

# STRATEGIC ASSET MANAGEMENT – CHANGE TO POLITICAL MANAGEMENT STRUCTURE

Cabinet Member for Innovation, Commercialism and Corporate Services

Date:	13 October 2020
Agenda Item:	17
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Key Decision?	NO
Local Ward Members	ALL

**COUNCIL**

## 1. Executive Summary

- 1.1 The Council currently has a Strategic Asset Management Committee within its political management structure and it is considered that a separate committee to oversee this area of work is no longer needed.
- 1.2 Senior members and members of the committee were consulted over the summer on a proposal to remove this committee from the Constitution, with oversight and any decisions in this area being undertaken through existing mechanisms.
- 1.3 Some support and no objections were received in relation to this proposal and consequently formal approval to this change is now being sought.

## 2. Recommendations

- 2.1 That Council agree to remove the Strategic Asset Management Committee and that the Head of Governance and Performance be given delegated authority to update the Constitution to reflect this change.

## 3. Background

- 3.1 Members will be aware that in 2018 the Council agreed a property investment strategy and created the Strategic Asset Management Committee to oversee this work. The terms of reference of the committee were agreed as follows:
  - To provide advice and support on the development and implementation of strategic plans and policies in relation to strategic assets.
  - To monitor the financial and operational performance of strategic assets to ensure they meet the strategic ambitions and operational requirements of the Council.
  - To provide advice and guidance in regards to the potential acquisition, disposal and development of strategic assets, including community asset transfers.
  - To provide assurance as to the effective and efficient use and governance of our strategic assets.
  - To act as Shareholder Committee for any and all Local Authority Development and Housing Companies.

3.2 However, earlier this year the Government issued new guidance for Councils, and this combined with Public Works Loan Board lending terms and CIPFA advice, directly impacted on the Council's plan to invest up to £45 million in property funded by borrowing. As a result a decision was made to redirect this borrowing capacity, with responsibility for future projects sitting in the Cabinet Member for Major Project's portfolio. The Council's commercial property portfolio will as a result remain relatively small, with limited scope for, and decisions in relation to, acquiring new properties, which reduces the workload for the Strategic Asset Management Committee significantly. Indeed the workload of the Committee has been much lighter than originally envisaged over recent months.

3.3 Given this change in workload, and to make the best use of member and officer time, it is suggested that the Strategic Asset Management Committee be removed from the political management structure, with oversight, scrutiny and decisions on any residual matters being handled through existing mechanisms e.g. individual Portfolio Holder decision making, Cabinet, Strategic Overview and Scrutiny Committee and Council as appropriate. In this regard the Strategic Overview and Scrutiny Committee would have a key role to play in scrutinizing work and decisions in this area, including Local Authority Company activities.

Alternative Options	1. Retaining the committee was considered, however, this would not make the best use of member and officer time.
Consultation	1. Senior members and members of the committee have been consulted.
Financial Implications	1. There are no direct financial implications.
Contribution to the Delivery of the Strategic Plan	1. The change will enable more time to be spent on other activities within the District Council's Strategic Plan.
Equality, Diversity and Human Rights Implications	1. There are no perceived negative Equality, Diversity and Human Rights Implications.
Crime & Safety Issues	1. There are no perceived negative Crime & Safety Implications.
Environmental Impact	1. There are no perceived negative Environmental Impacts.
GDPR/Privacy Impact Assessment	1. There are no perceived negative GDPR/Privacy Impact Assessment Implications.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Failure to make the changes proposed are likely to result in the duplication of work	The proposals mitigate this	Green (likelihood-low; impact-medium)

### Background documents

None.

### Relevant web links

None.