

Development Sub Committee



Title	<i>Asset Management Plan Update</i>
Purpose of the report	To seek approval to the updated Key Performance Indicators and Risk Register, which will form part of the final published version of the Asset Management Plan 2024 - 2028
Report Author	<i>Coralie Holman – Group Head Assets</i>
Ward(s) Affected	All
Exempt	No
Exemption Reason	<i>Not Applicable</i>
Corporate Priority	All Corporate Plan themes
Recommendations	<p>Committee is asked to:</p> <ol style="list-style-type: none"> 1.) Approve the updated Key Performance Indicators and Risk Register which will form part of the final version of the Asset Management Plan (AMP) 2024-2028. 2.) Agree subject to a final review of the Asset Management Plan being undertaken to ensure it reflects any other Council policy changes since December 2023, that the AMP can be published on the Council's website.
Reason for Recommendation	<p>Full Council approved the Asset Management Strategy and first draft of the Asset Management Plan in December 2023. Approval of the final version of the Asset Management Plan was subject to a further Member workshop to review two key areas being the Key Performance Indicators (KPIs) and Risk Register. This workshop has now taken place and both parts of the plan have been updated following input from Members. The Asset Management Plan 2024-2028 is now ready for publication.</p>

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> • The Public Interest Report (PIR) Action Plan was reported to the July 2023 Audit Committee. This responded to 	<ul style="list-style-type: none"> • To finalise the AMP, so it can be published and provide a clear and transparent approach to how the Council will manage and

<p>the October 2022 PIR and it was agreed a suite of Asset Management documents would be produced detailing how the Council will manage its land and property portfolio. This included a set of Key Performance Indicators and a Risk Register.</p> <ul style="list-style-type: none"> • The initial draft of the Asset Management Plan was approved in December 2023 subject to a further Member workshop to focus specifically the KPIs and Risk Register. 	<p>assess the performance of its Investment and Regeneration property portfolio.</p>
<p>This is what we want to do about it</p>	<p>These are the next steps</p>
<ul style="list-style-type: none"> • The Member workshop has now taken place, the KPIs and Risk Register have been updated and are now ready for inclusion within the final version of the AMP. 	<ul style="list-style-type: none"> • Upon approval of the amended KPIs and Risk Register the AMP will be fully reviewed to ensure it reflects any other Council Policy changes since December 2023 i.e. The Corporate Plan and will then be published on the Council's website.

2. Key issues

- 2.1 Following a report being taken to Audit Committee in July 2023 as a result of the Public Interest Report (PIR), the Assets Service undertook to produce a revised suite of Asset Management documents that would set out how the Council would manage its land and property holdings. This included an overarching Asset Management Strategy and Asset Management Plan (AMP), that would relate to all Council owned land and property and sit above a more bespoke suite of portfolio specific documents as shown in the diagram in 2.2 below. This report focuses on the AMP only, as all other documents have been separately approved in their final form.

Asset Management Strategy

Asset Management Plan (5 year portfolio plan)

Business
Plans
(Annual)

Asset
Investment
Strategy
(Annual)

Investment
Report
(6 monthly)

Sinking Fund
Monitoring
(Quarterly)

Development
Delivery
Strategy
(6 monthly
review)

Budget
Monitoring
(Quarterly)

2.2 The first version of the Asset Management Strategy and AMP were approved by Committee and Full Council between October to December 2023. Approval of the AMP was subject to a further Councillor workshop to review and input into the document and focus specifically on the Key Performance Indicators (KPIs) and Risk Register.

3. Current position

3.1 A Councillors workshop was held in the middle of March 2024 with specific focus on the KPIs and Risk Register. Both documents have now been updated following this workshop and can be found at Appendix 1 and 2 of this report.

3.2 Subject to approval of the amended KPIs and Risk Register, the AMP will be finally reviewed and updated as set out in section 4 below and then published on the Council's website with further annual reviews and updates as required to be carried out.

4. Next Steps

4.1 Following approval of these two components of the Asset Management Plan, the document will be fully reviewed and updated to ensure it reflects other relevant Council policies, which have been updated and agreed since December 2023 i.e. the current Corporate Plan and then published on the Council's website replacing any other historic Asset Management Plans.

4.2 The Assets Service are currently managing the Council's Land and Property Assets in line with the methodology in the AMP 2024-2028, so no operational changes are needed following publication of the AMP.

5. Options

5.1 Approval of the Key Performance Indicators and Risk Registers included within Appendix 1 and 2 of this report for inclusion in the published version of the Asset Management Plan 2024-2028. **This is the recommended option.**

5.2 Do not approve the Key Performance Indicators and Risk Registers included within Appendix 1 and 2 of this report for inclusion in the published version of

the Asset Management Plan 2024-2028. **This is not the recommended option.**

6. Financial Implications

- 6.1 Whilst the approval of these components of the Asset Management Plan have no direct financial implications in isolation, the Asset Management Plan sets out the way the Council will manage its land and property assets and sets out the Council's statutory obligations to achieve best value in terms of financial returns which in turn relates to the financial resilience of the Council.

7. Risk Management

- 7.1 Without the Council having an agreed Asset Management Strategy that sets out how it will manage its land and property portfolio there is no agreed mechanism for decision making and benchmarking property performance.
- 7.2 The Asset Management Plan sets out comprehensive methodology about how the Council will approach day to day activities in relation to all its land and property assets that will ensure there are an agreed set of parameters within which the Council can be assured the portfolio will deliver best value and be aligned with its Medium Term Financial strategy hence supporting the future financial resilience of service delivery and other Council activities.

8. Procurement comments

- 8.1 None

9. Legal comments

- 9.1 The Council has the power to acquire and dispose of land for the purpose of any of its functions (sections 120 to 123 of the Local Government Act 1972).
- 9.2 Any disposal will need to satisfy the valuation requirements of section 123 of the Local Government Act 1972.
- 9.3 Legal Services (g.legal@spelthorne.gov.uk) will provide advice and assistance with any associated agreements and documentation.

10. Other considerations

- 10.1 None

11 Equality and Diversity

- 11.1 None

12 Sustainability/Climate Change Implications

- 12.1 All Council owned land and property will need to meet sustainability criteria as set out in the Asset Management Plan

13 Timetable for implementation

- 13.1 Immediately if approved. Will be applied to 2023-24 outturn.

14 Contact

- 14.1 Coralie Holman Group Head Assets c.holman@spelthorne.gov.uk

Background papers:

Appendix 1 Investment Portfolio Risk Register

Appendix 2 Municipal Portfolio Risk and Performance Register

Appendix 3 Investment Portfolio KPIs

