

# Strategic Asset Plan (Asset Policy)

Resources and Equality Scrutiny Panel

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Presenter:

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[wolverhampton.gov.uk](https://www.wolverhampton.gov.uk)

## Recommendations for action or decision

The Scrutiny Panel is recommended to:

1. Proceed with the Asset Policy with it to be used as the foundation for the subsequent Asset Strategy and Asset action plan resulting in a final Strategic Asset Plan.

## Key Questions for Scrutiny to consider:

- Does the separation of the Policy from the Strategy and Action Plan have any wider issues for the organisation?
- Are the proposed timescales acceptable?
- Are there any other principles that the Panel would wish to see within the Policy?

## Purpose

- The Wolverhampton approach was to create a Strategic Asset Plan every five years comprising of an:
  - Asset Policy – Outlining the strategic areas assets will consider when managing the estate and the aims and aspirations of Asset service
  - Asset Strategy – A detailed breakdown of what are the areas of focus, what the data is telling us and what we are seeking to achieve
  - Action Plan that gives an overview of the elements of work and timeframe
- The existing 2018-2023 Strategic Asset Plan is due to be reviewed and updated to reflect the Council's current and future asset portfolio and the associated management of such.
- Given the majority of the existing Strategic Asset Plan still applies, the Council is able to continue to utilise this document whilst undertaking work to tailor a new strategy.
- An Asset Policy has been developed which will be used to guide the creation of the new Strategy and Action Plan that in totality will become the Strategic Asset Plan.

# Background

- City Assets are currently undertaking a large data review looking at all assets, considering their usefulness to deliver service outcomes, their running and maintenance costs, the building age and what opportunities the assets can provide for the organisation.
- The work will enable a new Strategic Asset Plan to be created that allows us to understand and meet the future needs of the organisation and services whilst creating a Medium Term Financial Strategy Assets efficiency plan through the reduction of future running and maintenance costs and potentially generating capital receipts.
- The Asset Policy is the first phase of producing a Strategic Asset Plan and has been created working initially with CIPFA who supported the Council to develop the previous Strategic Asset Plan. Engagement of service representatives has been undertaken and the document has been shared and discussed with Service Directors

# How will the Policy seek to support the City Plan?



## Principles used by the Asset Policy to create the Strategy and Action Plan

Ensures value for money

- To manage and maintain property effectively and efficiently together with optimising financial return where appropriate

Demonstrates our commitment in the drive to make the City of Wolverhampton Council's activities carbon-neutral by 2028

- To safeguard future generations and help them succeed

Provides the right assets, fit for purpose, in the right place both now and in the future

- To regularly challenge our estate to ensure our facilities are in the right place with good design, meeting current need and ready to support future service delivery

Supports a thriving economy in all parts of the city

- To use land and buildings in support of our vision to be an enterprising, working, inclusive, vibrant and future city

Promotes community empowerment and proactive working with partners for the benefit of our city

- To promote joint working with other public sector organisations, businesses and communities to 'co-produce' sustainable solutions to local issues, creating capacity, sustainability and resilience



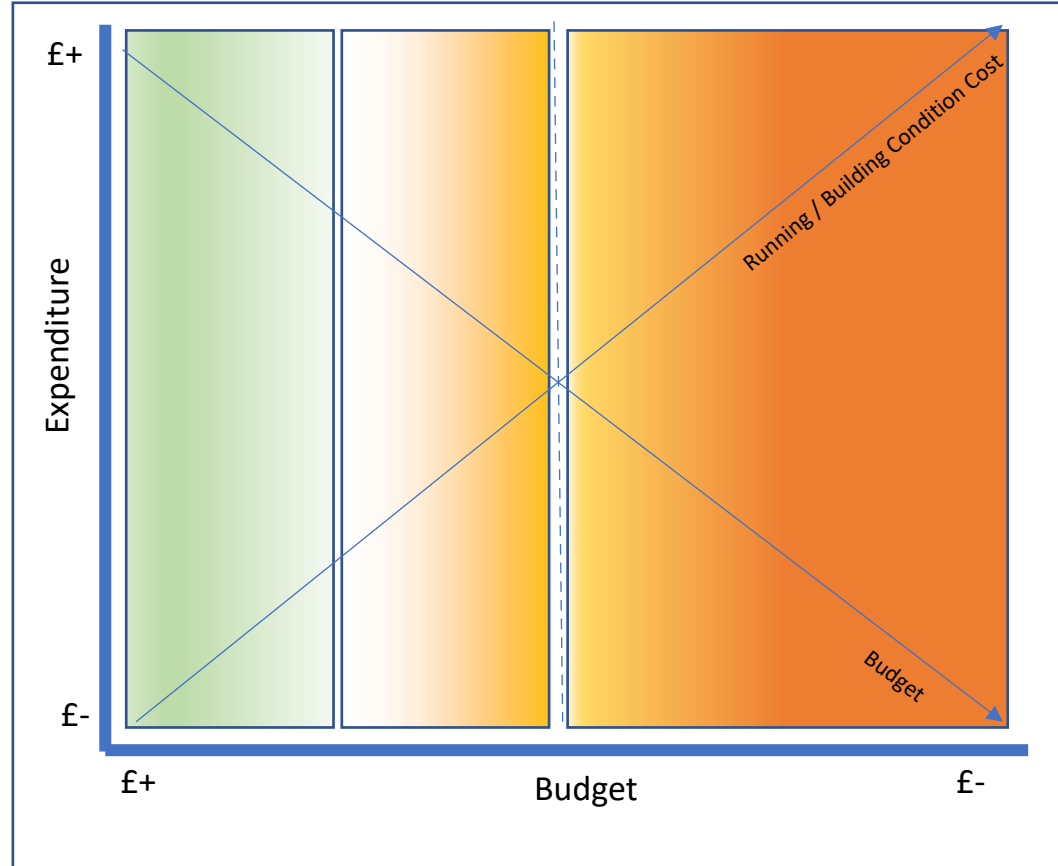
# Financial horizon

This diagram is to show the potential issues of budget against cost of management of Assets.

If the organisation is to the right of where the lines intersect then the organisation is then

- Managing a declining estate
- Will be spending money on statutory requirements for assets that will not be of poor quality in the future

Once the data analysis is completed, we can identify where Wolverhampton is on this axis and then introduce an approach that will bring the Estate on to left hand side of the axis.





# Key information for Scrutiny

Please respond to the big questions for Scrutiny as appropriate:

- **How do we compare to other (similar councils)**

The CIPFA methodology to the management of assets is adopted by the majority of Councils in the UK. CIPFA have concurred that a key element to producing the Strategic Asset Plan is an Asset/Data review with a phased approach to producing the strategic documentation.

- **What areas are of particular concern of challenge?**

The scale of data required will require a significant amount of work to assemble and will require a range of work around condition data and service demand. There will be both a financial and resource requirement to achieve this.

- **What is the improvement plan for those areas and what resources are required?**

This work will help the organisation hugely to understand what opportunities there are to make the estate more fit for purpose and to identify savings to support the future MTFS challenges in the organisation

- **Is the improvement plan proportionate to the challenge?**

The work will allow us to understand the extent of the challenge of bringing the sites either up to standard or disposal

- **When can we expect to see results?**

The Strategic Asset Plan is targeted for completion by December 2024 and will result in a forward programme that will improve the overall position of the asset portfolio for delivering council services to the city's residents and wider communities.

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