

APPENDIX B: ASSET MANAGEMENT PLAN

1. INTRODUCTION

1.1 The first Asset Management Plan was produced in 2002 preceded and received a “poor” assessment. The following year a “satisfactory” assessment was awarded and in 2004 following a substantial content rewrite the GOWM rated the plan as “good”. The report deals with the procedures, structures, policies and information sources which support the asset management planning process. The Asset Management Plan (AMP) excludes the Councils housing stock.

There is no longer a statutory requirement for the Council to prepare a formal AMP. Nevertheless, it is considered that the document with changes will continue to be used as a source document for best practice and forward movement of various asset management elements.

The principal objectives of the Asset Management Plan (AMP) are as follows.

- To summarise the most important principles of asset management planning and to confirm the Council's commitment to them.
- To identify all the significant factors which will drive the asset management strategy, with particular emphasis on Corporate Priorities, Services to the Community in General, Collaborative or Shared Services and Environmental Stewardship.
- The importance of the Asset Management Plan as a corporate document is reinforced through the Corporate Management Team and the Borough Director's meetings with Members Approval of the document has been delegated by Council to the Executive Committee (Cabinet).

1.2 The Council has developed a Financial Strategy to ensure that capital and revenue expenditure on the asset portfolio and services is directed efficiently and effectively, endorsing that:

- all resources must link in with the Council's objectives, priorities and service requirements (see 2.1)
- long term revenue commitments must not exceed long term funding.

In order to support delivery of objectives, the Council will look to develop resources from site identification/assembly for disposal, surplus asset disposal, partners, external funds and capital resources including Section 106 planning agreements and refinancing.

The Asset Management Plan is an umbrella document for the evolving process of determining how available and fit for purpose our property and land assets are for meeting corporate priorities, community service needs and value for money. There are several elements/threads that support asset management planning and the AMP identifies those links and the interrelation and importance of them.

2.3 The Council's agreed Strategy for asset management is to ensure that asset holdings reflect organisational requirements to meet Community Strategy, Corporate and policy objectives and to meet current service delivery requirements.

2.6 Asset Management Decisions for the future will be guided by the Community Strategy, the Council's Corporate Plan and Asset Management Plan, but will also be influenced by existing other policies and emerging policy and political objectives as they have property implications.

2.7 The Capital Strategy requires the Plan to:

- enable a rolling review of asset holdings and the justification of them
- provide for the continuous review of the assets suitability for the purpose and customer needs
- bring about the continuous improvement of information for property management
- be informed by the outcomes of Best value Reviews
- include performance targets linked to the Performance Plan for comparison against internal and external benchmarks.

3.0 ORGANISATIONAL ARRANGEMENTS FOR ASSET MANAGEMENT

3.1 The Asset Management Plan process is reliant }

- a) Service Plans that address Asset Management Plan implications linked to service reviews or Best Value improvement plans and embracing “fit for purpose” methodology.
- b) Capital spending and revenue implications are aligned to corporate priorities through the submission of project appraisal sheets to the Capital Projects Working Party meetings and the Asset Management Planning group, where the CPO has a direct input into the Capital Programme decisions.
- c) The Asset Management Plan process will provide a proactive approach to planning for change, through a review of assets, which should include capacity/occupancy relationships, suitability and functional issues.
 - d) The Asset Management Plan will actively develop methods of consultation with customers, staff, partners and other stakeholders.
- e) GIS/CAPS/VLR

3.2 The Council has agreed that:-

- a) there should be 4 meetings a year of the Asset Management Planning Group the membership of which is drawn from many Directorates and includes the CPO. The officers will involve portfolio holders and Executive Committee as appropriate, and report on the AMP yearly to Executive Committee.
- b) the Director of Housing & Asset (Management/Maintenance) be the Corporate Property Officer (CPO) with responsibility to oversee developments in asset management. This senior role will facilitate a corporate wide strategy as the CPO is also a member of the Corporate Management Team (CMT) and is well placed to ensure that asset management of decisions are considered and fully appraised at a strategic level

3.7 The Council has agreed that the Asset Management Planning Group will drive through the preparation of and maintenance of the Plan. The Working Party comprises:-

The Director of Housing & Asset Management/Maintenance (CPO) (Jackie Smith)
 The Property Services Manager (Rob Kindon)
 The Head of Asset Maintenance (To be appointed)
 The Leisure Services Manager (Ken Watkins)
 The Environmental Operations Manager (Terry Horne)
 The Financial Services Manager (Teresa Kristunas)
 And other seconded officers as appropriate.

- A new programme of site assembly and disposals “Land4Leisure” is being actively compiled and will become the successor to “Focus on the Future”. This will be the subject of a specific report and will be a priority initiative under the AMP.

6.2 Details of Assets Disposal Programme. Of the Programme, a number of assets identified as surplus assets remain to be disposed of. The CPO and the Property Services Manager have the responsibility for monitoring usage and identifying surplus property.

6.3 The Asset Management Strategy requires a process of justifying retention of assets on the basis of stated criteria and both systematic and ad hoc review of assets holdings for this purpose

The criteria are:

- a) Economic life assessment
- b) does the asset and services delivered from it meet Community Strategy objectives
- c) does the asset and services delivered from it meet corporate objectives and requirements (Corporate Plan), Council plans, strategies and policies and the links to be made between them
- d) the risks/challenges that the Council will face (Risk Management Strategy)
- e) how the Council will provide and target resources

f) what the Council decides to do to secure continuous improvement (Outcomes of Best Value Reviews / Service Reviews / Service Plans).

6.4 As part of this process of justifying asset retention, the Council will undertake a review of asset holdings based on theme.

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6.9 The CPO and Property Services Manager will seek to obtain

- 1) the best price for surplus assets, and seek planning permission where appropriate,
- 2) or authority to sell at less than market value, e.g. social housing land.

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6.12 The Council is working on identified gaps between future requirements and the current provision and performance of the Council's property assets. On a 1 - 5 year, or 5 yr + basis. This may or may not lead to assets being declared surplus and an opportunity for generating a capital receipt. There is a continuous process of review of asset holdings that could identify opportunities that have the potential for generating capital receipts.

7.0 Bringing the threads together, the Council's programme for the future is:

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1. to progress and complete the disposal of the remainder of the assets in accordance with the assets disposal strategy previously referred to,
 2. a systematic thematic rolling review of assets
 3. reviews of specific assets when required
 4. a continuous review of assets by the CPO and identification of opportunities to generate capital receipts particularly underused vacant land or buildings.
 5. a systematic gap analysis reflecting the criteria contained in the Strategy referral to in section 1.3.6.
 6. to review and implement improvements to the IT systems to meet service requirements.

Clearly, all elements of the programme will or have the potential to generate capital receipts to meet corporate capital spending requirements or opportunities.