

Cherwell District Council

Executive

1 December 2014

Asset Management Strategy Action Plan

Report of Commercial Director (Bicester)

This report is public

Purpose of report

The purpose of this report is to seek Executive approval to allocate funds from windfall income streams secured in 2014/13 in order to progress the priority actions arising from the Asset Management Strategy Review.

1.0 Recommendations

The meeting is recommended to:

- 1.1 Note the proposed priority actions arising from the asset management plan (Para 2.4).
- 1.2 Note that the monitoring of the asset management strategy is currently undertaken by the Accommodation Asset Strategy Board who will be asked to review terms of reference and membership as a result of the asset review
- 1.3 Approve the allocation of up to £125k from 2014/15 windfall income which will allow the progression of the key activities which focus on the priority actions arising from the Asset Management Strategy Review.
- 1.4 Note that a comprehensive action plan is being developed that will ensure the vision set out in the review document will be delivered by 2019. This action plan will be presented to the Executive in March 2015.

2.0 Introduction

- 2.1 At the September 2014 Executive / JMT Business Planning meeting, the Executive received a presentation on the results of the Asset Review and proposed Asset Management Strategy priorities prepared in collaboration with specialist advice by property services company DTZ.
- 2.2 The Asset Review & Strategy was created to:
 - Clarify the extent of the Council's property portfolio,

- Provide some 'purpose' to the portfolio through a re-organisation of the property interests into meaningful 'Sub-Portfolios',
- Provide information about annual liabilities and sources of income
- Challenge the retention of some property interests
- Highlight priorities and issues that will need to be resolved
- Identify specific objectives and actions to address the issues, and
- Scope out the delivery platform required to drive the actions identified forwards.

2.3 As a result of the high-level Portfolio Review and the emerging issues and opportunities, it was agreed the focus of the Asset Strategy will be as follows:

- Ensuring VFM Operational Offices
- Maximising the potential of Council Car Parks
- Enabling the supply of community buildings
- Securing Investment in our leisure facilities
- Securing a new depot
- Seeking new sources of sustainable income streams
- Investing wisely to secure appropriate investment returns
- Creating a robust resource to drive results
- Investing in Systems to enable informed decision making

2.4 The Focus Areas set out above require further analysis and detailed consideration to enable consideration of a range of options to determine the most appropriate outcome for the Council. A series of Next Step activities have, therefore, been defined as follows: (those in bold indicate a 2014/15 priority)/

- 1) Asset Strategy Resource Plan**
- 2) Data and Systems Plan
- 3) Operational Offices Plan**
- 4) Operational Depot Plan
- 5) Car Parks Plan**
- 6) Leisure Buildings Plan
- 7) Community Buildings Plan**
- 8) Local Centres Plan**
- 9) Commercial Investment Plan

2.5 In order to inform this work and support strategic projects underway across the District, revenue funding is required in this financial year and this report is looking to secure these funds.

3.0 Report details

3.1 At the current time an Accommodation Asset Strategy Board provides a forum for debate and discussion about property matters. The Board comprises the Lead Members for Finance and Estates/Economy. The officer support is made up of representatives of Estates, Regeneration, Housing, Finance, and Bicester.

3.2 The role and responsibilities of the Board will need to be clarified having regard to the actions and priorities arising out of the Asset Strategy.

- 3.3 A detailed action / resource plan is being generated and will be presented to the board responsible for monitoring the asset strategy in January 2015 together with revenue and capital bids for the 2015/16 budget process.
- 3.4 In the meantime the initial review of resources and key priorities requires revenue budgets of up to £125k in 2014/15 to fund:
- Car Park / Operational Offices Review – specialist consultancy/resource - £50-£100k
 - Community Buildings /Local Centre Review – internal project group and specialist consultancy - £5-10k
 - Resource Plan requires capacity for Project Co-Ordinator / Valuation Resource- £15k
- 3.5 Any use of specialist consultants will be subject to demonstrating VFM and will be subject to the Council`s procurement process.

4.0 Conclusion and Reasons for Recommendations

- 4.1 It is important that a number of specialist reviews are commissioned in this financial year in order to inform the work programme, capital programme and current strategic development projects. It has been estimated that the resources required total £125k in 2014/15 and these costs can be met from windfall income subject to Executive approval.
- 4.2 The draft action plan will be presented to the governing board in Jan 2015 and then to Executive in March 2015.

5.0 Consultation

None

6.0 Alternative Options and Reasons for Rejection

- 6.1 There is an option not to provide funding during 2014/15 and submit bids for the 2015/16 budget process. This is not recommended as a number of priority actions require resources now as they impact on other Council projects and priorities.

7.0 Implications

Financial and Resource Implications

- 7.1 There is a requirement to provide revenue budget of up to £125k to fund priority actions detailed in Para 2.4.
- 7.2 These funds can be met from within existing budgets. Any further capital or revenue expenditure will need to be considered as part of the 2015/16 budget process.

Comments checked by:
Paul Sutton, Head of Finance and Procurement, 0300 0030106,
Email: paul.sutton@cherwellandsouthnorthants.gov.uk

Legal Implications

7.3 There are no legal implications as a result of this report.

Comments checked by:
Kevin Lane, Head of Law and Governance Tel: 0300 0030107,
Email: kevin.lane@cherwellandsouthnorthants.gov.uk

Risk Implications

7.4 There are no direct risks as a result of this report. In preparing a comprehensive action list for implementing the asset management strategy a risk and mitigation register will be compiled and monitored.

Comments checked by:
Paul Sutton, Head of Finance and Procurement, 0300 0030106
Email: paul.sutton@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Key Decision Yes

Financial Threshold Met: Yes

Community Impact Threshold Met: No

Wards Affected

All

Links to Corporate Plan and Policy Framework

Most people use public assets, such as council buildings, leisure centres, car parks and community facilities. They help shape the character of local areas and influence the quality of life for local people. They make an important contribution to local priorities. This proposal will enable the Council to deliver its vision for asset management which will meet the objectives of all of the Council's Strategic Objectives:

- **District of Opportunity**
- **Thriving Communities**
- **Safe Green and Clean**
- **Sound Budgets and Customer Focused Council**

Lead Member

Councillor Norman Bolster
Lead Member for Estates and the Economy

Document Information

Appendix No	Title
	None
Background Papers	
	2014 – 2019 Asset Review and Strategy (exempt)
Report Author	Karen Curtin, Commercial Director (Bicester)
Contact Information	Karen.curtin@cherwell-dc.gov.uk 0300 0030202