WARWICK DISTRICT COUNCIL	Executive 17 March, 2010	Agenda Item No.

Title	Principles for Strategic Asset Management
For further information about this report please contact	Paul E. Pinkney Head of Development Services 01926 456016
Service Area	Development Services
Wards of the District directly affected	All Wards
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No
Date and meeting when issue was last considered and relevant minute number	
Background Papers	Asset Management Plan. 20/03/2007 Asset Management Plan. 26/08/2009

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	Yes: 205

Officer/Councillor Approval

With regard to officer approval all reports *must* be approved by the report author's relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).

Officer Approval	Date	Name
Relevant Deputy Chief Executive	25/02/2010	Bill Hunt
Chief Executive	25/02/2010	Chris Elliott
CMT	25/02/2010	CMT
Section 151 Officer	25/02/2010	Mike Snow
Legal		
Finance	25/02/2010	Mike Snow
Portfolio Holder(s)		Cllr John Hammon

Consultation Undertaken

The Principles for Strategic Asset Management was considered by:

- Asset Management Steering Group 18/12/2009
- Senior Management Team 03/02/2010

Final Decision?	Yes

1. SUMMARY

1.1 The purpose of this report is to present the draft Principles for Strategic Asset Management to the Executive and request that the Plan is adopted by the Council (see **Appendix 1** for the draft principles for Strategic Asset Management).

2. RECOMMENDATION

2.1 The Executive is invited to consider the draft Principles for Strategic Asset Management (PSAM) and, subject to any amendments which may be considered appropriate, to recommend that the PSAM is adopted as Council Policy.

3. REASONS FOR THE RECOMMENDATION

3.1 The adoption of the PSAM will establish the key guiding principles for the way that decisions in relation to assets are made (if it is adopted by the Executive).

3.2 Adopting the PSAM is in line with the Audit Commissions recommendations relating to strategic asset management in local government and considered to be 'best practice'.

3.3 PSAM establishes a framework through which the Council can more effectively and efficiently manage assets. It will ensure that there is a much clearer understanding of the value of assets to the organisation. Thus enabling a much more strategic and objective approach to the Council's property portfolio.

3.4 The annual Asset Management Plan will follow this report in the spring of this year and will reflect the principles set out in this report for corporate strategic asset management.

4. ALTERNATIVE OPTION CONSIDERED

4.1 Executive could decide not to adopt the PSAM or amend the Draft principles as reported. This would, at best, delay the adoption of strategic asset Principles to guide the Council's decision making process. Not to adopt PSAM would be contrary to the Audit Commissions recommendations relating to strategic asset management in local government and be contrary to 'best practice' (Room for Improvement: Strategic asset management in local government; National Report June 2009; Audit Commission).

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5. BUDGETARY FRAMEWORK

5.1 The PSAM has a direct and indirect impact on the budgetary position of the Council. This is from the perspective of revenue income, capital fund and investment portfolio. The adoption of the Strategic Principles would have an impact on the way that the Council manages its assets.

5.2 There are no direct financial effects from this report. Assets need to be managed within existing budgets. All acquisitions of assets and disposals will continue to need to be considered on the basis of a Business Case considering all financial and service implications, and risks.

6. **POLICY FRAMEWORK**

6.1 The PSAM establishes how the Council has used its property assets to deliver the corporate strategy and sets out how the Council will continue to deliver the Council's corporate strategy over the next year. Warwick District Council's Corporate Strategy 2008 – 2011 establishes a strategic vision: "Warwick District: a great place to live, work and visit." The PSAM looks to deliver this strategic vision and the corporate strategic objectives: leadership; housing; culture; environment; development; communities and customers.

6.2 The proposed PSAM are designed to deliver the objectives of the Sustainable Communities Strategy 2009 – 2026.