures.

As demonstrated by the recent budget consultation undertaken by the Council, there are already savings targets which have been identified as a result of proposals to jointly deliver services in a different way going forward. This will be further developed as a result of the ongoing implementation of the Hub Programme and which will continue to jointly plan provision with partner organisations.

R 14  PSAM and the development of a PSAM strategy be a priority workstream of the most suitable CPB partnership programme to ensure lines of responsibility and clarity of reporting mechanisms.

The Director of Economic Development will extend membership of the Council’s Asset Management Strategic Group to include appropriate representatives from partner organisations. As is currently the case, this work will be reported to the CPB via the Neighbourhood Partnerships Programme Board.

I hope that provides you with sufficient information to update you on the CPB’s position in relation to the recommendations but should you require any further information, please do not hesitate to contact the Partnership Secretariat.

Yours sincerely

Paul Orders
Chief Executive of Cardiff Council and Chair of the Cardiff Partnership Board

Cc Members of the CPB