



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Corporate Asset Management Strategy 2010 - 2013
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	17 March 2010
Key Decision:	Yes
Listed on Forward Plan:	Yes
Within Policy:	Yes
Policy Document:	Yes
Directorate:	Finance & Support
Accountable Cabinet Member:	Cllr David Perkins
Ward(s)	All Wards

1. Purpose

- 1.1 The purpose of this report is to seek the authority of Cabinet to adopt a Corporate Asset Management Strategy for the period 2010-2013.

2. Recommendations

- 2.1 That Cabinet support the adoption of the draft Corporate Asset Management Strategy for the period 2010-2013, attached at Appendix 1, and the implementation of the key directions and objectives set out in the Strategy in order to achieve the desired outcomes, that are respectively summarised at 3.2.1 & 3.2.2 of this report.

3. Issues and Choices

3.1 Report Background

- 3.1.1 This Council adopted an Asset Management Plan in 2007 for the period 2006/7 – 2008/9. It was envisaged at that time that this would be subject to significant revision or replacement to reflect emerging detailed individual service plans and the consequential property needs of this Council.
- 3.1.2 Due to a mixture of emerging severe revenue pressures for the financial year 2008/09 and 2009/10 and the Council's decision in late 2008 to embark on a series of strategic business reviews, the timing, content and emphasis of this new strategy is changed. This proposed strategy takes account of and recognises the work programmes presently being undertaken as part of the current Strategic Business Review of Assets. The latter has a primary focus on improved delivery of service but includes as part of that process a fundamental review of Council property holdings.
- 3.1.3 The proposed Corporate Asset Management Strategy relates to all property assets of the Council other than housing revenue account residential property i.e. everything except "council housing". Strong, effective and strategic asset management will help to contribute to the improvement of the Council's overall "Use of Resources" judgement made by the Audit Commission under Comprehensive Area Assessment (CAA). The Use of Resources (2009) criteria (3.2), related to land and buildings, place additional challenges upon Councils to demonstrate the ways in which they are improving value for money by rationalising their property holdings to meet strategic asset planning objectives. A key emphasis in achieving this strategic approach is effective partnership and community working.
- 3.1.4 The Strategy proposed is for a period of three years to reflect the life of the Corporate Plan. The relatively short period of the strategy is also recognition that the shape of the Council may, within that timescale, be significantly different from its present position.

3.2 Issues

- 3.2.1 The Strategy sets out a number of key directions and objectives. These may be summarised as follows:
- To use property in a strategic way and to adopt a flexible property response to organisational and cultural changes within the Council.
 - To reduce the overall property holdings of the Council to maximise utilisation of space, manage down maintenance liabilities and limit related overheads.
 - To generate capital receipts from property disposals to support corporate objectives and to selectively re-invest in a core group of operational assets that should be fit for purpose, energy efficient and well designed.
 - Work effectively with public sector and voluntary sector partners to maximise the use of existing public sector property assets in Northampton.
 - To use Council owned property to help promote the development of additional housing, commercial activity and employment in the Town

3.2.2 Key desired outcomes for the Town and its people from pursuing this strategy are:

- The delivery of high quality public services to local people from suitably located buildings, in good condition, aligned with locally agreed priorities.
- To make Northampton a more attractive commercial and retail centre and improve the overall economic well being of the Town
- To support planned growth in housing and employment opportunities within the Town
- To empower and engage communities within their physical environment and facilitate structured community initiatives that meet corporate priorities
- To cut energy consumption and costs and to help to reduce the Council's carbon footprint
- To reduce overall property related costs of public service delivery in the Town and thereby release money to spend on direct services to the public

3.2.3 If this strategy is adopted, it must be recognised that the Council will increase the volume of its property disposals generating capital receipts and enabling development. However, this may also limit further the scope of the Council to directly provide accommodation to various businesses and groups in the Town.

3.2.4 An important element of effective delivery of this Strategy is the re-introduction of an effective Corporate Asset Board. This group would be able to provide direction and to monitor implementation and delivery of the strategy. A properly constituted forum, comprising senior officers and elected Members, it would enable greater scrutiny of proposed property decisions and enable there to be better understanding by Cabinet of the context of various property options and challenges.

3.3 Choices (Options)

3.3.1 The Council could choose not to adopt this Strategy and either adopt an amended strategy with a changed emphasis or not adopt a new strategy at all. This proposed strategy is consistent in approach with generally supported good practice by CLG and various professional bodies including RICS and CIPFA. Not to have an up to date strategy or one that is divergent from recommended approaches is likely to be viewed adversely when judgements are made as part of CAA assessment.

3.3.2 The Council could choose to adopt this Strategy in its current form. This would provide clear overall direction about use of the Council's property and assist individual property decision-making. It would provide residents and partner organisations with a clear guide to the Council's objectives concerning its property assets. It should also enable positive external judgements to be made about the coherence and consistency of approach adopted by this Council.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 This Strategy is intended to be complimentary and consistent with other key strategies adopted by this Council, which are referred to in the Strategy document.

4.2 Resources and Risk

- 4.2.1 There are none specifically flowing from the adoption of this Strategy. There are clearly significant resource implications in implementation of the proposed key themes, including disposals and re-investment.

4.3 Legal

- 4.3.1 There are no specific legal implications concerning the adoption of this Strategy.

4.4 Equality

- 4.4.1 There are no specific implications in adopting this Strategy. The impact of individual property decisions will have regard to potential impacts on different sections of the community.

4.5 Consultees (Internal and External)

- 4.5.1 All Directorates within Northampton Borough Council. Portfolio holder for Finance & Assets. Sections of the proposed strategy relating to collaborative working have been developed in light of recent discussions and other communications with a number of partners including Northamptonshire County Council, Northamptonshire Police, Northampton PCT and Northampton University.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 Adoption and implementation of the Strategy would help underpin delivery of all five corporate priorities set out in the present Corporate Plan.

4.7 Other Implications

- 4.7.1 None

5. Background Papers

5.1 Asset Management Files

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