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<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 13</b>
<b>DATE OF MEETING:</b>	<b>30th NOVEMBER 2006</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF CORPORATE SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>KEVIN STACKHOUSE (595811)</b>	<b>DOC:</b> u/ks/amp/amp covering report 06
<b>SUBJECT:</b>	<b>ASSET MANAGEMENT PLAN 2006/07</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 01</b>

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### **1.0 Recommendations**

- 1.1 That the Council's Asset Management Plan for 2006/2007 is approved.
- 1.2 That the Plan is reviewed and updated as necessary and at least on a yearly basis.

### **2.0 Purpose of Report**

- 2.1 This report updates the Council's Asset Management Plan (AMP). Having reviewed the Council's medium-term financial and capital investment strategies at its October meeting, the Committee is now asked to consider and review its arrangements for managing the Council's assets prior to the 2006/07 budget round.

### **3.0 Executive Summary**

- 3.1 The AMP sets out the Council's property related requirements and its vision for the proactive management of its non-housing related property portfolio over the coming year. Currently, the Council has the following assets at its disposal.

<b>Asset</b>	<b>Number</b>
Town Hall	1
Civic Offices	1
Depot and Workshops	1
Leisure Centres	2
Forestry Centres	1
Off Street Car Parks	20
Public Conveniences	10
Pavilions and Changing Rooms	15
Cemeteries	7
Allotment Sites	9

Industrial Sites	2
Shops	19
Bus Station	1
Market	1
Craft Workshops	7
Other properties	9

- 3.2 In addition, the Council owns 370 acres of parks and open spaces and 13 acres of land awaiting development.
- 3.3 The Committee will be aware that asset management was considered to be underperforming compared to expected standards as set out in the Audit Commission's Use of Resources Assessment for 2005/06.
- 3.4 During the last 12 months, it is considered that significant progress has been made to improve the position and additional resources have been available to support this. Although this is set to continue and there are still improvements to be made, some of the achievements made over the last year are summarised below.

#### **Resourcing the Property Services Unit**

- 3.5 The Unit has had to rely on temporary staff over the last couple of years due to being unable to recruit full-time employees. In accordance with a service development approval during the 2005/06 budget-round, various options were considered to provide a sustainable and long-term solution for service delivery.
- 3.6 In September, Committee agreed an enhanced salary package and an additional post to be added to the establishment. A recruitment exercise has now been undertaken and the current post of Property Surveyor has been filled. It is planned to recruit to the new post of Property Technician in early 2007.

#### **Property Records**

- 3.7 The Council installed specialised software earlier in the year to record all its assets and hold all relevant information concerning each asset, including maintenance liabilities. This has now been populated from various sources and consequently, the Council has implemented a centralised asset register. Details can now be easily updated to reflect changes on an on-going basis and to hold information to aid decision-making.

#### **Disposals Policy**

- 3.8 The Council adopted a Disposals Policy in February 2006 that has been used to identify "assets surplus to requirements" and to provide an options framework for determining the best course of action.
- 3.9 Committee now receive regular reports on proposals for disposal or transfer, etc. and the Council has already generated additional capital receipts in 2006. Other proposals are currently being evaluated in accordance with the framework.

## **Stock Condition Surveys and Planned Maintenance**

- 3.10 The Council now has in place a strategy for a rolling programme of stock condition surveys and by March 2007, 40% of the Council's assets will have been subject to full evaluation survey. One year on and there is now a much clearer indication of the Council's backlog maintenance. The latest surveys still show a total of £1.1m but this is substantially less than previous estimates.
- 3.11 The surveys are informing the condition of assets and the backlog in major repairs that will be required to bring assets upto acceptable modern day standards. During the budget-round for 2006/07, the Council approved resources to deal with this liability and the first round of priority 1 works has commenced. A 5-year programme is currently being reviewed and updated for the 2007/08 budget-round.
- 3.12 These resources are in addition to those previously approved for the DDA programme of works which are now into stage 2 of a 5-year programme and those set-aside to deal with maintenance issues on community assets prior to their possible transfer to the local community.

## **Joint Working**

- 3.13 The Council has continued to work with neighbouring authorities on marketing and letting of vacant property. In addition, joint working has provided project support for delivering the planned maintenance programme and dealing with issues to address legislative requirements, for example, Fire Risk Assessments.

## **Use of Resources**

- 3.14 By addressing many of the outstanding issues, it is anticipated that actions undertaken over the last year will place the Council's asset management arrangements on a much sounder footing as judged by the Audit Commission's annual Use of Resources Assessment.

## **Improvements Still Required**

- 3.15 The action plan in **Appendix 1** of the AMP sets out the on-going development still required for asset management. There is still some backlog of work outstanding on the estates management side that should be cleared in due course by the recruitment to the vacant posts.
- 3.16 As regards strategic asset management, the Council now needs to make the best use of the information it is collecting on its assets.
- 3.17 Referring to the Use of Resources assessment as the framework, the Council needs to develop its performance monitoring when considering asset management issues, in order for informed decisions to be made on the future use of its major assets.
- 3.18 For example, it is intended that this will play a part in determining the best option for the future use and development of its main buildings, in particular those affected by the growth of the District.

#### **4.0 Detail**

4.1 The detailed AMP is appended to this covering report.

#### **5.0 Financial Implications**

5.1 No direct implications with formulating and updating the AMP.

#### **6.0 Corporate Implications**

6.1 None Directly

#### **7.0 Community Implications**

7.1 A key theme of the AMP is contributing to the vision and priorities of the Council and meeting service requirements. These are largely formulated after consultation with the local community and other stakeholders.