

**Committee:** Performance Select  
**Date:** 29 September 2009  
**Title:** Asset Management  
**Author:** Stephen Joyce, Chief Finance Officer

**Agenda Item**

**10**

Item for  
information

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## Summary

- 1 For some time the Council has lacked capacity to manage its asset base corporately or as an integral part of its corporate and financial planning.
- 2 The external auditor has assessed that the Council's asset management arrangements are "not adequate". This has contributed to the auditor's qualified conclusion in relation to value for money. Asset management becomes a scored judgement, as part of the Use of Resources inspection, from 2011.
- 3 An offer has been received from Essex County Council (ECC) to provide technical assistance with asset management. There is no cost to UDC as ECC will provide this as part of the 'benefit in kind' arrangements. The offer is attached.
- 4 The offer has been accepted and work will commence shortly. ECC will help us to establish a new corporate framework for asset management and determine what needs to be done to ensure that the asset base is used to deliver corporate Priorities. It is anticipated that a new Corporate Asset Management Strategy and Plan will be completed and reported to Members in February 2010.
- 5 Without in-house capacity and expertise, the Council will require ongoing technical assistance. This would be the subject of a separate proposal and a cost would be attached. Officers have registered an interest with the Improvement East efficiency funds with a view to obtaining support for future costs.

## Recommendations

To note this report

## Background Papers

Offer from Essex County Council (attached)

## Asset Management

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### Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Finance	Sound asset management may lead to efficiency savings
Human Rights	None
Legal implications	None
Sustainability	The asset management plan will include consideration of energy efficiency in Council buildings
Ward-specific impacts	None
Workforce/Workplace	None

### Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Asset management arrangements are ineffective	3 (the Council does not possess the expertise or capacity required)	3 (assets may not be utilised to best effect, costs not minimised and opportunities to generate income not taken)	Technical assistance from Essex County Council

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.