


## Report to Cabinet

 ROCHDALE BOROUGH COUNCIL	Date of Meeting	31 <sup>st</sup> January 2023
	Portfolio	Economy and Regeneration
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	Public/Private Document	Public

### **Asset Management Strategy and Plan 2022-2023**

#### **Executive Summary**

- 1.1 This is the Council's Asset Management Plan and Strategy 2022 to 2030. (appendix 1) It sets out how the Council will use its land and buildings portfolio to help deliver its corporate priorities and objectives

Asset management is defined as 'the activity that seeks to align the asset base with the organisations corporate goals and objectives. It ensures that the land and buildings asset base of an organisation is optimally structured in the best corporate interest of the organisation concerned.

The current Asset Management Plan expired in 2019. The replacement plan has been delayed due to Covid and the need to focus on other service priorities as a consequence of long term staff vacancies. .

The Council is not obliged to produce an Asset Management Strategy but it is considered to be best practice.

The Asset Management Plan and Strategy 2022-2030 covers all land and building assets owned, used or controlled by the council and sets out a framework and objectives for their continued management and improvement. Land and building assets held by the Council are valued at £575m in the council's accounts, we spend £10 million revenue a year in property related costs and generate just over £4 million in rental income. We need to make sure we make the best use of these assets and deliver value for money.

The Strategy aims to:

- Provide an overview of the Council's corporate priorities.
- Highlight the progress made by the Council in terms of asset management.
- Consider the future issues that the Council will have to address if it is to continue to have effective asset management processes in place.
- Detail the extent and nature of the Council's current asset portfolio.

- Give the Council's approach to asset management both at a corporate and service level.
- Consider the implications for future capital expenditure and the need for the Council to consider new and sometimes innovative methods of service delivery and different sources of capital to realise its investment needs.
- Identify key performance measures and associated monitoring arrangements.
- Detail the adopted processes for planning and consultation with all stakeholders.
- Identify the data management systems in place or to be developed.
- Refer to the methodology for corporate prioritisation of schemes, including option appraisals, necessary to develop a 3-5 year programme of work.
- Highlight the Council's approach to dealing with under-used or surplus assets.
- Provide evidence of the asset management processes being undertaken.

### **Recommendation**

- 2.1 It is recommended that members approve the draft Asset Management Plan and Strategy for adoption as Council policy.

### **Reason for Recommendation**

- 3.1 The Council is not obliged to produce an Asset Management Plan but it is considered best practice by the RICS and CIPFA. The strategy provides a link between service and project planning and the management and maintenance of land and building assets. It helps identify sites to meet our regeneration objectives, housing needs, climate change priorities and so on.

Over the last 20 years the Council has disposed of over 160 assets generating considerable capital receipts and releasing land for housing and employment opportunities.

### **Key Points for Consideration**

- 4.1 The strategy will run from 2022 to 2030.

The strategy covers all land and building assets held used or controlled by the Council it applies to acquisitions, disposals, leases, accommodation moves, sharing arrangements and transfers to partners and the voluntary sector.

It aims to ensure that we achieve value for money from our land and building assets

## Costs and Budget Summary

- 5.1 The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code for Capital Finance in Local Authorities. The Act therefore requires the Council to 'have in place a capital strategy that sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes', which 'should form a part of the authority's integrated revenue, capital and balance sheet planning'. The Asset Management Strategy and Plan aligns to the Capital Investment and Disposal Strategy updated annually and presented to Budget Council for approval.

## Risk and Policy Implications

- 6.1 Without a strategy and policy we risk wasting resources through poor decision making
- 6.2 There is a risk that we will not have sufficient resources to fully and effectively implement the strategy.

## Consultation

- 7.1 Consultation has taken place with the Portfolio Holder for Economy and Regeneration, Operational and Strategy Asset Management Groups, the Strategic Estates Group, Legal and Finance services

Background Papers	Place of Inspection
8. There are no background papers	
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