



Corporate Asset Management Plan (2018-2023)

SUMMARY

- 1.1 The Council's property portfolio is a key resource which has a substantial financial value of circa £500m (capital value). However, holding and using property requires funding and failure to plan or poor management can make the portfolio a financial burden as well as risk disruption to services.
- 1.2 The Council has adopted a corporate approach to the planning and management of the property portfolio to support the delivery of our service needs and achieve corporate objectives. This is led by the Property Team located within the Corporate Resources directorate.
- 1.3 The Property Team has been working with service areas to prepare a new medium term Corporate Asset Management Plan (AMP).
- 1.4 The AMP (Appendix 2) is a Corporate Plan. It emphasises that property is owned corporately and not the services who occupy them. This concept forms the basis of a "Corporate Landlord" approach to the management of its portfolio. The Corporate AMP will seek to develop further the Council's Corporate Landlord model.
- 1.5 The AMP sets out the core principles and approach to asset management planning. It also sets out the governance and decision making process to ensure that the use and management of the property portfolio is aligned to support service requirements and facilitate achievement of corporate objectives.

RECOMMENDATION

- 2.1 Cabinet is requested to approve the Corporate Asset Management Plan (2018-2023)

REASONS FOR RECOMMENDATION

- 3.1 To obtain Cabinet approval for the adoption and implementation of the Corporate Asset Management Plan (2018-2023) as a basis for implementing the programme of

property improvements.

SUPPORTING INFORMATION

- 4.1 The role of our property portfolio is the same as for all other corporate resources. It is to support and enable delivery of public services and facilitate the achievement of corporate objectives.
- 4.2 The AMP is a key part of the comprehensive suite of policies that guides work in achieving our vision and priorities. It sets the strategic direction for the use; management and development of our property resources (please see Appendix 2).
- 4.3 The aim of the AMP is to “ensure that the Council's property assets are effectively used and monitored in order to deliver the Council's objectives.”
- 4.4 This means that each asset has an identified purpose and it is maintained in a condition that ensures that it is fit for purpose and that it provides a safe and secure environment for the users of the building.
- 4.5 It is recognised that Property provides the physical space and facilities which enables us to deliver public services and achieve our objectives. The failure of these spaces and facilities could lead to severe disruption to our ability to deliver services and increase pressure on financial resources. However, effectively managed the portfolio can make a positive contribution to our financial position through reduced operating costs, generation of capital receipts and creation of revenue income streams.
- 4.6 The AMP provides key inputs into the Capital Strategy; Medium Term Financial Plan and Capital Programme. This input allows the prioritisation of work and associated resources in order to undertake changes to the property portfolio.
- 4.7 To ensure the effective and efficient use of resources, property assets must be held centrally and be managed corporately for the following three purposes;
 - To support efficient and effective service delivery.
 - To support regeneration and development of the city.
 - To rationalise, develop and improve the portfolio.
- 4.8 The AMP sets out the core principles and approach to asset management planning. It also sets out the governance and decision making process to ensure that the use and management of the property portfolio is aligned to support service requirements and facilitate achievement of corporate objectives.
- 4.9 The AMP sets out the direction, priorities for investment and management of our portfolio in order to meet service requirements and achieve corporate objectives. It also outlines the approach taken by the Property Team in reviewing the needs of the services and performance of the portfolio, the outcome of which forms the basis of the Property Team's work programme.

OTHER OPTIONS CONSIDERED

- 5.1 Maintaining the status quo was ruled out due to the risk of failure and inability to support Council's priorities.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Emily Feenan, Principal Lawyer Toni Nash Zoe Bird Jayne Sowerby-Warrington Dinesh Kotecha
For more information contact: Background papers: List of appendices:	John Sadler 01332 643334 John.Sadler@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Corporate Asset Management Plan Appendix 3 – Equalities Impact Assessment

IMPLICATIONS

Financial and Value for Money

- 1.1 There are no direct financial implications arising from this report, any financial implications to decisions within the AMP will be subject to the appropriate financial approvals.
- 1.2 The development of a systematic Corporate Asset Management Plan and subsequent delivery of the work programme will have a positive impact on the Council's finances through the generation of savings from the property rationalisation programme; improving value for money in property expenditure through the development of a building maintenance strategy and targeted capital investment plans.

Legal

- 2.1 The Council's Legal Service provides support to the Property Team, providing legal advice on property transactions and support to the Corporate Property Board.
- 2.2 In considering any proposed disposal, Legal Services will advise on the Council's overriding responsibility under Section 123 of the Local Government Act 1972 to obtain the best consideration reasonably obtainable from all property transactions and any state aid implications related to the proposed disposal.

Personnel

- 3.1 There are no direct personnel implications arising from this report.

IT

- 4.1 The recommendations do not give rise to any IT issues. However, it is recognised that any decision regarding changes to the portfolio will need to take into account any specific IT issues.

Equalities Impact

- 5.1 The Council recognises that the Council property assets must comply with all legislation including the Equalities Act 2010 and its responsibilities under its Public Sector Equality Duty. Therefore, any decision regarding changes to the portfolio will need to take into account the requirements of the Equality Act 2010.
- 5.2 An Equalities Impact Assessment has been prepared in respect of this report (See Appendix 3).

Health and Safety

- 6.1 There are no Health and Safety issues arising directly from this report. The Property Delivery Programme includes ongoing actions and investment to address Health, Safety and Compliance matters.

Environmental Sustainability

- 7.1 The disposal of surplus buildings will allow redundant buildings to be put back into economic use and assist in the regeneration of the surrounding areas.

Property and Asset Management

- 8.1 The relevant Property and Asset Management comments are incorporated into the report.

Risk Management

- 9.1 The approach adopted through the Corporate Asset Management Plan will ensure that the council's portfolio is streamlined, fit for purpose with Health and safety issues identified and addressed. The health, safety and compliance risk associated with the Portfolio is included on the Strategic Risk Register.
- 9.2 It is recommended that projects (i.e. service reviews and property reviews) will have risk registers that will be subject to monitoring and if risks emerge these will be escalated.

Corporate objectives and priorities for change

- 10.1 The Council Plan (2016-2019) identifies that the Council will endeavour to "Make the most of our assets"

The Corporate AMP will support this objective.

Appendix 2
Corporate Asset Management Plan

Please see the separate document

Appendix3
Equalities Impact Assessment.

Please see separate document