

EAST DEVON DISTRICT COUNCIL

Minutes of a meeting of the Asset Management Forum held at Knowle, Sidmouth on 29 November 2018

Attendance list at end of document

The meeting started at 9.30am and ended at 11.15am.

***23 Public speaking**

There were no public speakers at the meeting.

***24 Report of previous meeting and actions from last meeting**

The report of the previous meeting held on 6 September 2018 was confirmed as a true record.

In response to questions from Members, Tim Child, Senior Manager - Property and Estates reported the project to transfer Newton Poppleford Public Conveniences to Newton Poppleford Parish Council was as far as he was aware progressing well. It was noted that Rob Harrison as Case Officer was currently on leave but would have otherwise provided further detail. In addition, in response to a question asked, it was noted that the Ocean building in Exmouth was still on the market with a guide of £2.7m. The Council owned the land and it was the building itself which was being marketed. The building was subject to a lease to LED for a term of 25-years. Purchase of the building was not ruled out and could be a suitable investment to help generate the return from commercial property being identified within the Council's Transformation Strategy.

Regarding Action Points arising from the last meeting, it was noted that, progress on implementation of a more corporate approach to managing assets would be discussed at a Special AMF meeting to be arranged in January. The issue of overage payments was raised and Tim Child, Senior Manager – Property & Estates advised that these payments were typically allocated to the same budget as the initial capital receipt. It was noted that providing information for leases coming up for renewal was an item later in the agenda.

Tim Child, Senior Manager – Property and Estates reported that further discussions had been undertaken with the Council's Communications Team regarding whether the Newsletter met visual guidelines for Council publications. Finally, the Seaton Workshops project would also be added to the list of projects monitored by the Capital Strategy and Allocation Group once a PiD had been taken through the Council's SMT.

***25 Council's approach to managing assets and role of Asset Management Forum**

The Forum noted that a report had been taken to SMT on 22 August setting out a direction from AMF and the Asset Management Portfolio Holder to centralise asset intelligence and strategic management of the General Fund and Non Dwelling HRA portfolios through and bolstering the Strategy and Policy function. Property & Estates Officers were asked by SMT to take forward a corporate discussion on the best way forward to deliver this and to then present a business case back to SMT.

The approach is more about:

1. Making sure that incomes and costs are captured centrally
2. Additional asset intelligence is captured
3. Performance of all assets is monitored and reported on in a consistent manner
4. That this performance data drives decision making
5. That standard policies and procedures operate across the Council

Further work had been undertaken to better understand how land and property assets are currently managed across the Council, notably visibility of Property & Estates to:

- Ownership records
- Incomes
- Lease and licence events
- Cost liabilities – rates, utilities, cleaning, security, reactive maintenance, planned maintenance and investment planning
- Strategies, policies and procedures
- Clarity of why we hold the asset
- Vacant & surplus assets
- Health & Safety compliance.

A workshop had been arranged to bring key officers together, to understand current practice, identify what works well and what doesn't, to gain support for change and inform what that change might be and how it will operate. The workshop will take place on 12 December.

The intention then was to take a Business Case to SMT on 9 January and then to Cabinet on 6 February 2019 to formally adopt a new way forward for the strategic management of land & property assets. It was noted that there would be a special AMF meeting in mid-January to discuss strategic and a more corporate approach to the management of assets.

RESOLVED 1. that progress to date and next steps be noted.

2. that the direction of travel as outlined in the report around how the Council manages its land and property assets be supported.

***26 Performance Dashboard**

The Forum was presented with the second version of the Performance Dashboard. Tim Child, Senior Manager - Property and Estates, helped familiarise the Forum with its contents, highlighting:

- traffic light system for the key projects;
- Useful performance data such as rent roll (total rental income from land and property); number of assets held for sale; completed works; capital receipt total; capital spend to budget; and maintenance spend to budget;
- Comparison data over time to manage performance – for example, the Forum would be looking for an increase in rent roll over time and delivery towards 100% of forecast spend as year progresses;

Comments made on the dashboard included:

- The review of Sports and Social Club tenure arrangements had not yet started This had resulted in Red RAG status.
- Red RAG status had also been given for incorporation of the use of Uniform across other key services as this needed buy-in from other services. The workshop on 12 December will consider this as one possible output.
- The Property & Estates Team were at early stages in considering a scheme for improvements to Magnolia Centre PC's.
- The final line of text on the Income from lease events data had been missed off the printing of the report.

ACTION Reissue the Performance Dashboard to Members with the bottom line of income from lease events added.

RESOLVED that the Performance Dashboard be welcomed and continue to be provided as a standing item for future meetings of the Forum.

***27 Successes Newsletter**

The last Newsletter had been circulated beforehand to members of the Forum to consider.

The purpose of the Newsletter was to raise awareness of the breadth of work undertaken by Property & Estates, successful projects completed and exciting progress on others. Some of the articles would be used by the Communications Team for social media good news stories.

The views of the Forum on the newsletter were:

- Limited circulation of the Newsletter was necessary because of the commercially sensitive nature of some of the content;
- The Newsletter was work in progress and would be improved on an ongoing basis

ACTION To prepare a future Newsletter with completed projects that could be circulated more widely within the Council.

**RESOLVED 1. that the content of the Successes Newsletter be noted.
2. that at each subsequent AMF a Newsletter be provided on completed projects that could be circulated more widely than just members of the AMF.**

***28 Budleigh Salterton Beach Store**

The Forum noted that following a report to the Asset Management Portfolio Holder which was approved, the disposal of the site via auction and preparation of the legal documentation was underway. It was intended that the property would be entered in to an auction in February 2019.

RESOLVED that the update on the Budleigh Salterton Beach Store be noted.

***29 Commercial Investment Fund**

Tim Child, Senior Manager – Property & Estates, gave an update on the current position for the Commercial Investment Fund. Feedback from AMF members had been taken on board and an updated draft prepared. External advice was now being obtained on this final draft before returning to a Special AMF to be arranged in January to consider this framework. The intention was then to take to Cabinet on 6 February and then to Council on 27 February to make a £20,000,000 investment fund available with the objective of generating a £450,000 nett income to the Council and as set out within the Council's Transformation Strategy.

Members noted that there would be a special meeting of the Forum to discuss this issue in Mid-January 2019.

RESOLVED that the update on the Commercial Investment Fund be noted.

***30 Stock Condition**

Members noted that the Council currently operated a very straight forward stock condition capture procedure. Basic data was captured but served limited purpose in terms of understanding stock and informing decisions. The importance of this data was now of significant importance in assessing the financial and non-financial performance of individual assets.

It was proposed that the Council introduce a new survey template, data repository and inspection regime to commence early in January 2019. This would include a 30 year programme of works with indicative costings against each item. The proposal was to inspect all properties within a 6 month period and thereafter update the stock condition surveys every five years on a rolling basis.

RESOLVED 1. that the progress made to date be noted.

2. that the appointment in principle of an interim agency building surveyor for a term of circa 6 months to assist in undertaking stock condition surveys be supported. Funding would come from the existing maintenance reserve and a request had already been made to the Strategic Lead – Finance.

***31 One Public Estate**

The Forum members noted that funding had been secured from Government in early 2018 to scope opportunities in both Exmouth and Axminster to make better use of the wider public estate by working with key public sector partners and by doing so reduce revenue costs, improve services to the public and release land for housing development.

£50,000 was secured for Axminster and £75,000 for Exmouth. Opportunities for the Council were fairly limited and until recently other projects had taken priority. Progress was now beginning to be made and workshops were being set up for December/January to bring public sector partners together to explore opportunities, identify assets and establish whether these were worthwhile and deliverable projects and agree which organisation was best placed to lead.

RESOLVED that the update on One Public Estate be noted.

***32 Younghayes Centre, Cranbrook**

Members noted that the intention when built was always for the Younghayes Centre to transfer to the Town Council. For various reasons the transfer had not been straightforward and earlier this year it appeared an impasse had been reached.

Officers had now been successful in unblocking that impasse and on 19 November the Town Council resolved to progress with the transfer on the current terms agreed and Officers were working with the town Council to ensure the transfer completes ideally before the end of the calendar year.

RESOLVED that the update on Younghayes Centre, Cranbrook be noted.

***33 Seaton Moridunum**

Tim Child, Senior Manager – Property & Estates gave an update on Seaton Moridunum. For the past 5 years the Council had been in discussion with the freeholder of the flats (Fosseway Court) behind the Moridunum to explore opportunities to open up the wider site to facilitate development of the Fosseway Court site but also that of the Moridunum and the wider seafront. Discussions had been unsuccessful.

With the aim of finding a workable solution the Council had instructed Lambert Smith Hampton Property Consultants to assist. If terms could be agreed then this would return to AMF then Cabinet in early 2019.

RESOLVED that the update on Seaton Moridunum be noted.

***34 Any Other Business**

That a report be made at the next scheduled meeting of the AMF on the current structure of the Property & Estates Services for Members information.

Attendance list (present for all or part of the meeting):

Councillors:

Dean Barrow
Andrew Moulding
Geoff Pook (Chairman)
Philip Skinner
Ian Thomas

Also Present:

Mike Allen
Megan Armstrong
David Barratt
Tim Dumper
Steve Gazzard
Rob Longhurst
Marianne Rixson
Pauline Stott

Apologies:

Paul Diviani

Officers present:

Richard Cohen, Deputy Chief Executive
Tim Child, Senior Manager - Property and Estates
John Hudson, Accountant Financial Services
Colin Whitehead, Principal Building Surveyor
Adrian Priest, Estates Surveyor
Chris Lane, Democratic Services Officer