

BRIEFING NOTE FOR SCRUTINY BOARD

ASSET MANAGEMENT

The Asset Management service is responsible for the strategic management of £3.3 billion of City Council assets. It is responsible for providing Chief Officers with property which is in the correct location and which is fit for purpose.

The following are some of the key issues/challenges faced by the Asset Management service over the next few years:-

1. IMPLEMENTATION OF THE CORPORATE LANDLORD PHILOSOPHY.

The Corporate Landlord Philosophy is one in which all property is 'owned' corporately (rather than by services) and where Chief Officers are freed of the day to day responsibility for property management, thus enabling them to focus on service delivery. Together the Directorates of City Development and Resources are charged with implementing the Corporate Landlord Philosophy over the next 12-18 months.

2. FLEXIBLE WORKING AGENDA

The City Council occupies a significant amount of office accommodation, much of which is in the City Centre – an expensive solution to its needs. It is now appropriate for a number of reasons to review this policy ie:-

- Lifestyle – to examine whether there are different ways of working which can benefit both the Council and its current and future employees.
- Sustainability – can the number and times of journeys to work be reduced so as to reduce CO² emissions and also officer time spent travelling.
- Advances in information technology which now make the above achievable.
- Regeneration – a relocation of Council occupied property could offer a massive regeneration boost to a fringe City Centre area if the options appraisal supports a 'critical mass' type solution.
- Savings through rationalisation

- A project team has been set up to oversee the delivery of a flexible working solution and will take a report to CMT on the next steps later this summer.

3. **CAPITAL RECEIPTS FROM SURPLUS PROPERTY**

The Asset Management service is responsible for the delivery of the capital receipts which support the Executive Board's declared priorities in the Capital Programme. So far this year the service has completed the disposal of Leeds Bradford International Airport (£146m) and has delivered over £10m at the end of Quarter 1 against the 2007/08 target of £20m for other non-airport receipts. Continuing to hit the capital receipts targets is a major challenge for this service.

4. **COMMUNITY ASSETS**

The Government has declared its support for the transfer of some surplus assets to community trusts. Asset Management are working with Environment and Neighbourhoods to identify where the transfer of assets will assist the Council in delivering its corporate objectives. Clearly the disposal of surplus assets for less than best consideration in this way needs to be balanced with the need to deliver the capital receipts in (3) above.

5. **LEEDS ARENA**

The Asset Management service employs a number of project managers/co-ordinators who are responsible for overseeing the delivery of major projects in the city such as the Leeds Arena. Clearly, delivery of the Arena to the deadline approved by Executive Board is a significant challenge.

6. **KIRKGATE MARKET ASSET MANAGEMENT PLAN**

The Kirkgate Market AMP has been consulted upon with all 99 Ward Members in June 2005 and also with the traders. The views expressed by Members and traders have shaped the options which are now due to be shared with the general public.