

Committee: Cabinet

Date of meeting: 18 September 2019

Subject:	Asset Management Plan and Associated Strategies
Lead Officer:	Head of Asset Management and Property Services
Portfolio Holder:	Resources – Councillor C Sadler
Link to Council Priorities:	All
Exempt information:	None
Delegated status:	For recommendation to Council
Key Decision:	n/a

Executive Summary:

The Council's Asset Management Plan 2019-2024 (AMP) deals mainly with the Council's Property Assets. It looks at how the assets support achievement of the Council's objectives, priorities and the service it provides. It sets out principles and plans to ensure the assets are used and managed efficiently and effectively as possible.

The AMP and associated strategies for the financial years 2019-2024 form an integral part of our corporate governance. This AMP updates the previous 2014-2017 plan adopted by Council 2014. There will be a number of update and reviews during the course of the 5-year plan, to accommodate any new policies, legal changes for example once the Local Plan is approved and any new strategies relating to Sustainability.

Recommendation: that

The Asset Management Plan and Associated Strategies attached herewith (Appendix A) are for recommendation to Council for adoption.

Report:

1. The document details the Council's plans in relation to their corporate property portfolio of operational and non-operational holdings for the next five years.
2. The document outlines how the AMP fits into the Council's framework of policies, what the Council has achieved in the past three years and going forward its plans and strategies for both the operational and non-operational property portfolio, that currently includes seven Centres for the Community, three sporting leisure facilities, the council's Civic Centre, five brick built public toilets and three automated public conveniences, 5 Public Halls, twenty-eight car parks, numerous sporting pavilions and associated facilities, 13 allotments plus some miscellaneous small land holdings retained for strategic or community reasons.
3. The land and property holdings have a total 'net book value' of approximately £194.5 million. This is comprised of investment assets worth £92 million and operational assets with a value of £102.5 million. The latter figure includes

Community Assets, such as Commons, Cemeteries, Open Spaces, Allotments and Recreation Grounds (£0.4m) Infrastructure Assets (£0.45m) and Surplus Assets (£3.8m). All the valuation figures are correct to the Financial Year End March 2019.

4. Elmbridge Borough Council's property assets are split into two elements, the operational estate which enables us to deliver services and activities administered by the Council on behalf of our residents and the investment assets which are referred to as non-operational assets which are the strategic assets held by the Council on behalf of the public for either long term investment and revenue income, regeneration/strategic economic benefit, or both.
5. The AMP is not an asset register of all the property interests held by the Council. It is a strategic document that sets out the Council's approach to the way in which the Council manages its land and property asset base and highlights the reasons why the Council is an effective custodian of publicly owned property. As such this stewardship seeks to protect the value of the assets for both long and short-financial terms but also, importantly, in relation to public function and the optimisation of use ensuring that the property meets all the health and safety aspects associated with property ownership and works. It is important to note that where appropriate the strategy will ensure that we work within the relevant legal framework to ensure that our tenants/stakeholder etc meet the legal obligations. In addition to the above the Council will continue to consider matters of environmental sustainability and performance within the day to management of the estate and consideration of this key aspects will be addressed when considering any property/land investment decision.
6. The strategy also identifies the circumstances in which the Council will acquire or dispose of assets, either for operational or investment/regeneration purposes for example certain circumstances it may be necessary to use our Compulsory Purchase powers to assemble sites where there is a wider and longer-term public benefit, where possible anticipating future needs.
7. The Council as part of the asset management plan will actively review the purpose and value of the entire property estate in a dynamic way so that those assets that are no longer required. They will then either be formally declared surplus and are offered for disposal or alternative use sought which meets the needs and demands of the council's priorities to deliver the requirements of our residents and, at the same time, ensure we dovetail with the council's short, medium and long-term financial strategy.
8. The asset base consists of a variety of tenants which range from residential to commercial occupiers along with voluntary, sporting, leisure, charity, faith and other key service providers. The management of these interests will be carried out by specialist property experts and considered on a case by case basis mindful of the need to meet responsibilities to pay a market rent, any associated service charges and to maintain, repair, insure and replace the assets. At the same time, the management approach will be sensitive to the ability of some users to manage and pay for the various responsibilities.

9. The day to day running of the Elmbridge Borough Council's public estate seeks to ensure it is fit for purpose and is maintained to a satisfactory standard. It will also address aspects such as unauthorised occupation, trespass and encroachment. This will safeguard the asset whilst optimising public use and exhibit the reasonable environmental standards and consider the consequences of environmental performance. Investment will be targeted at making any necessary improvements as part of any businesses case and if resources allow but also take account of the legal obligations of the Council.

Property forms part of the Councils resource and supports the delivery of all the Councils objectives by:

- Providing accommodation for the delivery of a wide range of services;
- Meeting the needs of the local community through the provision of facilities for recreation and social interaction;
- Providing financial return through a non-operational investment portfolio and disposal of surplus assets, where appropriate;
- Facilitating strategic economic development through partnerships
- Working in Partnership with local community organisations to ensure the provision of local outlets for services.
- Providing accommodation for the delivery of a wide range of services;
- Meeting the needs of the local community through the provision of facilities for recreation and social interaction;
- Providing financial return through a non-operational investment portfolio and disposal of surplus assets, where appropriate.

Since the adoption of the previous Asset Management Plan the Council has been active in the management of the Councils portfolio of Assets. Major highlights include:

Since the last AMP the Council has been active in the management of the Councils portfolio and major highlights are as follows:

- Sale of Stompond Lane Sports ground which enabled us to deliver a state-of-the-art Sport Hub for the local community to enable participation in sport at no cost to the tax payer. Stompond Lane has also provided 9 affordable units, which have been developed.
- Sale of the former British Legion site in Hersham which delivered 8 affordable units 5 retained by Paragon and 3 to Transform Housing all of which give rented provision.
- Albemarle House was bought and converted to 5 temporary housing units.
- Re-opening of Lower Green Community Centre.
- Following the fire at Claygate Pavilion a Development Agreement has been put in place to enable to Trust to deliver an enhanced provision for the Community.
- A mixed sector portfolio gives the Council a constant revenue stream.
- Planning Permission obtained for Weybridge Hall for D1 use and 5 residential temporary accommodation units.

- Capital projects in excess of £3m which have enhanced service delivery or been instrumental to delivering the communities infrastructure needs including: -
 1. Drewitts Court Car Park
 2. Surbiton Hockey Club car park
 3. Ashley Park Car Park Walton on Thames
 4. Cobham Centre for the Community Car Park
 5. North Heath Weybridge pay and display car park
 6. Graburn Way Molesey car park
 7. Thames Ditton Community Café
 8. Civic Centre demolition of Pest Store and creation of car parking at the Civic Centre
 9. Move of Community Transport to Lower Green
 10. Lift Refurbishment at Civic Centre
 11. Civic Centre washrooms
 12. Members Room refurbishment
 13. Office moves including reconfiguration of OD, Planning and ICT
 14. New footbridge known as Nielson Bridge, Molesey
 15. Cobham Hollyhedge Car Park
 16. Thames Ditton Café at the Thames Ditton Centre for the Community
 17. Men in Shed at Thames Ditton
 18. Cobham Link at the Centre for the Community
 19. Civic Centre boundary wall repair
 20. APC delivered at Brooklands, Sadlers Rise and Hersham Splash Park
 21. Refurbished brick built Public Conveniences
- Purchase of Weybridge Estate a mixed portfolio of residential and commercial which enabled us to deliver much needed affordable rental residential accommodation
- Delivery of Public Convenience Strategy
- Buying and delivery of bespoke asset management software to ensure optimum performance of the Council's Portfolio

The particular objectives of the 2019-2024 Asset Management Plan are to:

Provide a framework for the strategic management of the Council's assets as a Corporate Resource. Its aim is to set out the Council's vision, aspirations and objectives for its portfolio, and outlines an Action Plan for how it aims to achieve these outcomes.

This document will form part of the Council's Policy Framework, which provides Member and Officer guidance on the management of the Council's land and property portfolio. It aims to optimise the contribution that property makes to the Council's provision of quality services and to support the Council's objectives through effective asset management and ensure all assets comply with statutory obligations in respect of health and safety issues.

It is aimed at providing transparency as well as establishing priorities and clarity of purpose. It will enable the Asset Management and Property Services team to review resources and measure success.

The Plan supports the Council's principal aims and objectives as set out in the Corporate Plan including the Council's short medium and long-term financial strategy which should be read in conjunction with the AMP for the period 2019-2029.

The primary aims of the Asset Management Plan are to:

- Ensure that assets are managed to meet all statutory requirements, are fit for the purpose for their current use and this should be forward looking in respect of how best to deliver the relevant service to suit the needs of the local residents and wider community the assets should be in a reasonable condition to enable continued services;
- Manage assets in the most cost-effective way, where possible reducing costs and in line with the financial strategy;
- Protect and optimise the value of the Council's assets whether operational or non-operational;
- Provide a co-ordinated approach to asset management across the authority reflecting service needs;
- Identify where possible improved methods of managing assets;
- Provide flexible spaces that can be economically adapted to adjust to service needs, including sharing with partner agencies and encourage partnership working with other agencies eg One Public Estate;
- Identify all opportunities to contribute to the provision of affordable housing in the borough;
- Ensures assets are retained by Elmbridge Borough Council (EBC) that assist in service delivery, generate a suitable level of income and/or have the potential in future to deliver significant increased income or capital receipt;
- EBC will manage the assets to give due consideration to increased revenue income or reducing revenue costs on both the operational and investment estate;
- Assets will be maintained in accordance with current statutory legislation and reflect the condition surveys in place which are reviewed every 5 years;

- EBC will continue to challenge asset utilisation, retention, locality and sustainability;
- Identify and develop opportunities for joint working with partners;
- Continue to review the team's performance indicators, managing agents, and, where necessary and appropriate, create new indicators which will assist in the management of EBC's assets; on a day to day basis it is 'business as usual'; and
- Where appropriate all opportunities for assets to be used for affordable housing provision in the borough will be actively pursued.

With these aims in mind the Councils key property aims and objectives for 2019-2024 are:

- To ensure all tenants are complying with the terms of their occupational agreements
- To continue to manage in accordance with good estate management practices;
- If possible and in accordance with market factors to increase revenue income from the investment portfolio through new purchases, rent reviews and lease renewals;
- Ensure that the Civic Centre accommodation is managed effectively and used to reflect the ongoing needs to the council and its partnering organisations;
- To acquire further investment property in the Borough to increase revenue income in accordance with the Property Investment Strategy outlined in this Plan;

Property and land forms part the Council's resource and supports the delivery of all the Council's objectives by:

- Providing accommodation for the delivery of a wide range of services;
- Meeting the needs of the local community through the provision of facilities whether it is for recreation and social interaction, including parks, open spaces, indoor leisure, centres for the community, etc; car parking facilities, a waste depot to ensure we deliver our statutory waste obligations. All of these uses' and others assist the local economy by sustaining the vitality of town centres and villages; and appropriate strategies for example the retail strategy which are being considered by both members and officers that will work with businesses and communities to deliver the best outcomes for EBC;
- Providing a financial return through a non-operational investment portfolio and disposal of surplus assets, where appropriate.

- Facilitating strategic economic development through partnerships;
- To work in partnership with local community organisations to ensure the provision of local outlets for services. An example of this is the refurbishment of the former Walton Library to provide a community hub for the likes of Citizens Advice and The Counselling Partnership.

Financial implications:

None for the purposes of this report.

Environmental/Sustainability Implications:

As outlined in the report and the Asset Management Plan attached.

Legal implications:

As outlined in the report and the Asset Management Plan attached.

Equality Implications:

As outlined the report and the Asset Management Plan attached.

Risk Implications:

None for the purposes of this report.

Community Safety Implications:

None for the purposes of this report

Principal Consultees:

CMB

Leadership Group

Performance and Finance Panel

Portfolio Holder for Resources

Background papers:

None for the purposes of this report

Enclosures/Appendices:

Appendix A – Asset Management Plan

Contact details:

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