

Proposed Asset Management Strategy for Somerset Council

Executive Member(s): Cllr Ros Wyke - Lead Member for Development and Assets

Local Member(s) and Division: All

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1. Summary / Background

1.1 A draft Asset Management Strategy and Plan for Somerset Council forms Appendix A to this report. It sets out the Council's strategic objectives for property asset management, the approach the Council will take to managing its property assets, and a series of high-level commitments to guide property asset management decisions and policy making.

1.2 The scope of the draft Asset Management Strategy and Plan is focussed on 'real estate' (land and buildings) assets. Infrastructure assets, such as highways, street furniture, coastal and harbour infrastructure, cycle paths, rights of way and flood defences are not in the scope of this document; similarly, vehicles, IT infrastructure, plant and equipment and other asset groups will be governed by separate strategies. The Property Asset Management Strategy and Plan also excludes assets acquired and held for investment yield, and assets held within the Housing Revenue Account – these asset groups are subject to separate policies and plans.

2. Recommendations

2.1. The Local Government Reorganisation Implementation Board is asked to consider and comment on the proposed strategy and plan.

3. Reasons for recommendations

3.1 The proposed strategy will provide the strategic direction for the management of land and property assets for Somerset Council. A strategy for asset management provides a framework to guide the management of the property estate, so that it can serve the Council and the people of Somerset as effectively as possible.

4. Other options considered

4.1. The proposed Asset Management Strategy has been developed based on the draft Somerset Council Plan and following an analysis of the land and property estate that the new Council will inherit. The strategy has been developed through the LGR Asset Optimisation workstream, in conjunction with the Lead Executive Members for Development and Assets and Finance.

- 4.2. The option of not creating an Asset Management Strategy was disregarded as guidance from the Chartered Institute of Public Finance and Accountancy and the Royal Institute of Chartered Surveyors recommends that property is managed strategically. This requires that a strategy be set and overseen.

5. Links to County Vision, Business Plan and Medium-Term Financial Strategy

- 5.1. The strategies and plan have been developed from the Council Plan Priorities and Vision and are designed to directly support them. Further detail can be found in the Asset Management Strategic Objectives (page 7) in Appendix 1, which details how each of the property strategies contributes to the priorities and vision.

6. Consultations and co-production

- 6.1. This Asset Management Strategy and Plan has been produced and reviewed by Lead Members and officers from across the five Somerset Councils as part of the Property Assets Optimisation Workstream.
- 6.2. The Strategy and Plan has also been discussed at the Local Government Reorganisation Asset Strategy Group, which is attended by members and senior officers including representation from Corporate Finance, as well as at a meeting between SLT and Executive on the 12th December 2022, and at the LGR Programme Board on the 22nd December 2022. In addition, it was discussed at the Local Government Reorganisation Joint Scrutiny Committee on the 19th January 2023 and feedback from this meeting will be incorporated into the final document.
- 6.3. Before the strategy and plan is taken before the Council for a decision, stakeholder engagement will also have been undertaken with other public sector partners such as the Police and the NHS. This strategy was discussed on the 20th January 2023 at the Integrated Care System Estates Group and received positively.

7. Financial and Risk Implications

- 7.1. There are no direct financial implications to this Strategy. The strategies contained, however, may be subject to budget and funding opportunities.
- 7.2. There are no specific risks associated with this strategy. All decisions taken with regards to property are subject to the Council's scheme of delegation and constitution and will be assessed individually for their risks.

8. Legal and HR Implications

- 8.1. There are no legal and HR implications to this recommendation being accepted, as this plan provides strategic direction only, however there may be future decisions in the delivery of this plan that themselves have legal implications and will need to follow the relevant processes.

9. Other Implications

9.1. Equalities Implications

A draft EIA has been prepared and will be appended to the final document. The Asset Management Strategy and Plan does not on its own state actions to be taken, but instead sets the strategic direction of the department over the coming years. As such, there are no specific equalities implications from the strategy itself.

When these strategies are being implemented, there will be a requirement to assess the effect of the implementation on people with protected characteristics.

9.2. Community Safety Implications

There are no Community Safety Implications associated with this Strategy and Plan.

9.3. Sustainability Implications

While the Asset Management Strategy does not specifically detail how these actions are to be taken, as it provides strategic direction only, it does commit to using Council assets to address the Climate Emergency. This includes eliminating or reducing the use of fossil fuel heating systems, supporting active travel, encouraging sustainable agricultural practices, and reducing the consumption of embedded carbon in new build and refurbishment projects.

9.4. Health and Safety Implications

This strategy does not itself have any health and safety implications, but it does restate the commitment of the property department to providing fit for purpose, safe, and compliant assets, which will help to ensure people are safe when using Council assets.

9.5. Health and Wellbeing Implications

There are no health and wellbeing implications associated with this report.

9.6. Social Value

Each of the strategies contained within this document has potential social value benefits involved, although the precise nature and financial impact of these has not yet been determined.

For example, strategy statement 4: *The Council's estate is used to meet housing and care needs, with an emphasis on social housing* has clear social value implications as it discusses the use of Council assets to create positive value for local communities.

For the strategies where the social value implications are less clear, such as statement 2: *Assets that are fit for purpose, safe & compliant*, there are likely to be social value benefits of the implementation. For example, in line with the rest of the Council, Property places a high value on social value when undertaking projects and assessing the social value offering of contractors forms a part of the tender evaluation process when procuring works or services.

The property policies which will be agreed following the adoption of this document will set out in more detail how social value will be prioritised and promoted.

10. Scrutiny comments / recommendations:

- 10.1.** This Strategy and Plan was discussed at the Local Government Reorganisation Joint Scrutiny Committee on the 19th January 2022 and fed back that the social value implications of the Strategy and Plan should be reconsidered. This feedback has been incorporated into this report.

11. Background

- 11.1.** The draft Asset Management Strategy and Plan for Somerset Council, which forms appendix A to this report, sets out the Council's strategic objectives for property asset management, the approach the Council will take to managing its property assets, and a series of high-level commitments to guide property asset management decisions and policy making.
- 11.2.** This Asset Management Strategies and Policies have been produced by Lead Members and officers from across the five Somerset Councils as part of the Property Assets Optimisation Workstream and have now been drafted into a full document with background and contextual information. The Local Government Reorganisation Implementation Board is asked to review and comment on the proposed strategy and plan.

12. Appendices

Appendix A – Draft Corporate Property Asset Management Strategy