

REPORT TO CABINET

REPORT OF: Neil Cucksey, Property Development Manager.

REPORT NO: PD001

DATE: 02 April 2012

TITLE:	Property Asset Strategy	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Key Decision	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Cllr Mike Taylor Resources	
CONTACT OFFICER:	Neil Cucksey n.cucksey@south kesteven.gov.uk 01476 406224	
INITIAL IMPACT ASSESSMENT:	Carried out and Referred to in paragraph (7) below	Full impact assessment Required:
Equality and Diversity		
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Your Council and Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS	Asset Management Plan 2009 -2012	

1. RECOMMENDATIONS

It is recommended that Cabinet approve the Property Asset Strategy as the key overarching document in this suite of four documents and delegate approval of the three further documents, the Property Organisational Framework, the Property Performance Framework and Report and the Asset Management Plan to the portfolio holder for Resources to agree in consultation with the Strategic Director – Corporate Focus supported by the Property Development Manager.

2. PURPOSE OF THE REPORT

- 2.1 The current asset management plan was introduced for the period 2009 to 2012 and relates to the Council's previous priorities.
- 2.2 South Kesteven District Council has worked with CIPFA to produce a suite of four documents to replace the current Asset Management Plan.
- 2.3 This report relates to the Property Asset Strategy as the overarching document setting out the vision for the council's asset base for the next 5 years. The purpose of the report is for the Cabinet to consider the Strategy for approval.

3. DETAILS OF REPORT

Introduction

- 3.1 Strategic asset management is the activity that seeks to align the asset base with the organisation's goals and objectives, and ensures that the property asset base of the organisation is optimally structured in the best corporate interest of the organisation. It can simply be defined as "optimising the utilisation of assets in terms of service benefits and financial return".
- 3.2 Asset management planning has developed in recent years in recognition of the fundamental role that it plays in effective financial management of any organisation. This is particularly so in the case of public sector bodies, and this has been supported by associated guidance from both government and professional organisations. Historically, guidance documents set out quite prescriptive, standardised formats for asset management plans, but as authorities gained knowledge and understanding about their property portfolios, there was a natural shift from compulsion and 'one size fits all' asset management planning, to a more mature approach reflective of each organisation's priorities.
- 3.3 This Asset Management Plan has been produced in the context of this collective guidance, but reflecting the specific needs of South Kesteven District Council and its asset base. The Council is striving to develop a fully corporate and cohesive approach to strategic asset management planning across the whole organisation. To help it achieve this, the Council is adopting a documentation framework that comprises a suite of four documents, as described below:

1 Property Asset Strategy: This sets out the Council's overarching strategy in relation to its assets. This strategy will look across the whole portfolio and set out how that portfolio will, as a whole be used in furtherance of the Council's strategic aims. As this document is by its nature a strategic document, dealing with high level goals, it should not require major changes more frequently than every 5 years or so. Exceptions to this might be where the Council has a fundamental change in corporate priorities or vision following the review of the Corporate Plan etc.

2 Property Organisational Framework: The internal arrangements for the governance and management of the property portfolio and strategic direction will be set out in the Property Organisational Framework. This will set out the arrangements that will be needed to deliver the Property Strategy. This document may need to be revised and refreshed after one year following a review of organisational arrangements, but thereafter the arrangements should be well embedded and the refreshed document should have a life of around 5 years.

3 Property Performance Framework and Report: The Property Performance Framework and Report will set out how the performance of the property assets has been measured to date and the general direction and areas of performance that needs to be adopted going forward, if the Property Strategy is to be delivered. This document is likely to have a life of 3 years, and will be annually 'refreshed' based on performance data gathered and progress with implementation of the Asset Management Plan.

4 Asset Management Plan: The fourth document, the Asset Management Plan will be the place where the three other documents are pulled together to provide an analysis of where the gaps are – both in organisational arrangements and asset performance – and will include an Action Plan against which the Property Strategy will be delivered. It is likely that this document will have a life of up to 3 years, with defined actions and milestones being actively monitored during that period.

4. OTHER OPTIONS CONSIDERED

None

5. RESOURCE IMPLICATIONS

None arising from this report.

6. RISK AND MITIGATION

Having a current and up to date Asset Management Plan provides governance and performance arrangement around asset decisions and therefore contributes to effective risk management.

7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT

None arising from this report

8. CRIME AND DISORDER IMPLICATIONS

None arising from this report

9. COMMENTS OF FINANCIAL SERVICES

A current and effective asset management plan contributes to the financial management and planning of the council.

10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

The Property Asset Strategy and its component documents are a requirement of a well run council to ensure asset rationalisation and value for money in our use of assets. The Strategy is not intended to cover the housing stock held by the Council for which a separate asset plan is in place.

11. COMMENTS OF OTHER RELEVANT SERVICES

None received.

12. APPENDICES:

The Property Asset Strategy