

**ASSET MANAGEMENT UPDATE AND NEW POLICY PROPOSALS**

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**1. EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to update Members on the implementation of the Office Accommodation Strategy; to seek approval of new Policies relating to Disposals and Community Asset Transfer; and to authorise officers to progress Disposals and Community Transfers, in accordance with these policies.

**2. Background**

**Office Accommodation Strategy**

- 2.1 The Council's Office Accommodation Strategy was appended to the Asset Management Plan 2008/11. It set a target of 10 square metres of space per full time employee and set out the various methodologies that would be used to achieve that target and further rationalisation of office accommodation.
- 2.2 The Strategic Asset Review has added urgency to the implementation of this Strategy by requiring budgetary savings of £1 million in respect of office accommodation costs and a requirement to reduce the Council's office space by at least 20% by 2011
- 2.3 Accordingly, the following steps will now be undertaken to accelerate progress:
- A project team will be established to deliver the office change Programme. This team will comprise officers from across the Council, in particular, from the key resource areas of Asset Management, IT, HR, Finance and Transformation and from the service department whose staff will be affected.
  - A detailed programme will be developed to deliver the targeted savings. This will identify areas of focus for change and buildings to be vacated, plan for staff moves and the development of agile working in those areas most suited for it, in the early stages of the programme.
  - The centralisation of the control and management of administrative accommodation and Facilities Management Budgets, as confirmed in the Strategic Asset Review, will be implemented.
  - A procurement exercise will be undertaken to select space planning experts who will design working environments in retained buildings, that will be more efficient and will support new ways of working.
  - A further procurement exercise will be used to select specialist consultants to select a business case for the Council's future administrative requirements.

### **3. New Policies for Disposals and Community Asset Transfer**

- 3.1 In order to deliver the objectives of the Strategic Asset Review, it is necessary for the Council to have clear and consistent policies to dispose of surplus assets and to transfer community assets.
- 3.2 The Disposal Policy is attached as Appendix 1. It outlines a series of principles, which the Council has to take into account in order to follow its statutory duty to sell assets at best price. This obligation needs to be balanced against those disposals that are undertaken for less than market value using the “well being” provisions, where maximisation of social and community benefit is paramount.
- 3.3 The Community Transfer Policy is attached as Appendix 2. This Policy is to be used to pass over the ownership and control of assets to community based groups. The Policy explains in detail the key principles and bases of transfer, together with the procedures that community groups will follow in order to achieve transfer.
- 3.4 These Policies will enable the Council to progress these asset management issues more quickly and efficiently. They demonstrate the Council’s commitment to take forward this important strand of the Strategic Asset Review.

### **4. Financial implications**

- 4.1 A programme of disposal of surplus assets is currently underway. However, given the current adverse financial conditions affecting the property market, it is difficult to estimate the likely capital receipts that may be achieved by sales either by Private Treaty or Auction.
- 4.2 Under the Community Assets Transfer Policy, the Council will need to expend monies on essential repairs in respect of some buildings that are to be transferred. The Strategic Asset Review identified funding to help support this transfer process. Provisions were identified to allow funding for community centres for up to two years whilst the transfer process progresses towards a successful outcome. Specific three month provisions were also made in relation to Eastham and Woodchurch libraries. In addition, community based groups can apply for financial assistance from the Community Fund. This Fund is jointly administered by Wirral Partnership Homes and the Council and officers are exploring how best it can be used to support capacity building, asset repairs and time-limited financial support whilst local community groups become self-sufficient. Arrangements for financial support will not normally extend beyond two years and will usually be on a tapering basis.
- 4.3 The Strategic Asset Review has committed the Council to achieve savings of £3.1 million in respect of its current operational property portfolio and to seek an additional £1 million annual saving from its expenditure on administrative and municipal buildings.
- 4.4 A budgetary provision of £1.5 million per year for four years has been included in the Capital Programme for ICT works in support of the Strategic Asset Review.
- 4.5 Under the current arrangements each complex has its own budget in support of Facilities Management. It is proposed that these budgets be consolidated to become the responsibility of the Director of Law, HR and Asset Management, in order that expenditure on administrative and municipal buildings is undertaken in support of the strategic objectives of the Office Accommodation Strategy.

**5. Staffing implications**

5.1 None at this stage. However, the staff resource implications will be kept under review as these Policies and this Strategy is implemented.

**6. Equal Opportunities implications**

6.1 None

**7. Community Safety implications**

7.1 None

**8. Local Agenda 21 implications**

8.1 None

**9. Planning implications**

9.1 Future planning applications for the redevelopment or alternative use of surplus property would be subject to policies in the statutory Development Plan, which currently comprises of the Wirral Unitary Development Plan (saved September 2007) and the North West of England Plan Regional Spatial Strategy to 2021 (September 2008).

**10. Anti-poverty implications**

10.1 None

**11. Human Rights implications**

11.1 None

**12. Social Inclusion implications**

12.1 None

**13. Local Member Support implications**

13.1 This will be of interest to all Members.

**14. Background Papers**

14.1 The Strategic Asset Review and the Asset Management Plan.

**15. RECOMMENDATIONS**

15.1 Cabinet endorses the progression of the Office Accommodation Strategy.

15.2 Cabinet approves the new Policies on Disposals and Community Asset Transfer and instructs the Director of Law, HR and Asset Management to progress their objectives.

15.3 That the Director of Finance works towards amalgamating the existing budgets for building complexes into one budget, to become the responsibility of the Director of Law, HR and Asset Management.

**Bill Norman**

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