

Supplement for

Cabinet

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On **Wednesday 10 August 2022** At **6.00 pm**

Agenda Item 7 - Scrutiny Reports

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	Scrutiny Committee will meet on 2 August 2022. The following report is expected and will be published as a supplement, together with any other recommendations from that meeting:	
	<ul style="list-style-type: none">• Asset Management Strategy 2021 - 2031	

The agenda, reports and any additional supplements can be found together with this supplement on the [committee meeting webpage](#).

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To: Cabinet
Date: 10 August 2022
Report of: Scrutiny Committee
Title of Report: Asset Management Strategy 2021-2031

Summary and recommendations	
Purpose of report:	To present Scrutiny Committee recommendations for Cabinet consideration and decision
Key decision:	No
Scrutiny Lead Member:	Councillor Dr Christopher Snowton, Scrutiny Committee Chair
Cabinet Member:	Councillor Ed Turner, Cabinet Member for Finance and Asset Management
Corporate Priority:	All
Policy Framework:	Council Strategy 2020-24
Recommendation: That the Cabinet states whether it agrees or disagrees with the recommendations in the body of this report.	

Appendices	
Appendix A	Draft Cabinet response to recommendations of the Scrutiny Committee

Introduction and overview

1. The Scrutiny Committee met on 02 August 2022 to consider a report concerning the Asset Management Strategy 2021-2031. The report, which is due for Cabinet consideration on 10 August 2022, recommends that Cabinet approves the strategy and recommends it for adoption by Council; delegates authority to the Executive Director (Development) to make any non-substantive changes to the strategy; and delegates authority to the Executive Director (Development) to update the Asset Management Action Plan (AMAP) on an ongoing basis, in consultation with the Cabinet Member for Finance and Asset Management. The Committee would like to thank Councillor Turner (Cabinet Member for Finance and Asset Management), Jane Winfield (Head of Corporate Property) and Mike Scott (Senior Estates Surveyor) for attending the meeting to answer questions.

Summary and recommendations

2. Councillor Ed Turner, Cabinet Member for Finance and Asset Management introduced the report. It set out the Council's objectives, priorities and delivery model for its assets, which ensured income for the Council. The Asset Management Strategy 2021-2031 had been produced to replace the existing Asset Management Strategy 2016-2021. The Head of Corporate Property advised that the Finance and Performance Panel had considered the Asset Management Strategy 2021-2031 in December 2021 prior to public consultation and made one recommendation, which was agreed by Cabinet. The version of the strategy before the Committee on 02 August 2022 was the post-consultation version.
3. The Committee noted that the response rate to the public consultation was disappointing – having received only one response. It also discussed the fact that the document was not a particularly accessible document to the community at large. The Cabinet Member, Head of Corporate Property and Senior Estates Surveyor agreed that the response rate was disappointing, but highlighted that it was a very long, strategic document which was very technical in parts; the response rate also reflected response rates in other local authorities.
4. The Senior Estates Surveyor confirmed that the strategy was sent directly to over 180 organisations and individuals across Oxford during the public consultation for input, however the response was limited. The Committee was assured that further consultation with key stakeholders and communities would take place in relation to the projects and decisions that sat below the strategy. In response to questions, the Committee was informed that the document had not been sent directly to parish councils or community associations; the Committee agreed that the Council should reach out to parish councils and community associations during consultation on the next iteration of the strategy.

Recommendation 1: That the Council ensures that, when the next iteration of the strategy is consulted on, it is sent directly to parish councils and community associations for their input – in a more user friendly format.

5. During discussion, the Committee queried whether there was a mechanism by which the overall environmental impact of the asset management function was monitored. The Head of Corporate Strategy confirmed that there were a series of workstreams underneath the strategy which monitored environmental impact and how to capture that information. Discussion also focused on the weighting of economic, social and environmental outcomes and issues within the strategy; the Committee agreed that the strategy did not appear to give equal weighting to these elements and suggested that environmental and social issues should be drawn out and emphasised.

Recommendation 2: That the Council explores opportunities to draw out and consider issues relating to the environment and biodiversity within the strategy, to ensure they are given equal weight to economic issues.

6. The Committee further discussed the topic of 'climate resilience' following the recent extreme warm weather and the likelihood of the Council having to provide cooling centres and the like in future, as a result of climate change and the increase in extreme weather events. The Committee noted that there was only one reference to

climate resilience within the strategy and suggested that the topic should be expanded on within the document.

Recommendation 3: That the Council addresses and emphasises the topic of 'climate resilience' within the strategy.

7. During discussion, the Committee queried whether the Council gave regard to ethical investments within its asset portfolio.

Recommendation 4: That the Council explores ethical investments as part of its asset portfolio.

8. The Committee noted that the Council owned a number of parades of shop units in residential areas around the City; and that Council policy was to not allow additional food takeaway units, being conscious of the health impact on the communities which parades of shop units serve. During discussion, the Committee suggested that the Council should formally report on income losses as a result of not allowing additional food takeaway units, so that the scale of reduced income could be understood.

Recommendation 5: That the Council formally reports on the degree to which Council income is reduced as a result of its policy of selecting tenants of district retail parade units for social reasons (e.g. community health), rather than necessarily selecting the first or highest offer.

9. During discussion, the Committee noted that there were a number of numerical goals set out within the strategy, but when reporting on these the document did not report on the actual numerical outcome achieved – instead making a qualitative statement of whether the goal was 'met' or 'not met'. The Committee suggested that where numerical goals are stated, the numerical outcome should be reported in order to understand the degree of success or underachievement.

Recommendation 6: That the Council reports on the quantitative outcome where the strategy states numerical goals, rather than simply stating whether the goal was met or not.

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Appendix A

Draft Cabinet response to recommendations of the Scrutiny Committee

The document sets out the draft response of the Cabinet Member to recommendations made by the Scrutiny Committee on 02 August 2022 concerning the Asset Management Strategy 2021-2031. The Cabinet is asked to amend and agree a formal response as appropriate.

Recommendation	Agree?	Comment
1) That the Council ensures that, when the next iteration of the strategy is consulted on, it is sent directly to parish councils and community associations for their input – in a more user friendly format.	Y	We will endeavour to make more ‘user friendly’ but this is by necessity a wide ranging strategy which is somewhat unwieldy. We will also encourage elected members to share the strategy with stakeholders who might be interested.
2) That the Council explores opportunities to draw out and consider issues relating to the environment and biodiversity within the strategy, to ensure they are given equal weight to economic issues.	In part	We have amended the wording on biodiversity to be clear we strive for biodiversity gain. Given much of the focus of the strategy is on the Council’s commercial property portfolio, achieving a strict balance between the three elements identified by the committee is not feasible. However, decision process will of course consider social, environmental and economic impacts of decisions.
3) That the Council addresses and emphasises the topic of ‘climate resilience’ within the strategy.	Y	We have amended the wording to emphasise.
4) That the Council explores ethical investments as part of its asset portfolio.	Y	The council already has an ethical investment policy in the Treasury Management Strategy. A reference has been added in this plan.
5) That the Council formally reports on the degree to which Council income is reduced as a result of its policy of selecting tenants of district retail parade units for social reasons (e.g. community health), rather than necessarily selecting the first or highest offer.	Partial	Estate shops are currently let on the open market. We can report on bids and any judgements where the highest bid may not be taken; from past experience, the differences between bids are quite small given the nature of these assets. A range of reasons might be taken, including the financial standing of the proposed occupant,

		as well as achieving a good range of uses to the benefit of local communities.
6) That the Council reports on the quantitative outcome where the strategy states numerical goals, rather than simply stating whether the goal was met or not.	Y	We have added specific quantitative outcomes to the document.