

Neath Port Talbot County Borough Council Property Performance Report 2013



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1. INTRODUCTION – The Purpose of a Property Performance Report

The Corporate Property Asset Management Plan sets out the strategic vision for the management of the Council's property portfolio up to 2016.

The Property Performance Report is produced annually and outlines, as set out below, a range of property performance data, the issues that face the Council in respect of its Property Portfolio and the Action Plan to address these issues.

Performance Indicators – these are the range of key performance indicators (kpi's) that are submitted to the Data Unit Wales to enable comparison on an all- Wales basis. When considering the data it should be recognised that the comparisons are for indication purposes only and acknowledge the difficulties that many councils have in collating the required information.

Performance Criteria – to ensure there is robust property data available to inform the decision making process the council has undertaken comprehensive assessments of all its properties on a rolling programme basis. The condition data is backed up by assessment of sufficient and suitability and energy performance. The collection of these latter data sets is ongoing with the new property groups being added on a continual basis.

Asset management Issues – recent years have witnessed significant changes in the delivery of public sector services and property has had to respond to these pressures. The current financial difficulties have exacerbated these challenges.

Action Plan – whilst the Strategic direction for property is set out in the Corporate Asset Management Plan, the annual 'Action Plan' within this document enables the Council to respond to changing financial, legislative and service delivery pressures.

Achievements - these are included to track how effective the Action Plan has been in terms of delivery.

2. PERFORMANCE INDICATORS

2.1 Background

The Council collects a range of asset management performance indicator data in respect of its building stock and submits it to the Data Unit for Wales, who gather and analyze similar data from all Councils across Wales.

CAM001(a) (Corporate Asset Management 001) provides an indication of the current condition of a Council's buildings, by stating what percentage of the gross internal area, i.e. the floor space of its buildings, falls into the following categories:-

- A. Good – performing as intended and operating efficiently.
- B. Satisfactory – performing as intended, but showing minor deterioration.
- C. Poor – showing major defects and/or not operating as intended.
- D. Bad – life expired and/or serious risk of imminent failure.

The buildings are assessed and rated by the Council's Asset Management Surveyor with updated information provided to the Data Unit on an annual basis.

The Council has more than 1,300 buildings on over 360 sites. It is not possible therefore, with existing resources, to survey each building every year. The intention is to visit each building within a four to five year period.

This schedule is dependant upon the Council's work programme with recent efforts being concentrated on the schools and Social Services properties.

The surveys undertaken also set out the cost of the works that are required at each building. The required works are then split into three categories.



Priority Level 1 – Urgent Works

These are works that will prevent immediate closure of the premises and/or address an immediate risk to the health and safety of the occupants and/or remedy a serious breach of legislation.

Priority Level 2 – Essential Works

These are works that are required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation.

Priority Level 3 – Desirable Works

These are works required within three to five years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of the occupants and/or a minor breach of the legislation.

As with CAM001(a) this information is submitted to the Data Unit on an annual basis with the results being provided to each Council.

2.2 Data Unit Submission for 2012 / 2013

Reference	Indicator	Data Item(s)	2011-12	2012-13
CAM/001ai	The percentage of the gross internal area of the local authority's buildings in condition category A - Good	The amount of GIA in condition category A (m2)	32,601.40	26,976.01
		The total amount of GIA in all the local authority's buildings (m2)	389,325.19	380,442.1
		PI Value	8.26	7.09
CAM/001aii	The percentage of the gross internal area of the local authority's buildings in condition category B - Satisfactory	The amount of GIA in condition category B (m2)	154,946.20	133,061.70
		The total amount of GIA in all the local authority's buildings (m2)	389,325.19	380,442.10
		PI Value	39.27	34.98
CAM/001aiii	The percentage of the gross internal area of the local authority's buildings in condition category C - Poor	The amount of GIA in condition category C (m2)	159,630.13	175,818.38
		The total amount of GIA in all the local authority's buildings (m2)	389,325.19	380,442.10
		PI Value	40.46	46.21
CAM/001aiv	The percentage of the gross internal area of the local authority's buildings in condition category D - Bad	The amount of GIA in condition category D (m2)	42,147.46	44,586.01
		The total amount of GIA in all the local authority's buildings (m2)	389,325.19	380,442.10
		PI Value	10.68	11.72
CAM/001bi	The percentage of the total value of required maintenance for the local authority's buildings assigned to works of priority level 1 - Urgent	The value of required maintenance for works of priority level 1	31,310,400.00	32,129,296.61
		The total value of required maintenance for the year	148,099,040.00	165,635,594.25
		PI Value	21.14	19.4
CAM/001bii	The percentage of the total value of required maintenance for the local authority's buildings assigned to works of priority level 2 - Essential	The value of required maintenance for works of priority level 2	84,597,905.00	99,179,402.33
		The total value of required maintenance for the year	148,099,040.00	165,635,594.25
		PI Value	57.12	59.88
CAM/001biii	The percentage of the total value of required maintenance for the local authority's buildings assigned to works of priority level 3 - Desirable	The value of required maintenance for works of priority level 3	32,190,735.00	34,326,895.31
		The total value of required maintenance for the year	148,099,040.00	165,635,594.25
		PI Value	21.74	20.72

2.3 Commentary on KPI's

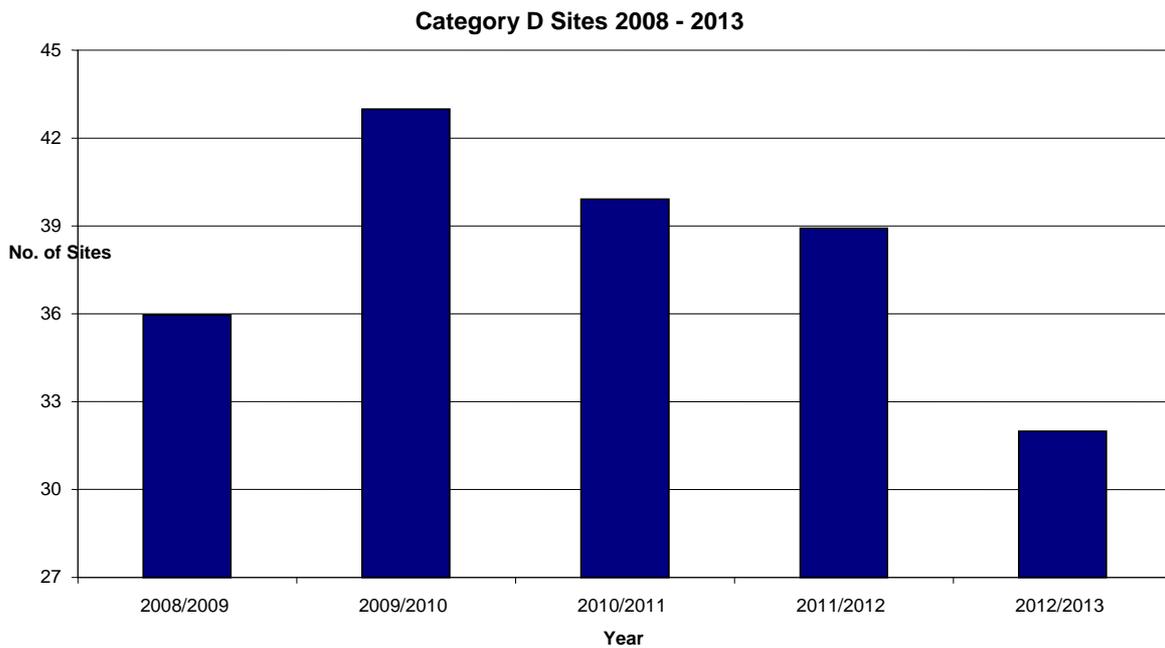


The data collected from the comprehensive programme of condition assessments accurately provides the current position of the portfolio's condition and maintenance liabilities. As this information is used as a key element of the asset management decision

making process, it is imperative that the collection and interpretation process is analysed and continuously reviewed.

A number of the performance indicators reported this year show a variation of 5% from the previous year. The 2012/2013 reported figures are a reflection of a more robust data collection process and the ongoing refinement of the classification of buildings. They are an accurate position statement of the current state of the Council's building portfolio.

In considering the all-Wales benchmarking data, it should be noted that there are issues with the interpretation of the guidance for the collection of the data.



The Council is endeavouring to remove all properties from Category D, those which are in very bad condition and require significant investment to bring them up to a satisfactory standard. In the main, this will be achieved by replacing the facility with a new building or by alternative means of service provision that renders the building surplus. In special circumstances a refurbishment project may be considered.

It is a concern that, with the limited maintenance budget currently available, there are likely to be more buildings 'slipping down' into the C and D categories. In addition, with the reduced capital funding available, there will be less opportunity to replace buildings that are beyond economic repair.

The following table sets out the proposals for 26 of the 32 buildings that are currently classified as condition 'D'.

The action within the 2011-13 Action Plan to 'have proposals to replace or refurbish all Category D properties within 5 years' is therefore on target.

The table below sets out the properties that are currently classified as 'D' and the proposals for dealing with them:

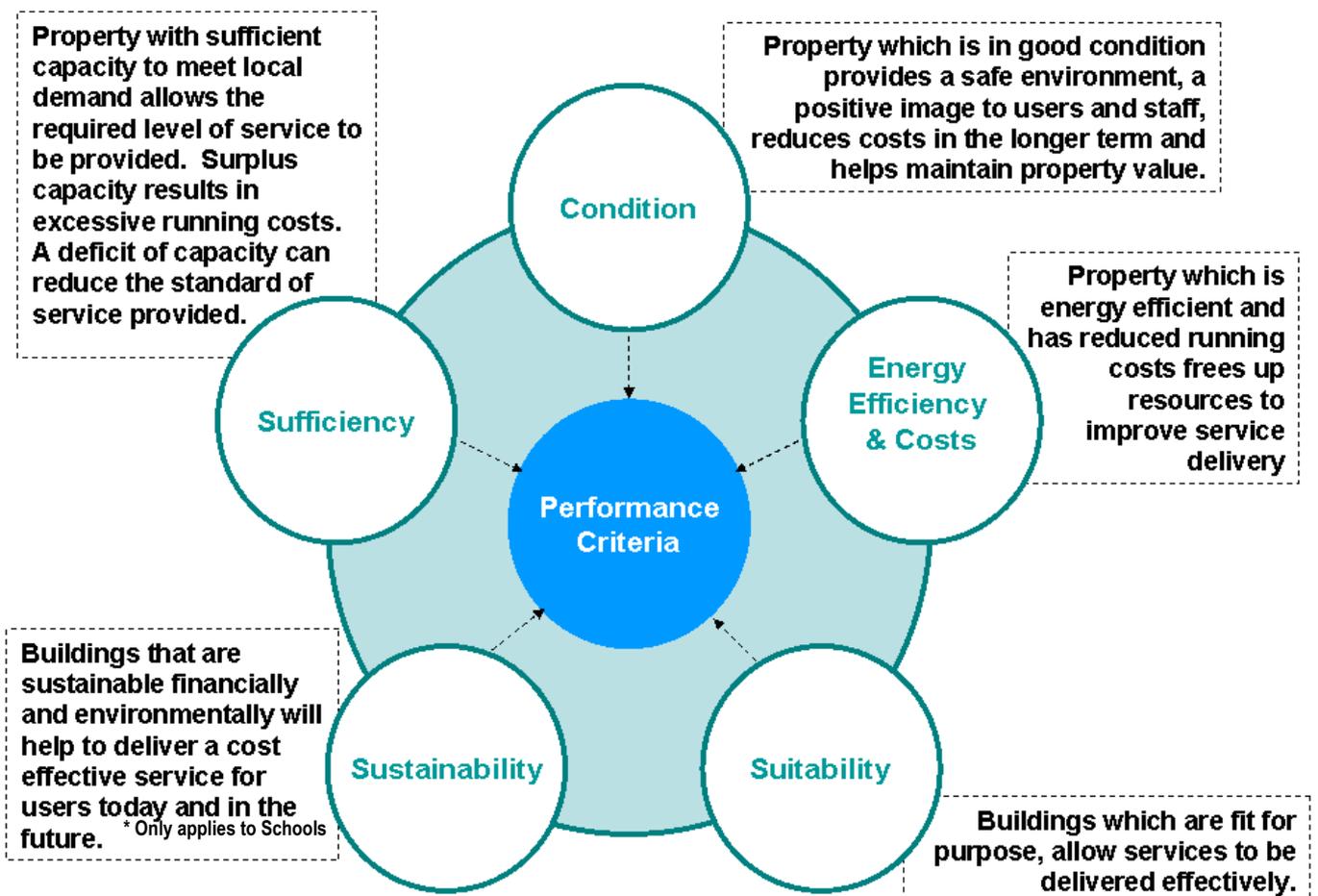
The council's 'D' Category Properties

Name	Proposal
Neath Multi Storey Car Park	To be demolished as part of Town Centre re-development
Croeserw Community Centre	To be demolished once new Croeserw Community Enterprise Centre opens.
Bryn Siriol Senior Citizens Community Centre	Vacant and available for sale/to let
Cwm Bedd Cemetery / Giants Grave Cemetery	No current proposal
Cwmgors Village Workshops	Income generating
Glyncorwg Village Workshops	Income generating
Plot 18B Green Park Industrial Estate	Demolished
Plot 14 Green Park Industrial Estate	Demolished
Plot 8A Green Park Industrial Estate	Demolished
Blaengwynfi Social Centre	25YR Lease until 2038
Library Resource Centre	Alternative premises to be identified
Taibach Library	Subject to Library Review
Blaengwynfi Recreation Park	To be assessed
Glantawe Riverside Park	Vacant and available for sale/to let
Maerdy Playing Fields	To be assessed
Commercial Road Public Convenience	To be demolished

Disused Bryn Public Convenience	Vacant and available for sale/to let
Disused Cwmllynfell Public Convenience	To be demolished
Disused Jersey Public Convenience	Demolished
Disused Ystalyfera Public Convenience	To be demolished
Dwr Y Felin Lower Comprehensive School	Negotiation ongoing for disposal
Glanymor Primary School	To Be demolished on completion of the new Awel Y Mor Primary School
St Joseph's Comprehensive School	Proposal to re-build as part of the Council's 21 st Century Schools programme
Ysgol Gyfun Ystalyfera	Proposal to re-build as part of the Council's 21 st Century Schools programme
Bryndulais Avenue Depot	Legal formalities for disposal on going
Former Fire Station Water Street	Vacant and available for sale/to let – Subject of recent Big Lottery bid
Site of Bethlehem Road Depot	Legal formalities for disposal on going
Canolfan Sheltered Housing	Demolished
Caretakers House GCG	Vacant – Restrictive covenant affecting title
Former Ty Afan Secondary Centre	Legal Formalities for disposal on going
Library house adjacent to existing Briton Ferry Library	Vacant attached to Library
Port Talbot Arts Centre	Legal formalities for disposal on going

3. PERFORMANCE CRITERIA

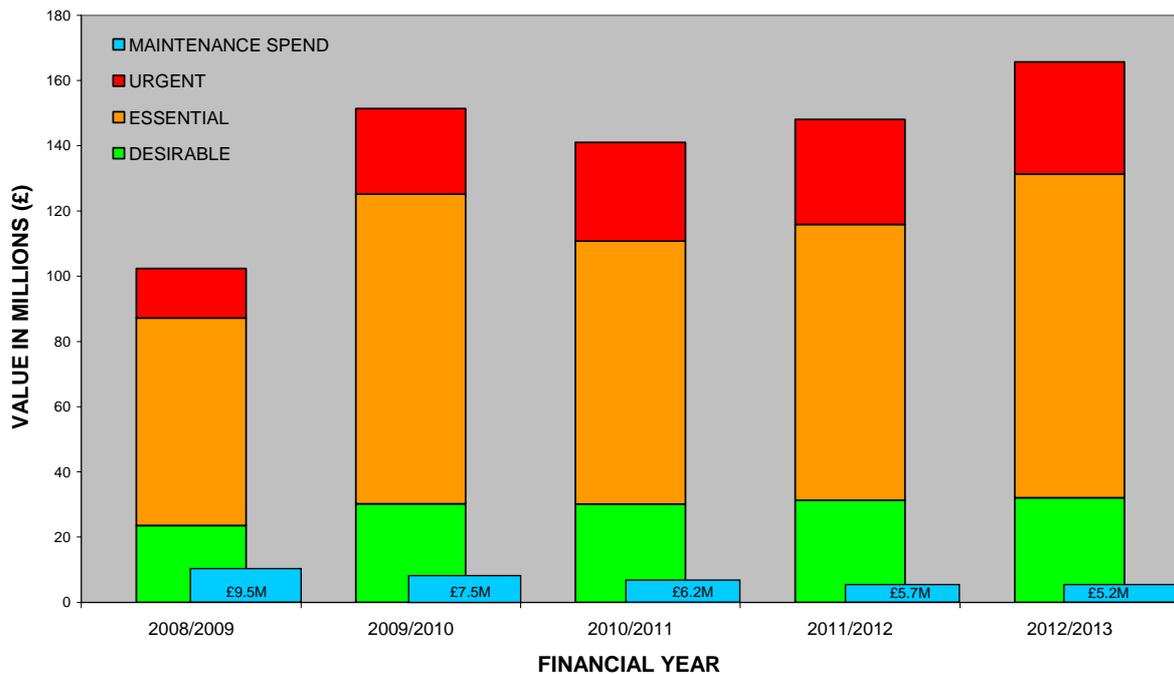
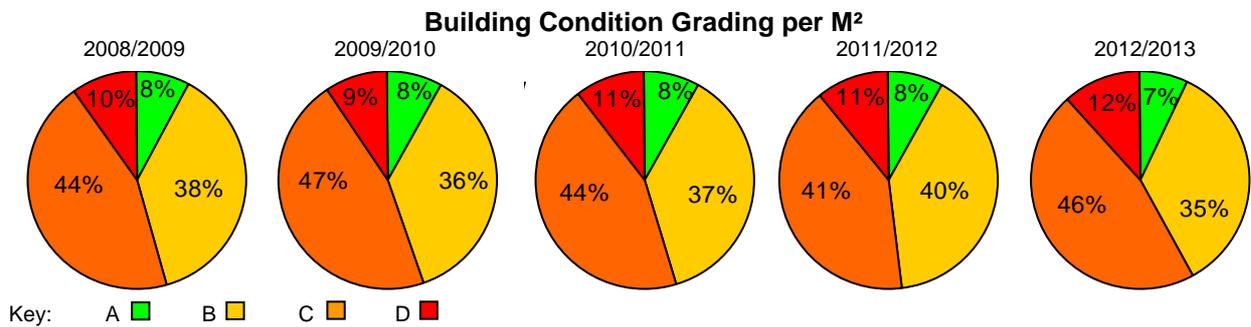
Each property surveyed is given a grading for each category depending on how well it performs. As more information is made available more of the criteria will apply to each building type. The Categories used are the following:



3.1 Condition.

The Council has over 1300 buildings across more than 360 sites throughout the County Borough. The condition of the buildings can vary significantly not only between different sites but also between individual buildings within the same site.

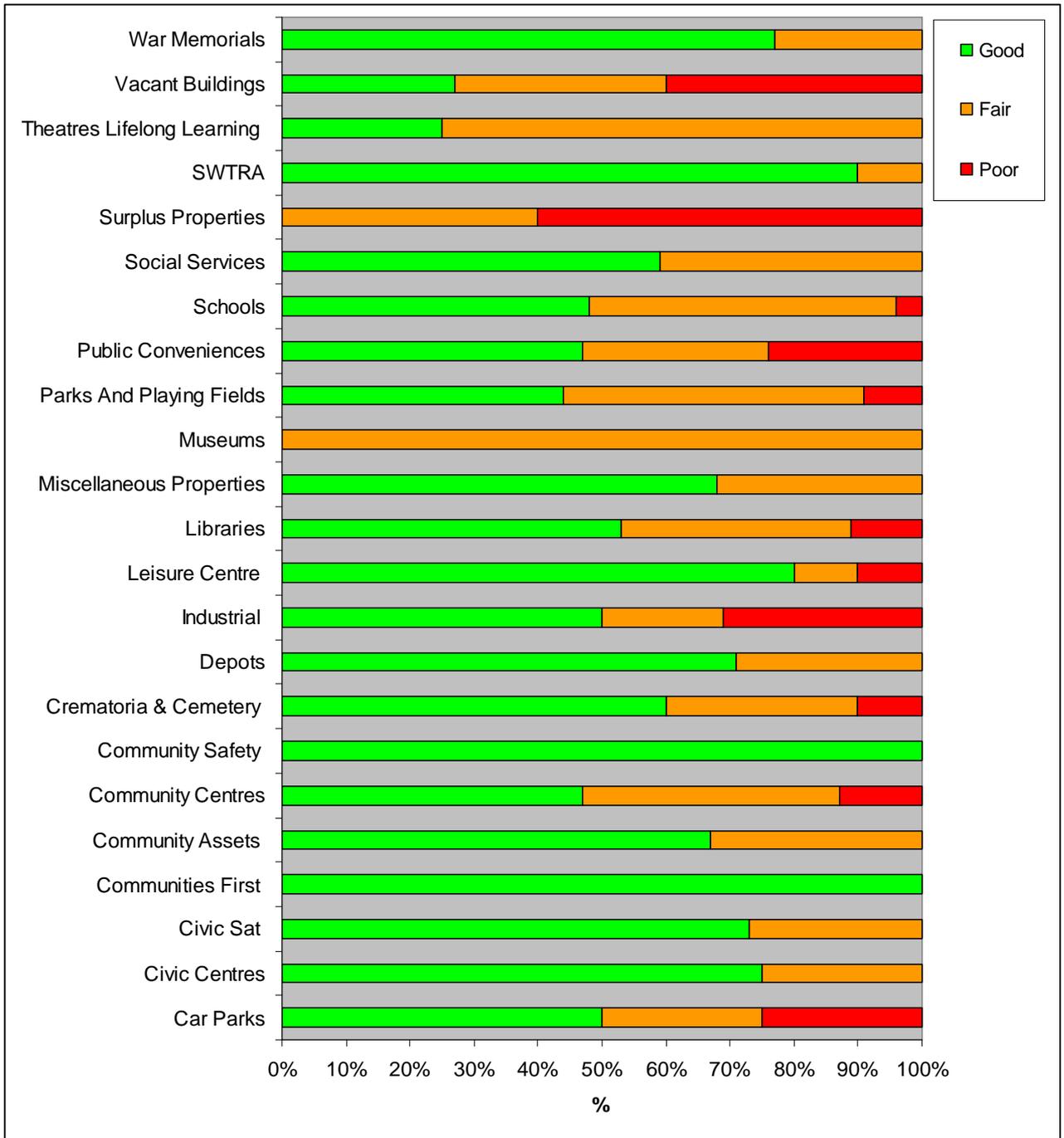
As noted previously the Council's aim is to have proposals to vacate or refurbish all category D properties within five years. It is acknowledged, however, that some of those properties at the lower end of category C may also require considerable investment.



The chart below shows the condition of the Council building's in terms of the Number of Properties for each property category.

Traffic Light Definition	% Of number of properties that require only revenue expenditure to enable the service to be delivered to a satisfactory level.	% Of number of properties that require moderate levels of investment to enable the services to be delivered to a satisfactory level	% Of number of properties that Requires Significant investment or releasing to enable the services to be delivered to a satisfactory level.
Category	Good	Fair	Poor
Car Parks	50 %	25 %	25 %
Civic Centres	75 %	25 %	0 %
Civic Sat	73 %	27 %	0 %
Communities First	100 %	0 %	0 %
Community Assets	67 %	33 %	0 %
Community Centres	47 %	40 %	13 %
Community Safety	100 %	0 %	0 %
Crematoria & Cemetery	60 %	30 %	10 %
Depots	71 %	29 %	0 %
Industrial	50 %	19 %	31 %
Leisure Centre	80 %	10 %	10 %
Libraries	53 %	36 %	11 %
Miscellaneous Properties	68 %	32 %	0 %
Museums	0 %	100 %	0 %
Parks And Playing Fields	44 %	47 %	9 %
Public Conveniences	47 %	29 %	24 %
Schools	48 %	48 %	4 %
Social Services	59 %	41 %	0 %
Surplus Properties	0 %	40 %	60 %
SWTRA	90 %	10 %	0 %
Theatres Lifelong Learning	25 %	75 %	0 %
Vacant Buildings	27 %	33 %	40 %
War Memorials	77 %	23 %	0 %

The bar chart below provides an illustration of the condition of the Council's buildings in terms of the number of properties in each property category.



3.2 Energy/Carbon & Water Management

The Authority's expenditure on energy & water for 2012/13 was approximately £3.5M (Electricity £1.6M, Gas £1.4M and £0.5m Water) for operational buildings (exclusive of Street Lighting) under its management control. The following activities are currently being worked upon by the Energy Section to negate and reduce energy consumption and consequential costs of its operational buildings and their additional energy/carbon related statutory obligations:

- Ensure compliance to Carbon Reduction Commitment/ Energy Efficiency Scheme (CRC/EES)
- Implementation of schools water management programme
- Invest to Save Projects: Installation of a Photo Voltaic Array at The Quays, also evaluating other potential viable energy/carbon related projects with acceptable payback periods within civic buildings
- Management and production of Display Energy Certificates (DECS) for the Authority ensuring statutory compliance
- Facilitating assessment of Photo Voltaic arrays on suitable operational buildings within the Authority
- Develop and enhancement of the energy management database
- Energy/carbon & water performance review of The Quays building

Over the coming year the Energy Section plan to undertake the proposed activities listed below:

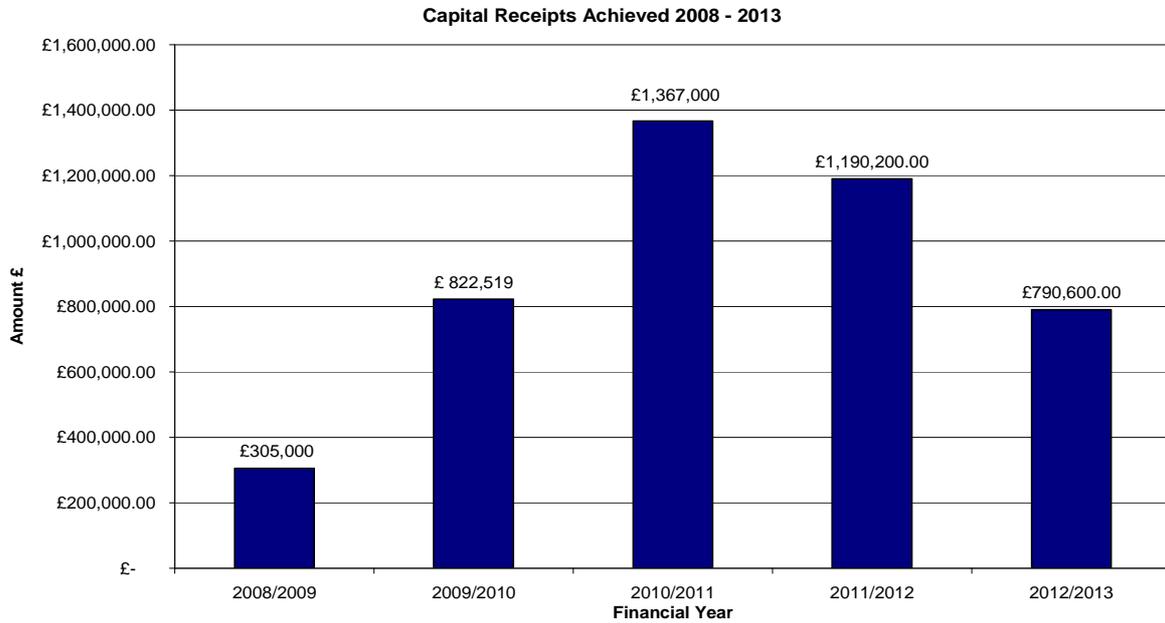
- Individual energy/carbon & water performance report
- Write and implement a strategic energy/carbon & water policy, this will be achieved via a staged approach:

- a) Energy, Carbon and Water Policy Statement
- b) Energy, Carbon and Water Policy Document
- c) Energy, Carbon and Water Strategy Programme

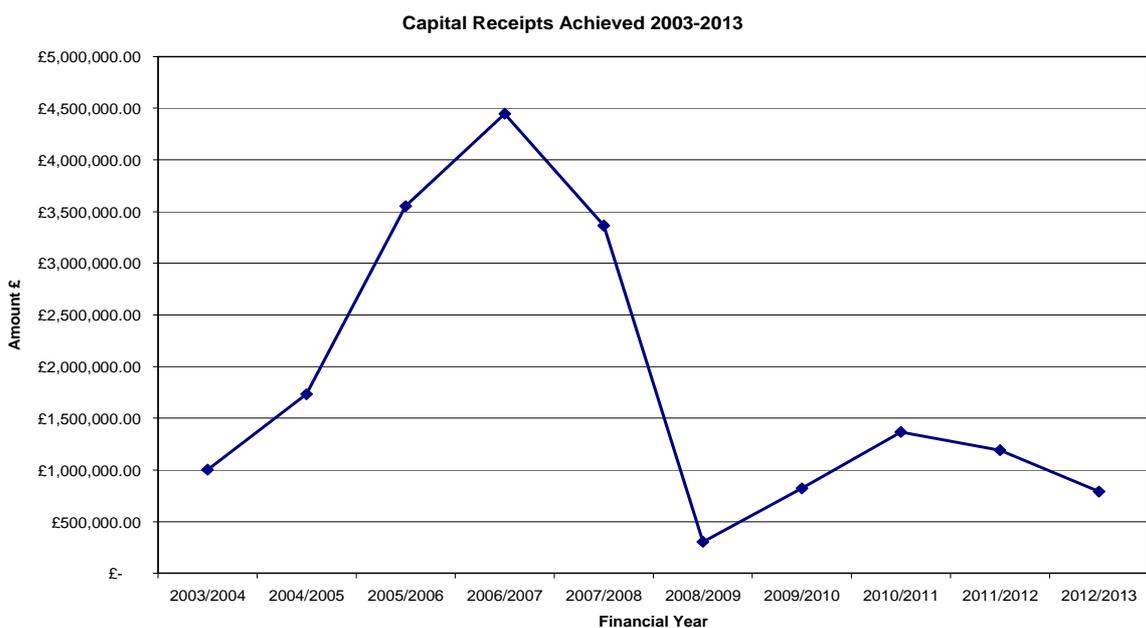
- Formulation of energy/carbon themed European funding bids
- Develop site specific energy/carbon action plans for civic buildings
- Development of a Building Management System (BMS) strategy
- Development of dedicated schools energy/carbon and water management strategy for schools

3.3 Capital Receipts

The Council has endeavoured to maximise its returns from the disposal of surplus or under utilised properties. The Capital Receipts for the last 5 financial years can be found in the graph below.



The trend illustrates the difficult market conditions over the last few years and the reduction in capital receipt opportunities. Many of the sites within Council ownership that were capable of generating sizeable capital receipts have now been disposed. For those that remain, care needs to be exercised to ensure that any values achieved represent the desired level return.



4.0 PRESSURES ON THE PORTFOLIO

Pressures on the portfolio - There are currently a range of financial, social, political and technical challenges facing all services within the public sector that will shape the Council's property portfolio over the next five year period. An outline of these challenges will be set out as a means of underpinning the decision making process.

New pressures/ legislation that may impact on the portfolio are:-

- Financial
- Service Reviews
- Legislation

4.1 Financial

The extremely challenging financial position facing all public sector organisations has and will continue to have a profound effect on the Council's Property Portfolio.

There will need to be a significant future reduction in the number of properties held and those buildings remaining will, in many cases, need to be more flexible to deal with the changes in service delivery demands.

Since 2009, Neath Port Talbot Council's funding has been reduced by £30m whilst the June 2013 prepared Forward Financial Plan shows the need to save £23m by 2018, the most recent Spending Review and Welsh Government announcements indicate even further budget reductions will be needed. This position will continue to be monitored as the financial position changes.

The Council has already commenced a review of community facilities and buildings and it can be expected that due to the financial pressure there will be a substantial reduction in the number directly managed/used by the Council over next few years. This will also include a reorganisation of service provision as is the case with

residential care and the schools, and also ensuring buildings are used more intensively and by a range of services.

The impact will be felt both in terms of reduced revenue maintenance budgets that could see an increase in the maintenance backlog and fewer major projects capital schemes to replace buildings that are beyond economic repair or functionally obsolete.

4.2 Service Reviews

The ongoing Service Reviews and particularly the TOPS and SSIP programmes have resulted in significant changes to the current portfolio. The transfer of over 9000 assets to NPT Homes took place in February 2011 whilst the care homes transferred to Gwalia on the 1st April 2012.

In addition to these major reviews the accommodation strategy continues to reduce floor space and there are further service reviews in respect of Theatres, Libraries, Community Centres, Public Conveniences and Industrial Units.

The general theme is the reduction of property assets to a level that is financially sustainable but is able to meet service needs. Whilst there may be limited capital receipt opportunities, the reduction in the revenue commitments and the maintenance backlog will support the Council's Forward Financial Plan.

4.3 Legislation

The amendment of the Control of Asbestos Regulations in 2012 extended the responsibility over the management and control of asbestos in non domestic Council buildings. This required increased management over contractors used by the Authority for managing and removing asbestos.

The Carbon Reduction Commitment Energy Efficiency Scheme (often referred to as simply 'the CRC') is a mandatory scheme aimed at improving energy efficiency and

cutting emissions in large public and private sector organisations. The Council is a qualifying organisation and is required to monitor our energy use, and report the energy supplies annually. The Council must comply legally with the scheme or face financial and other penalties.

On the 9 January 2013 changes were made to the Energy Performance of Buildings Regulations 2007 to transpose the requirements of the Energy Performance of Buildings Directive. This included an extension of the current requirement for a display energy certificate in large public buildings of 1,000 m², to public buildings above 500m². This amendment has led to an increase in the number of buildings that require display energy certificates. Gas and electricity consumption data for a 12 month period is required to produce a display energy certificate and whilst supplier invoices can be used, the potential inaccuracy from estimated read invoices can lead to inaccurate DEC ratings. In order to have sufficient consumption data in place, the Council's metering needs to be reviewed and if appropriate sub-meters need to be installed.

5.0 Progress

The actions from the Action Plan within the 2011 Property Performance Report and the progress that has been made are set out below:

Action	Progress		
To deliver a capital receipts target of £1M.	2010/ 2011	£1,367,000	Achieved
	2011/ 2012	£1,190,200	Achieved
	2012/ 2013	£790,600	The target has not been achieved due to the current economic climate.
To complete the transfer of all agreed property assets to NPT Homes.	Achieved		
To refurbish Aberafan House	Discussions ongoing with Landlord's Agents		
To release the following buildings; Cymric House, Social Services Llandarcy, Unison Green Park, former Cwmtawe Comprehensive site.	Buildings vacated and the Council's interest can be developed on.		
To increase the number of staff working from The Quays by 10%.	Completed – increased by over 10 %		
To increase the number of staff working from Neath Civic Centre by 10%.	This has been temporarily postponed whilst Social Services review their staff locations		
To deliver a One-Stop-Shop in Port Talbot	Completed		
To transfer NPT's buildings on to the EPIMS system	Completed		

Progress 2011-2013

Action	Progress	
To support the delivery of the first tranche of the Strategic Schools Improvement Plan and the disposal of vacated premises.	Duffryn Afan Primary School	5yr lease completed with option to purchase.
	YGGD Riwfawr	Legal Formalities
	Former Ty Afan Secondary Centre, Pendarvis Terrace	Legal Formalities
	Dwr-Y-Felin Lower Comprehensive School	Negotiations for disposal ongoing
	Ysgol Y Glyn	Negotiation for lease ongoing
To agree the proposal to vacate 4 community buildings in the Sandfields area as part of the Afan Lido redevelopment scheme.	One of the buildings has now been transferred to NSA Afan and discussions are ongoing in respect of the other 3.	
To determine the future for Day Service buildings as part of the TOPS Programme.	This review has commenced as part of the wider review in to Transforming Older Persons Services	
To deliver four sites suitable for development as residential care homes.	Two sites agreed, two sites undergoing further site investigations.	
To develop an individual Asset Management Plan for Margam Crematorium	Report underway	
To transfer the residential care homes to a partner organisation	Completed	
To develop an Asset Management Plan for Library premises	Library service led report completed	

To undertake a 'One Place' study of Pontardawe in conjunction with other public bodies to identify potential opportunities to rationalise the total number of public buildings.	This will now form part of the area review process with Pontardawe included in the Swansea Valley Review
To reduce the total maintenance on backlog by 5% in 5yrs	More robust surveys have increased the backlog figure. The proposed Property Reviews will reduce the figure during the next financial year.
Have proposals to replace or refurbish all Category D properties within 5 years	Proposals are now in place for 26 of the 32 buildings that are currently classified as condition 'D'.

Additional Progress 2011 – 2013

Action
Completion of a Community Asset Transfer of Dalton Road Community Centre to New Sandfields & Afan
Delivery of a new Salt Barn as part of the Depot Review
Delivered major capital projects, including: <ul style="list-style-type: none"> • The Gwyn Hall • A new teaching block and major re-modelling works at Dwr-y-Felin Comprehensive School • A large teaching area extension at Maes-y-Coed Special Needs School, Bryncoch • The Ty Hapus children's respite care home at Darwin Road, Sandfields • A residential development comprising of 16 no. elderly care units at Ty Maes Marchog, Banwen • Remodelling and refurbishment work at Ysgol Hendre
Designed and managed delivery of £1.8m capital maintenance, including: <ul style="list-style-type: none"> • Rolling programmes in respect of DDA improvements, Leisure Investment, Education, Social Services, Pavilion improvements and Health & Safety Works
The following major projects are progressing on site and due for completion shortly:- <ul style="list-style-type: none"> • Croeserw Community Education Centre • New primary school at Awel-y-Mor, Sandfields • New adult respite centre at Scarlet Avenue, Sandfields

6.0 ACTION PLAN TARGETS

The five year programme of work in the Corporate Asset Management Plan is supplemented by a more target driven annual Action Plan within the document. This provides a platform to be far more responsive to the changing needs of the services within the Council. The pressures that influence the decision making process in property are set out below.

These targets form part of the Council's ongoing drive to reduce property expenditure and make a contribution towards the Council's Forward Financial Plan.

6.1 Action Plan Target 2013/2014

Action	Financial Implications	Comments
To deliver a capital receipts target of £1M.	£1m Capital	
To refurbish two floors in Aberavon House	Saving £28K p.a. on rent	Conclude negotiations
To release a number of satellite offices	Potential capital receipt and maintenance savings	Review corporate objectives and service needs – Report underway
To support the delivery of the first tranche of the Strategic Schools Improvement Plan and the disposal of vacated premises.	Significant revenue savings	Ongoing disposals
To agree the proposal to vacate 4 community buildings in the Sandfields area as part of the Afan Lido redevelopment.	Significant revenue savings	To be completed this year
To determine the future for Day Service buildings as part of the TOPS Programme.	To reduce revenue costs and backlog maintenance	Report this year
To deliver four sites suitable for development as residential care homes.	To be identified	Complete this year
To develop an Asset Management Plan for Library premises	To reduce revenue costs and backlog maintenance	Report to Cabinet

Action Plan Targets 2013/2014

Action	Potential Savings	Comments
To develop an individual Asset Management Plan for Margam Crematorium	To be assessed	Complete this year
To agree the closure of the Velindre Library HQ site and the transfer of staff/service delivery to alternative premises.	To reduce revenue costs and backlog maintenance	Identify property and prepare report
To develop an Asset Management Plan for public conveniences including the identification of acceptable alternative service delivery methods.	To reduce revenue costs and backlog maintenance	Report this year
To undertake a 'One Place' study of Pontardawe in conjunction with other public bodies to identify potential opportunities to rationalise the total number of public buildings.	To reduce revenue costs and backlog maintenance	To form part of Swansea Valley Area Review
To reduce the total maintenance backlog by 5% in 5yrs	To reduce the Council's maintenance liabilities by £7.5m	Report this year
Have proposals to replace or refurbish all Category D properties within 5 years	To reduce revenue costs and backlog maintenance	Over 80% in place.
<p>The following projects are due to commence on site in the near future:</p> <ul style="list-style-type: none"> • Neath town centre regeneration • 21st Century Schools programme • New Leisure Centre at Aberavon seafront • Infrastructure and enabling works for a new camping and caravan site at Margam Park • Restoration works at Margam Park 	Delivering and maintaining buildings within the portfolio	