

To: City Executive Board

Date: 7th. December 2011

Report of: Value and Performance Scrutiny Committee

Title of Report: Asset Management Framework

Summary and Recommendations

Purpose of report: To report early considerations of the Asset Framework by the Value and Performance Scrutiny Committee

Key decision? No

Scrutiny Lead Member: Councillor Oscar van Nooijen

Executive Lead Member: Councillor Ed Turner

Policy Framework:

Recommendation(s):

For the City Executive Board to say if it agrees or disagrees with the following recommendations:

Recommendation 1

That City Executive Board agree to affirm their commitment to providing good and sustainable budgets to tackle the maintenance backlog and investment to provide for the most effective use of our assets. To encourage all political parties on the Council to support this within their budget proposals.

Recommendation 2

To welcome the discussion in concrete terms of rates of returns for our investment assets and to ask the City Executive Board to set a target for this in the re-refresh of the Asset Framework of 5%.

Introduction

1. As part of the 2011/2012 scrutiny programme committees decided to hold a series of Select Committee style inquiries in order to probe in

greater depth into a number of topics. One of the topics chosen was the performance within the Council's Asset Management Framework to date and preparations and proposals for the refresh of this document.

2. The committee appointed Councillor van Nooijen as the Lead Member for this item and he worked with Councillor Gotch and officers to bring forward information for the committee to consider. The conclusions and comments below represent the committees initial views and further comment will be made within the consultation period for the refresh of the Asset Management Framework. The full lines of inquiry are available on request.
3. The Committee would like to thank officers from Corporate Assets for their support in providing information and contributing towards debates.

Conclusions and Recommendations

4. The committee was pleased to see some significant progress within the management of the Asset Portfolio to deliver a Framework that supports the spending and activities of the Council both now and into the future. There was much to be pleased about in terms of significant developments in the City and major projects bought in on time and in budget
5. Work continues and the committee will discuss shortly with officers their future plans which seem likely to be challenging as more difficult options and choices come to the fore. The committee would like to thank officers for the very early view of the draft Asset Framework and look forward to discussing this with them in more detail
6. The committee would like to present 2 recommendations arising from discussions on:
 - The maintenance backlog; and
 - Rates of return

Recommendation 1

That City Executive Board agree to affirm their commitment to providing good and sustainable budgets to tackle the maintenance backlog and investment to provide for the most effective use of our assets. To encourage all political parties on the Council to support this within their budget proposals.

Board Member Comments

I appreciate the support of Scrutiny for this aim - I strongly believe having a funded programme of maintenance work is in the interests of the authority and would welcome such support.

Recommendation 2

To welcome the discussion in concrete terms of rates of returns for our investment assets and to ask the City Executive Board to set a target for this in the re-refresh of the Asset Framework of 5%.

Board Member Comments

Comments will be made at the meeting.

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List of background papers:

Version number:

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