

## Agenda item No. 5

Title: **Asset Strategy and Management Plan**

Portfolio holder: **Cllr Carbin – Finance Portfolio Holder**

Reporting officer: **Ian Jamieson – Head of Finance**  
**John Follows - Property and Estates Service Manager**

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### **Purpose**

To review the Asset Strategy and Management Plan 2006-2009.

### **Background**

The plan has been developed in accordance with best practice, in particular drawing on the Royal Institute of Chartered Surveyors (RICS) guidance, Office of Government Commerce (OGC) and beacon best practice local authorities.

The plan sets out to optimise the utilisation of assets in terms of service benefits and financial return, providing a framework to allow asset management to evolve and embed within the Council.

Asset Management was referred to by the Audit Commission in the Use of Resources judgement as an area to be improved. The plan seeks to address the areas of concern.

The plan was considered by the Asset Management Group on 25 July 2006, Corporate Management Team on 26 July 2006 and Cabinet on 27 September 2006.

### **Key issues**

Generally the deterioration in the condition of assets has not been as great as predicted in 1998. Backlog maintenance on parks and cemeteries is estimated at £484,000.

In total property maintenance required between 2006-2009 is estimated at £3.2m. Maintenance and refurbishment costs for Bradley road are estimated at £2.2m. This will feed into the review of the future of Bradley Road offices.

Capital resources are forecast to run out in 2007/08 and borrowing will be required to fund future capital programmes.

### **Effect on strategies and codes**

The Asset Management Plan has strong links with the Capital Strategy and Medium term Financial Plan, which provide investment and resources in accordance with Corporate Plan aims and objectives.

### **Risk management implications**

An Asset Management Plan is essential for the good management of assets and failure to put this in place would impact on the external Audit Commission opinion and Use of Resources scoring.

### **Finance and performance implications**

The financial implications are covered in the asset management plan.

### **Legal and human rights implications**

There are no direct legal and human rights implications

### **Next Steps**

The Asset Strategy and Management Plan will be embedded across the Council. This will be achieved primarily through the work of the Asset Management Group.

### **Recommendations**

The Audit Committee:

- reviews the Asset Strategy and Management Plan.
- request 6 monthly progress report on action plan implementation

Background Papers: Asset Strategy and Management Plan - room F33