
Meeting: Customer and Central Services Overview and Scrutiny Committee
Date: 16 January 2012
Subject: Corporate Asset Management Strategy
Report of: Cllr Maurice Jones, Executive Member for Corporate Resources
Summary: The report proposes a Corporate Asset Management Strategy for the period 2012-2016

Advising Officer: Richard Carr, Chief Executive
Contact Officer: Ian Brown, Chief Assets Officer (Interim)
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

1. The Corporate Asset Management Strategy sets out the Council's strategic objectives for the management of its property and land assets over the next four years.

Financial:

2. The Council's Medium Term Financial Plan (MTFP) for both revenue and capital reflects the delivery of the strategy over the four year period 2012-2016.

Legal:

3. The adoption of the Corporate Asset Management Strategy has no specific legal implications. However, as a significant landowner and landlord, the Council must be act in accordance with the legal framework governing the management of its landholdings and to obtain specialist legal advice and support as necessary.

Risk Management:

4. Financial Risks:

These will include, but may not be limited to:

- Non materialisation of revenue/efficiency savings
- Non realisation of capital receipts
- Failure to achieve improvement in financial returns and increased rental income
- Non delivery of carbon reduction targets

Legislative Risks:

- Failure to discharge statutory responsibilities, including statutory maintenance, health and safety, and other legal requirements.

Service Delivery Risks:

- Failure to develop flexible ways of working
- Non delivery of services, directorate visions, and planned programmes
- Non delivery of key priorities and performance objectives

Reputational Risks:

- Non delivery of strategy or failure to mitigate risks may result in reputational damage.

The identified risks will be monitored and appropriate mitigations implemented.

Staffing (including Trades Unions):

5. Not applicable.

Equalities/Human Rights:

6. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
7. The Corporate Asset Management Strategy includes programmes for the disposal/acquisition of assets and capital development projects, these will include the development of an equality impact assessment to ensure that the implications of each potential disposal/acquisition/project are fully considered.

Community Safety:

8. The Council has a duty under Section 17 of the Crime and Disorder Act 1998 to do all that is reasonable to prevent crime and disorder in its area. The Council's Corporate Asset Management Strategy will be managed to ensure that the Council fulfils its statutory obligations, thus ensuring that the safety of all our land and property and people who use them is paramount.

Sustainability:

9. The Corporate Asset Management Strategy brings quantifiable carbon reduction and related financial savings to the Council.

Procurement:

10. There are several aspects of procurement support that will be required to assist in the delivery of this plan and we will need to ensure that any contractual arrangements have been properly established through open and fair competition.

11. The investigative tasks associated with service priorities, option appraisals, market testing and affordability constraints will inform the development of business cases which in turn will be developed into requirements that can be exposed to appropriate competition to determine value for money.

RECOMMENDATION(S):

The Committee is asked to:-

- 1. Consider the Corporate Asset Management Strategy 2012-2016**

Purpose of Report

12. To provide Overview and Scrutiny Committee with an opportunity to scrutinise the proposed Corporate Asset Management Strategy 2012-2016.

Background Information

13. A report on development of the then Corporate Asset Management Plan (CAMP) was submitted to C&CS O&SC on 15 November 2010 who requested a short term (one year) plan be produced, with a medium term CAMP to follow during 2011/12. The medium term Corporate Asset management Strategy 2012-2016 is attached at Appendix A.

Scope

14. The CAMS 2012-2016 is inclusive of the whole land and property assets portfolio but excludes Highways, ICT and Transport assets.

Financial and Other Options

15. The Council's MTFP sets out the financial framework for the next 4 years. Whilst there is more clarity on funding and savings for the next 2 years, estimates are also made of the position leading up to 2015/16.
16. The CAMS is a key component of both the short and medium term financial position of the Council. Significant revenue savings are anticipated from the rationalisation of accommodation in the short term. The CAMS will contribute further efficiency savings towards balancing future budgets. These include reduced lease and maintenance costs. There will also be a focus on improving the financial returns from commercial properties and increasing rental income.
17. The Council has an ambitious capital programme and CAMS will generate significant capital receipts, for example through identification and disposal of surplus properties, over the longer term which will be used to help finance this programme. This will enable the Council to minimise its reliance on external borrowing and thus keep capital financing charges as low as possible, which will further assist to offset the revenue budget pressures.

Appendices:

Appendix A – Corporate Asset Management Strategy 2012-2016

Background papers – None