

DRAFT

To: City Executive Board

Date: 2nd December 2009 **Item No:**

Report of: Interim Head of Property & Facilities Management

Title of Report: Asset Management Plan 2009 - Adoption

Summary and Recommendations

Purpose of report: To recommend adoption of the Asset Management Plan 2009, which accompanies this report.

Key decision: Yes

Report Approved by: Mel Barrett, Executive Director City Regeneration

Finance: Sarah Fogden/Penny Gardner
Legal: Jeremy Thomas

Policy Framework: Production of the Asset Management Plan and the review work that will follow it, are specific targets of the Council's Corporate Plan:

By March 2010: Develop a comprehensive asset management plan that rationalises our property holdings, releases capital for investment and ensures that our buildings are properly maintained."

The Plan is relevant to the delivery of all of the Council's priorities.

Recommendation(s): CEB is recommended to:

1. Note the contents of this report and the proposed additions to the Asset Management Plan 2009, following the consultation and scrutiny processes.

2. Recommend to Full Council adoption of the revised Asset Management Plan 2009.
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Background

1. The background to the preparation of the Council's Draft Asset Management Plan 2009 (AMP 2009) is as detailed in the report which was considered and approved by CEB on 1st July.
2. Following that approval the Draft Plan has now been circulated to selected external partners including the County Council, PCT, Police, NHS Trusts, Voluntary/Third Sector and the Housing Developers Forum. The document in its final draft form was also re-circulated internally to Executive Officers and fellow Heads of Service. In addition, the AMP has been presented to and consulted on with all 6 Area Committees. In all instances there have been no substantive comments received to note.
3. The AMP 2009 has been formally examined by Value and Performance Scrutiny Committee (VAPSC), whose recommendations have been reported to CEB earlier on this agenda. The nine recommendations made by VAPSC have been, in part, incorporated into the revised AMP 2009, with an Action Plan provided to address remaining recommendations within a defined timescale. It is confirmed that officers were in broad agreement with the findings of Scrutiny.

Report

4. The purpose of an Asset Management Plan, its structure and content and key messages arising from the process of production, is as detailed in 1st July CEB report. It is not proposed that those issues be repeated in this report.
5. Importantly, the Asset Management Plan sets out a revised framework for both Members and Officers to ensure that for the future property is managed as a corporate resource. Accordingly, work is in progress to develop a "Corporate Asset Management Group", drawn from all service areas, to be responsible for providing strategic guidance to the Strategy and Resources Board on all land and property matters.
6. It is also now proposed to undertake a brief review of remaining property and construction activities that continue to be delivered from outside the Property & Facilities Management Service, to confirm whether or not there is further benefit to be gained in drawing these into a single point of delivery. The most likely area is in relation to the commissioning of repairs, maintenance and small works although there may be other areas of opportunity.

6. The additions to the Consultation draft AMP 2009 include new sections on the following subjects:
 - 6 (c) Housing Revenue Account Properties
 - 7) (d) Asset Management - Resourcing
 - 7) (f) Links to Strategic Priorities from Corporate Plan
 - 10) AMP VAPSC – Action Plan
 - 11) Risk Register
7. The remaining recommendations by VAPSC will be answered in the resultant work referred to in the AMP 2009 which is already in implementation phase. It is anticipated that the first substantive output from the AMP 2009 will be the Investment Portfolio Review, the first draft of which is anticipated in April 2010, although a number of other asset reviews are currently in progress.
8. It is proposed that the AMP 2009 will be on an annual basis, so that it remains a forward looking and live document.

Environmental Implications

9. The AMP 2009 reiterates the Council's policies on environmental matters and relates them specifically to property.

Risks

10. Without the AMP 2009, the Council would be at risk of not meeting the requirements of the Asset Management element of the Use of Resources assessment in the Audit Commission's Comprehensive Area Assessment process.
11. A detailed Risk Register has now been incorporated within the revised Asset Management Plan 2009, (section 11), which is appended to this report.

Legal Implications

12. There are no direct legal implications arising out of this report at the present time.

Equalities

13. Each project in the action plan of the AMP 2009 will specifically address equality issues. Consideration of the need for Impact Assessment will be made at the appropriate time.
14. The AMP 2009 has policy guidelines on equalities generally as far as they impact on property.

15. The Council has been proficient at improving access to properties in line with the Disabilities Discrimination Legislation and is approaching the position where only a limited number of buildings with extreme physical constraints on meeting the legislative requirements remain.

Financial Implications

16. There are no direct financial implications arising at the present time. Human Resource input will be contained within existing budgets and supplemented by Transformation fund monies.

Recommendations

17. Note the contents of this report and the proposed additions to the Asset Management Plan 2009, following the consultation and scrutiny processes.
18. Recommend to Full Council adoption of the revised Asset Management Plan 2009.

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Background papers: CEB report dated 1st July 2009 –
Asset Management Plan 2009 – Consultation Draft

Version number: 1

CEB Report Risk Register

Risk Score **Impact Score:** 1 = Insignificant; 2 = Minor; 3 = Moderate; 4 = Major; 5 = Catastrophic
Probability Score: 1 = Rare; 2 = Unlikely; 3 = Possible; 4 = Likely; 5 = Almost Certain

No.	Risk Description Link to Corporate Objectives	Gross Risk		Cause of Risk	Mitigation	Net Risk		Further Management of Risk: Transfer/Accept/Reduce/Avoid		Monitoring Effectiveness				Current Risk	
								Q	Q	Q	Q	I	P		
1	Failure to approve document by CEB and or Full Council will impact Audit Commission Comprehensive Area Assessment, and will prevent the strategic management of Assets as a "Corporate" resource.	4	3	The Council determines not to adopt the proposed plan.	Mitigating Control: The Council to adopt the AMP 2009 Level of Effectiveness: (H)			Action: Appropriate consultation undertaken. Action Owner: Richard Hawkes Mitigating Control: Ensure that views expressed in the consultation exercise are taken into account whenever possible Control Owner: Richard Hawkes	Outcome required: Milestone Date: December 2009	Q 1 ☹	Q 2 ☹	Q 3 ☹	Q 4 ☹	I	P