

Scrutiny Board (Sustainable Economy and Culture) 9 September 2014

Draft Asset Management Plan

Comments to Executive Board

The Scrutiny Board (Sustainable Economy and Culture) considered the draft Asset Management Plan at its meeting on 9 September 2014. Members made the following comments for consideration by the Executive Board when it approves the Plan.

Background

The Scrutiny Board considered the draft Asset Management Plan as part of its inquiry on Asset Management, conducted during July and September 2014. The inquiry was undertaken at the request of the Leader and had the following scope:

To make an assessment of and, where appropriate, make recommendations on the following areas:

- The progress being made against the Best Council Plan objective of making the best use of our assets;
- The development of a revised Asset Management Plan;
- The progress towards achievement of the £5m revenue savings target from asset running costs; and
- The outcomes of the government's One Public Estate pilot programme

We welcomed the production of a new Asset Management Plan for the council as an important step forward, providing evidence that there is a renewed momentum in the strategic management of the council's property base both to support service delivery objectives and to provide a contribution to the financial challenges facing the authority.

During the course of our inquiry we received evidence from a ward member, a third sector representative, Citizens and Communities, Adult Social Care and Leeds Community Health, in addition to the Executive Member and staff from Asset Management. This wider group of contributors helped us to understand better how the asset management rationalisation is impacting on services and communities.

Corporate Landlord

The Board strongly endorsed the proposal to vest all property covered by the plan with Asset Management. We felt that this would assist in taking a more proactive approach to the rationalisation programme. It should also help to avoid 'double counting' of savings realised through asset rationalisation.

One Public Estate

We were particularly pleased to hear about the council's leading edge involvement in the One Public Estate pilot project, to secure the more effective use of buildings between public sector partners. Having heard evidence about a number of specific initiatives and in more depth, the adult social care and health integration programme, we believe that it is important that financial protocols are clarified on recharging for

space occupied by partners. We particularly welcome the proposal to establish a Public Estate Board and hope that this will ensure the future success of the scheme.

Localities

We discussed the asset rationalisation work that is taking place at a ward level. We acknowledged that this requires some challenging and sometimes unpalatable negotiations and decisions. However we also recognise that maintaining surplus assets reduces the money available to us to invest in buildings, staff and services that communities require.

We feel that this work should also take account of non-council owned community assets in order to provide a more rounded picture of a community's needs. We welcomed news that asset management was starting to explore mapping of such assets with Voluntary Action Leeds (VAL).

We would support the development of 5 year ward based asset plans to provide a vision for the future.

Co-location of services

We welcomed the evidence we heard about the co-location of services, where it is an efficient use of resources, improves services for customers and is accompanied by consultation. We think that there may be further potential to include the third sector in some circumstances. We were also made aware that sometimes other partners can access funding that would not be available to the council that can help contribute to a building's viability.

Third sector

We heard about various models for the third sector occupation of council buildings, and also the Community Asset Transfer model. We feel that this is an area where some further clarification may be required to ensure transparency and sustainability, especially where some organisations may be significant providers of council commissioned services.

Savings Target

The Asset Management Plan refers to the budget strategy target to achieve £4.5m savings by 2016/17, but acknowledges that the Merrion House re-occupation (which would meet this target) will not happen until early in the 2017/18 financial year. The target date will either need to be revised or other decisions will need to be made to identify the target savings within the original timescale.

The Board agreed that it would continue to monitor progress in delivering the Asset Management Plan on a regular basis, and progress towards the savings target is an area that it will keep under close review. The work highlighted during the inquiry through Citizens@Leeds hubs and the One Public Estate programme, alongside the review of locality assets, should help to identify additional savings. It is acknowledged that this

may involve making some tough decisions in order to arrive at sustainable solutions that satisfy local service delivery needs.

Surplus property

The commitment to seeking faster solutions for surplus land or property is particularly welcome, alongside the careful management of disposals to avoid the creation of derelict and eyesore sites.

Further work

We had particular concerns about property that the council leases out which is not being fully utilised, as well as other buildings in local communities that may not be used to their full potential or may be better suited to alternative uses. We felt that these were areas where it might be possible to make more effective use of our assets, or realise savings. We welcomed the commitment from asset management to work on both of these areas with local councillors and departments over the coming months. We will check on progress in the spring when we revisit this inquiry.