



## **POLICY & RESOURCES COMMITTEE**

**9 November 2022**

<b>REPORT TITLE:</b>	<b>ASSET STRATEGY 2022 – 2027</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF REGENERATION AND PLACE</b>

### **REPORT SUMMARY**

This report seeks approval of the draft Wirral Council Asset Strategy 2022 – 2027.

The Asset Strategy is one of five strategies that shape the Council's new operating model (which was approved at this Committee on 1 December 2021) and delivery of the Improvement Plan. The other strategies are the Medium Term Financial Strategy (approved on 28 February 2022 and refreshed annually), Customer Experience Strategy, IT/Digital Strategy, and People Strategy. These three strategies are nearing completion and will come to this Committee in the coming months.

The Asset Strategy is integral to delivering all aspects of the Wirral Plan 2021-26 thematic priorities:

- Safe and Pleasant Communities;
- A Sustainable Environment;
- An Inclusive Economy;
- Brighter Futures; and
- Active and Healthy Lives

This report affects all wards in the Borough. This is a Key Decision.

### **RECOMMENDATION/S**

Policy and Resources Committee is recommended to approve the Asset Strategy 2022-27 attached as Appendix 1 to this report.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 To ensure that the Council has an up-to-date Asset Strategy to inform its strategic and operational decisions in relation to assets.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The Council's new operating model requires that the Council has an up-to-date Asset Strategy as one of its enabling strategies. The adoption of a revised Asset Strategy is a clear requirement. There are other options were considered in relation to this matter.

### **3.0 BACKGROUND INFORMATION**

- 3.1 The Council's Asset Strategy was last approved in 2016 for a period of five years. This report updates that Strategy considering several significant changes that have taken place over those years. In summary these are:

- The Council has approved an updated Wirral Plan for 2021 - 2026 and this strategy takes account of the changing priorities from the previous Wirral Plan;
- A capitalisation directive from Government has been accepted by the Council (August 2022) and this requires (amongst other matters) a five-year disposal plan to be agreed with Government. This strategy provides the strategic framework in which that disposal plan can be agreed;
- New ways of working have been introduced facilitated by IT developments. These include flexible hybrid working and the strategy takes account of this.
- On 15 July 2019, Wirral Council declared an environment and climate emergency. The resulting Environment and Climate Emergency Policy committed the whole organisation to action, to become carbon neutral by 2030. and the strategy takes account of this.
- A new Local Plan is being prepared and alongside this, ambitious regeneration proposals have been agreed for the Borough. The Asset Strategy will support the delivery of these ambitions by optimising the use of Council assets.

- 3.2 The Asset Strategy is attached to this report. Its key features are that:

- It is an enabling strategy to support the Council's new operating model;
- It is a strategy that delivers on the Council's Wirral Plan 2021-26 priorities;
- It adopts a Corporate Landlord model for the management of the Council's assets;
- It establishes a Corporate Asset Management Board reporting to the Council's Strategic Leadership Team to streamline the formulation of decision making in relation to assets
- It sets out actions to support the delivery of regeneration, housing, environmental priorities, community wealth building and heritage priorities.
- It setst out actions to maximise income and future-proof the Council's estate, and a strategic framework for considering disposals and

It prescribes a set of measures which will be used to report on performance annually to Policy and Resources Committee.

#### **4.0 FINANCIAL IMPLICATIONS**

4.1 This Asset Strategy will ensure that:

- the assets owned by the Council are managed in the most efficient and effective fiscally sound way.
- income is maximised and collected;
- capital receipts are maximised and realised;
- all surplus assets are disposed of in a strategic way; and that
- the Council's estate is invested in to ensure that it can be run commercially in a competitive property market.

5.2 All of these factors are critical and need to be achieved in the current financial situation to support the Council's policies.

#### **5.0 LEGAL IMPLICATIONS**

5.1 Approval of this strategy is the responsibility of this Committee because it has within the scope of its terms of reference, amongst other matters, "undertaking responsibility for developing and monitoring the enabling corporate services including... property and asset management."

5.2 The Council has power pursuant to Section 120(1) of the Local Government Act 1972 under any function of the local government Act 1972 or any other enactment, for the benefit, improvement or development of their area, to acquire by agreement any land, whether situated inside or outside their area.

5.3 The general power for the Council to dispose of land is section 123 of the Local Government Act 1972 which gives the Council the power to dispose of land held by it in any manner it wishes provided that the local authority achieves the best consideration that can reasonably be obtained except where the disposal is for a short tenancy (the grant of a term not exceeding seven years or the assignment of a term which has not more than seven years to run) or the local authority has the consent of the Secretary of State.

5.3 The Secretary of State has issued a general consent for disposals of land under section 123 for less than best consideration. This allows a local authority to dispose of land for less than best consideration if it considers that the disposal will contribute to the promotion or improvement of the economic, social or environmental well-being of its area and the extent of the undervalue is no more than £2m. This consent can be very useful for regeneration initiatives or other projects which will be of benefit to the local area.

5.4 There are requirements in relation to assets of community value under the Localism Act 2011. An asset of community value is land that a local authority considers has community value on the basis that the primary current use of the land furthers the social well-being or social interests of the local community or that it has in the past and it is realistic to think it could do again within the next five years. The Council is

obliged to maintain a list of assets of community value in their area. If a local authority is disposing of land which is on the list, it will be obliged to notify of its intention to dispose of the asset. This will ensure that community interest groups are aware of the proposed disposal and can bid if they wish to do so. Moratorium periods are then imposed on the disposal to enable community groups to have sufficient time to bid and raise the necessary funds.

- 5.5 If there is a community building which a community group would like to acquire, this could be done through a community asset transfer which is a mechanism used to enable community ownership and management either through the transfer of land or a long lease from the local authority. This is a voluntary process separate from the process for assets of community value and expressions could be made at any time, not just when the local authority is considering disposing of that land.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 The strategy and disposal plan will be delivered using existing resources, supported by procured property consultants to deal with specialist property disposals and acquisitions as and when required.
- 6.2 These resources will be focused on the delivery of the key priorities set out in the Asset Strategy.

## **7.0 RELEVANT RISKS**

- 7.1 The Asset Strategy has a risk register. This is attached to the Asset Strategy.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 No specific engagement or consultation was required for this report.

## **9.0 EQUALITY IMPLICATIONS**

- 9.1 The Asset Strategy has an Equality Impact Assessment which can be accessed at

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 The Council estate accounts for approximately 69% of gross emissions of carbon dioxide (CO<sub>2</sub>e) reported in the Council's annual Carbon Budget report 2021/22 and consequently improving the environmental performance of its assets is critical if the Council is to meet its commitment to achieve net zero by 2030.
- 10.2 The Asset Strategy will provide the basis by which the Council can address the required reduction in emissions from the Council estate and will be achieved through improved operational practice, behavioural change and targeted investment in the corporate estate (e.g. decarbonisation and energy efficiency schemes).

- 10.3 The remaining emissions will need to be addressed through a programme of projects, including investment in renewable energy schemes, to off-set its remaining carbon footprint and, where appropriate, generate income.
- 10.4 This report will have a positive impact on emissions reduction and supports the environment and climate change declaration and action plan.

**11.0 COMMUNITY WEALTH IMPLICATIONS**

- 11. 1 This Strategy will have a positive impact on creating community wealth opportunities where Council assets are used for asset transfer/community asset transfer.

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**APPENDICES**

- 1. Draft Asset Strategy

**BACKGROUND PAPERS**

- 1. Wirral Plan 2021-26
- 2. Improvement Plan
- 3. Asset Strategy 2016-21

**SUBJECT HISTORY (last 3 years)**

Council Meeting	Date
None	