

Resources and Equality Scrutiny Panel

Meeting date (1 February 2024)

Report title	Strategic Asset Plan (Asset Policy)		
Cabinet member with lead responsibility	Councillor Paula Brookfield Governance and Equalities		
Accountable director			
Originating service	City Assets		
Accountable employee(s)	Stuart Rutherford	Head of Assets	
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Report to be/has been considered by	City Assets Leadership Team		24 January 2024
	Circulated to SEB		23 January 2024

Recommendation(s) for action or decision:

The Scrutiny Board 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.

Questions for Scrutiny to consider:

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

1.0 Purpose

- 1.1 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.
- 1.2 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. This will be completed by the end of 2024.
- 1.3 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.

2.0 Background

- 2.1 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
- 2.2 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.
- 2.3 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.
- 2.4 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.

3.0 Methodology

- 3.1 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. The review will include:

- What areas are of particular concern or 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.
- The review will be broken down into the following areas:
 - Service Review (Demand)**
The Strategic Asset Manager will be working directly with services to build up profiles of services and teams mapping out their requirements to understand what demand looks like for the organisation.
 - Asset Review (Supply)**
A single data set is in the process of being built to facilitate the mapping of assets to understand the gaps, enabling more informed decisions around the future use of assets. Additionally, carbon generation levels will be considered within existing assets.
 - Asset action plan**
City Assets has a large amount of the required resource to deliver the Action Plan internally, however, project management resource will be required to help deliver the business cases. The extent of the required resource will be identified when the analysis work is complete and a programme of work is developed.
- **When can results be expected?**
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.

4.0 Next Steps

- 4.1 To seek agreement on the Asset Policy which is the first document of the wider Strategic Asset Plan.
- 4.2 Over the next few months to undertake a full data review, map organisational requirements and identify opportunities. These will align and enhance other service outcomes in addition to creating the mechanisms to deliver the work.
- 4.3 By the end of 2024 develop the Asset Strategy and Action Plan to reflect the findings of the work with the layout of the five year approach (of which year one will be completed)

4.4 To incorporate all three documents into a Strategic Asset Plan for the Council for approval.

4.5 The benefit of the above is we can be much more precise and focused creating a strategy that is tailored to dealing with specific requirements.

5.0 Financial implications

5.1 The work is intended to:

- Generate an efficiency programme for the organisation over the next few years
- Ensure that greater levels of cost avoidance are achieved across the asset portfolio
- Where buildings are retained, ensure they are affordable in terms of upkeep
- Enhance existing financial controls including financial modelling based upon age of the buildings and the expected future economic life

5.2 The above work will be undertaken working closely with Council services and capital and revenue leads from Finance.

6.0 Legal implications

6.1 All work will be completed in accordance with our legal service, including lease reviews, potential disposals and positions on future liabilities.

7.0 Equalities implications

7.1 All asset reviews will have Equality reviews and Impact Assessments built in to them to ensure full compliance with existing Council policies.

8.0 All other implications

8.1 The reviews will include a range of areas within the organisation including:

- Green City and Circular Economy
- Human Resources
- Organisational Development
- Health and Safety
- Unions

9.0 Schedule of background papers

9.1 Scrutiny Slide Pack

9.2 Strategic Asset Plan - [Policies and Procedures - Business | City Of Wolverhampton Council](#)

10.0 Appendices

10.1 Appendix 1 - Asset Policy