

Summary Sheet

Council Report

Cabinet and Commissioner's Decision Making Meeting - 15 May 2017

Title

Asset Management Policy and Strategy

Is this a Key Decision and has it been included on the Forward Plan?

Yes, this is a key decision and has been included on the Forward Plan

Strategic Director Approving Submission of the Report

Damien Wilson, Strategic Director, Regeneration and Environment

Report Author(s)

Paul Smith – Head of Asset Management
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Ward(s) Affected

All

Executive Summary

The Council's Land and Property Assets are not only buildings that support service delivery, but valuable assets that can further the delivery of the Council's plans and objectives, particularly in achieving a modern, efficient Council.

This report defines the proposed Council Policy and Strategy to guide the use of the Council's Land and Property Assets. It proposes the Council's approach to the management, usage and development of the Council's Land and Property Assets in supporting the Council's Corporate Plan and the Asset Management Improvement Plan.

Recommendations

1. That the Asset Management Policy and Strategy be agreed.
2. That the Asset Management Policy and Strategy be referred to Council.

List of Appendices Included

Appendix 1 – Proposed Asset Management Policy and Strategy

Background Papers

Report to Cabinet and Commissioners' Decision Making Meeting – 13 February 2017 – 'Corporate Property/Asset Management Health Check'.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Overview and Scrutiny Management Board – 5 May 2017

Council Approval Required

Yes

Exempt from the Press and Public

No

Title

Property Asset Management Policy and Strategy

1 Recommendations

- 1.1 That the Asset Management Policy and Strategy be agreed.
- 1.2 That the Asset Management Policy and Strategy be referred to Council.

2 Background

- 2.1 As reported to the 13th February 2017 Cabinet meeting the Asset Management Health Check and Improvement Plan recommends that the Council looks to take a more strategic approach to its land and property assets. An important part of this approach is to develop an Asset Management Policy and Strategy.
- 2.2 A key aspect underpinning the proposed Policy and Strategy is to adopt a “one public estate” perspective to identify the opportunities provided by all publicly owned land and property.
- 2.3 The proposed Policy and Strategy is influenced by the following:-
 - The Corporate Plan 2017-2018.
 - Rotherham Together Partnership
 - Housing & Economic Growth Plan
 - Children’s and Adult Services Improvement Plans
 - The need to grow revenue income to support the Medium Term Financial Strategy
 - The need for revenue savings and capital receipts to support the Medium Term Financial Strategy
 - Health check of the Council’s own Asset Management practices.
 - Asset Management Improvement Plan
 - Sheffield City Region (SCR) and The Combined Authority, especially through the Joint Asset Board (JAB)
 - One Public Estate (OPE) Programme
 - South Yorkshire and Bassetlaw NHS Strategic Transformation Plan

3. Key Issues

- 3.1 The Asset Management Health Check and Improvement Action Plan was reported and agreed at the Cabinet meeting on 13th February 2017. This followed on from an external Health Check into the service carried out by CIPFA which had 22 recommendations. In addition, Commissioner Kenny wrote to the Council’s Chief Executive in November 2016 identifying ten “hall marks of good Asset Management” and five areas requiring a “strong programme” that the Council must evidence as being complete or credibly in hand before Asset Management will be recommended for return to the Council. The return of Powers process also includes 4 commissioner tests.

3.2 Within the Council's Asset Management Improvement Plan the Council is tasked with defining its corporate approach to and requirements from property by producing a Corporate Asset Management Plan which covers:-

- (i) Property Asset Management Policy.
- (ii) Property Asset Management Strategy.
- (iii) Asset Management Action Plan.
- (iv) Corporate Landlord Model & Service Level Agreements.
- (v) Asset Management Governance.
- (vi) Change procedures for operational property.
- (vii) Performance Management.

3.3 Items (i) and (ii), Policy and Strategy, will require Commissioner/Cabinet and Full Council approval. Items (iii) through (vii) will be considered by the Council's Asset Management Board.

4. Options considered and recommended proposal

4.1 It is proposed that the Council adopts the five Asset Management Policy Principles described below for the management and development of the Council's Land and Property:

- Asset Management Principle 1 (AMP1): Enabling delivery of the Council's services and priorities.
- Asset Management Principle 2 (AMP2): Supporting Economic Growth, Housing Growth and Town Centre Regeneration.
- Asset Management Principle 3 (AMP3): Maximising the opportunities that are available through the 'one public estate'.
- Asset Management Principle 4 (AMP4): Developing growth income from commercial/non-operational activities.
- Asset Management Principle 5 (AMP5): Maximising the range of benefits through the commissioning of property projects and property services.

4.2 The expected outputs and the Asset Management Strategy to achieve these outputs is contained within Appendix 1.

5. Consultation

5.1 The proposed Asset Management Policy and Strategy has been to the Asset Management Board and Asset Management Officer Group as part of the consultation process and consultation has also taken place with the Cabinet Member for Jobs and Economy and the Lead Commissioner.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The Asset Management Policy and Strategy are two of the factors that inform the Council's Asset Management Plan which is to be presented to the Asset Management Board in September 2017. The Policy shall be implemented if it obtains Council approval on 19th May 2017.
- 6.2 The Accountable officer is Damien Wilson, Strategic Director Regeneration and Environment.

7. Finance and Procurement Implications

- 7.1 The Asset Management Policy and Strategy are critical to the successful delivery of the Council's Capital and Medium Term Financial Strategies. Within these strategies regeneration, investment and growth outcomes are a key priority, as they are critical to generating future income to the Authority from capital receipts and the growth in business rates and council tax/new homes bonus to support the Revenue Budget. The Asset Management Policy and Strategy will enable the delivery of savings arising from property closures, disposals and major Directorate service reviews, which have been put forward as part of the 2017/18 Revenue Budget Setting process. This also links in with the need to reduce costs through the joint use of accommodation and joint working arrangements with other public sector partners, through the "One Public Estate."

8. Legal Implications

- 8.1 None arising directly from this report

9. Human Resource Implications

- 9.1 None

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 Adoption of the Policy and Strategy will support service delivery.

11. Equalities and Human Rights Implications

- 11.1 None.

12. Implications for Partners and Other Directorates

- 12.1 The proposed Asset Management approach is designed to ensure that all Directorates and partners have the assets they need to deliver and develop their services.

13. Risks and Mitigation

13.1 Risk : Within the Council's Asset Management Improvement Plan the Council is tasked with defining its corporate approach to and requirements from property. This definition is required if the Council's Property Assets are to be utilised to their maximum potential.

13.2 Mitigation: Approve the proposed Asset Management Policy and Strategy.

14. Accountable Officer(s)

Damien Wilson	Strategic Director of Regeneration and Environment.
Paul Woodcock	Assistant Director of Planning Regeneration & Transport.
Paul Smith	Head of Asset Management.

Approvals obtained from:-

Strategic Director of Finance and Customer Services:-
Jon Baggaley, Finance Manager 31st March 2017

Assistant Director of Legal Services:-
Stuart Fletcher Service Manager (Commercial & Governance) 30th March 2017

Head of Procurement (if appropriate):-
Not applicable