

**CORPORATE CAPITAL STRATEGY AND ASSET MANAGEMENT PLAN  
2007-08 TO 2011-12  
Joint Report of the Chief Executive and Director of Finance, IT & Trading**

Please note that the following recommendations are subject to consideration and determination by the Executive (and confirmation under the provisions of the Council's Constitution) before taking effect.

**Recommendations:**

- (i) that the draft Capital Strategy and Asset Management Plan be approved;**
- (ii) that a report on Property Performance information be presented to the Executive in June 2007.**

1. The purpose of the attached document is to:
  - set the context in which the Council's Capital Programme will be developed;
  - define the governance and management arrangements for the development, delivery and control of capital projects and programmes; and to
  - set the framework and principles for managing the Council's asset base;
  - set the financial framework in which the Capital Programme will be developed.
2. This is an important document and is recommended to the Executive for approval.

Phil Norrey

John Mills

Electoral Divisions: All

Local Government Act 1972

List of Background Papers

Approved County Council Budget Booklet 15<sup>th</sup> February 2007

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<u>Background Paper</u>	<u>Date</u>	<u>File Ref</u>
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Nil

# **DEVON COUNTY COUNCIL CAPITAL STRATEGY AND ASSET MANAGEMENT PLAN 2007/08 – 2011/12**

## **1. Introduction**

### **1.1 The National Picture**

(a) The external environment in which Devon County Council operates influences the decisions that we are able to take in developing the Capital Strategy and Asset Management Plan. Listed below are some of the key external factors affecting the Council in the medium term:

- The 2007 Comprehensive Spending Review – which will affect the financial resources available to the council for service delivery.
- The Sustainability Agenda – Reducing the carbon footprint of the Council through building design and adaptation and supporting the people of Devon to reduce the carbon footprint at a personal level.
- The Equality Agenda – ensuring that services and buildings are fit for purpose and accessible.
- Value for Money – Delivering value through procurement methods and better asset utilisation.
- The World Market – dealing with the underlying inflation costs due to the prices of construction materials such as oil, steel and cement.
- Building Schools for the Future.
- Growth in Information and Communications Technology which allows for different and more sustainable ways of working and reduces the need for accommodation.
- Increase in person centred services.
- EU Landfill Directives regarding Waste Management.
- The desire to reduce traffic congestion.

### **1.2 Devon**

- (a) Over a third of the Devon landscape is subject to special protection including the Jurassic Coast world heritage site, the North Devon international biosphere reserve, Dartmoor and Exmoor National Park and five areas of outstanding natural beauty.
- (b) Devon has attracted world-class investment ranging from the Met Office to top flight pharmaceutical, engineering, IT and communications companies. Devon has good communications from air, rail and road giving world wide connections.
- (c) The population of Devon has been rising over the past ten years at more than double the national average. Devon people are healthier and living longer and there has been a significant rise in the 85+ population, which is the main driver of care costs.
- (d) Birth rates are falling, which will have an impact on our primary and secondary school provision.

- (e) House prices are high and job prospects are limited resulting in many of the county's young people migrating to live and work elsewhere.
- (f) Devon's black and ethnic population has doubled over the last ten years and is expected to rise even more into the future. Although most people in Devon enjoy a good quality of life, a significant minority experience social exclusion as a result of prejudice, discrimination and poverty, and poor access to services.
- (g) Devon's average temperature has risen by 1% over the past 30 years. Winters are wetter, summers are drier and sea levels are rising. 97% of Devon people think the County should do more to protect the environment which is why 'Making Devon England's greenest county' spans the breadth of our strategic plan.

Key statistics of Devon can be found in Appendix 1 to this report and in the Revenue Budget Booklet, Annual Statement of Accounts and other publications.

### **1.3 Devon County Council**

- (a) There are 62 Devon Councillors elected to give democratic leadership. The Council employs 17,000 full time equivalent employees, and works with many different partners in the public, private and voluntary sectors to improve the quality of life for the people of Devon.
- (b) The County Council appointed an Executive of 7 members, supported by 6 Executive Support members to oversee the management of the authority and to make key decisions. The Executive meet every three weeks.
- (c) The Council serves 731,000 people in Devon's towns and villages and ensures that there is provision of important local services such as schools, social care services, youth services, libraries, roads, public rights of way, countryside facilities, public transport, street lighting, trading standards, consumer advice, registration services, disposal and waste recycling.
- (d) The Council has a Strategic Plan which runs from 2006 – 2011 and this plan identifies the key priorities for Devon County Council:
  1. Giving the best possible start in life to Devon's children and young people
  2. Strengthening Devon's economy
  3. Celebrating Devon's culture
  4. Improving Devon's environment
  5. Promoting independence and choice for adults in Devon.
- (e) Service Plans set out how the key priorities are to be delivered and the Medium Term Financial Plan sets out the resources available to implement them.

## **2. The Council's Asset Base**

- (a) The assets which support service delivery are as follows:

<b>Fixed Assets</b>	<b>Numbers</b>	<b>Value £ Million</b>
<b>Operational Assets</b>		
Land and Buildings	1035 assets	974
Infrastructure (Highways)	12,820 km	254
Vehicles, Plant, Furniture and Equipment	875 items	17
<b>Total Operational Assets</b>		<b>1,245</b>
<b>Total Non Operational Assets</b>		<b>23</b>
<b>Total Fixed Assets</b>		<b>1,268</b>

Source: 2005/06 Statement of Accounts

A more detailed analysis of the assets is given in the Statement of Accounts 2006/07 and the Budget Book 2007/08.

- (b) The Capital Strategy and Asset Management Plan are affected by various external influences, internal strategies and processes.
- (c) Property asset management continues to be an area of significance both nationally and within the Authority, and property performance information is increasingly being used in the service and corporate decision-making process. The County Council has a huge resource tied up in property and other assets.
- (d) The inclusion of asset management as one of the Beacon Council themes during 2005 has reinforced the importance of local authority property assets and the role they have to play in the Government's Modernisation and Change Agenda. This was further emphasised by the publication in July 2004 of the Comprehensive Spending Review and Sir Peter Gershon's Independent Review of Public Sector Efficiency.
- (e) Efficiency in local government involves making the best use of the resources available for the provision of public services. Applying the Gershon Review definition of efficiencies to property asset management, efficiencies can be defined as those reforms which deliver processes and resource utilisation to achieve:
- Reduced number of assets whilst maintaining the same level of service provision
  - Lower prices for the property resource.
  - Additional outputs, such as enhanced quality of accommodation or levels of occupancy, for the same cost.
  - Improved ratios of service output to cost of accommodation.
- (f) In a wider context, the Gershon Review identified that property relocation could provide the spur to the adoption of new business practices, processes and technology, as well as improvements in organisational culture. Although requiring some initial investment, this can be offset by improvements in the delivery of services which enhances its longer-term future, and longer term efficiencies in the operation of the asset. This presents an ongoing challenge to the Authority in embracing alternative means of working and investing in technology, in order to benefit from such efficiency savings.

- (g) The Lyons Review, published in December 2004, focused on challenging the holding of public sector assets, promoting disposals to support the government's efficiency programme and promoting community involvement and empowerment.
- (h) The Government White Paper, Strong and Prosperous communities published October 26<sup>th</sup> 2006, imposes a duty on local authorities to consult and involve the public in the design and delivery of services. Significantly, the White Paper introduces the concept of asset transfer which allows a 'Community Call for Action' for authorities to consider releasing assets for community benefit. Ultimately, the White Paper is looking for authorities to take a lead in providing unified delivery models, involving many parties, through seamless services and co-location. The paper implies that performance will be measured, amongst other things, through public perception of the quality of services delivered.
- (i) The Council will be affected financially by the 2007 Comprehensive Spending Review. The level of Revenue Support Grant will affect the levels of Capital Investment financed through borrowing as the relationship between Capital Financing Costs and the Revenue Budget becomes tighter.
- (j) The Council is working towards becoming an enabling and commissioning authority. The first stages of this are reflected through the modernisation programme currently in progress in Adults and Community services which will see the transfer of a significant group of assets to an organisation contracted to provide care services.

### **3. The Capital Strategy and Asset Management Plan**

- (a) The purpose of the Capital Strategy and Asset Management Plan is to:
  - Ensure that capital investment is directed to the councils key priorities as outlined in the Strategic Plan 2006 – 2011
  - To set out the framework in which the Capital Strategy and Asset Management plan will operate
  - To set out how consultation on capital investment will take place
  - To identify areas of partnership working
  - To set out how property strategy will inform investment, disposal and energy efficiency decisions.
  - To set out how capital investment proposals will be appraised
  - To set out how limited resources will be prioritised
  - To identify available resources and the medium term capital plan
  - To set out the Council's policy on procurement
  - To set out how information will be managed
  - To set out how performance will be managed

### **4. Governance Framework for the Capital Strategy and Asset Management Plan**

- (a) The Capital Strategy and Asset Management Plan are delivered through four main groups (Appendix 2):

- Corporate Asset Group                      Chair: Corporate Property Officer
- Budget Management Group                Chair: Director Finance IT & Trading
- Capital Programme Group                Chair: Executive Support Member (Property)
- Capital Receipts Working Party        Chair: Leader of the Council

## **5. Financial Framework**

- (a) The 2007/08 Budget and the Medium Term Financial Strategy 2007/08 – 2011/12 are detailed in the 2007/08 Budget Book approved at County Council on February 15<sup>th</sup> 2007.
- (b) Because of financial constraints arising from the 2007 Comprehensive Spending Review it will be necessary to limit borrowing in future years. For 2010/11 the gross borrowing is to be limited to £ 40 million and in 2011/12 to £ 30 million. This will ensure that the cost of debt charges relative to net revenue budget will not exceed 12%. If capital programmes are to continue at around current levels, there will be a need to generate significant capital receipts, and/or to secure external funding.
- (c) The airport capital receipt received in 2006/07 is to be considered in isolation to all other capital receipts and will be applied to a capital programme yet to be developed.
- (d) Other capital receipts will be generated from the delivery of the property strategy and the work of the Capital Receipts Working Party and it is anticipated that a working balance (capital receipts unapplied) of between £ 2 - £ 3 million per annum will be maintained.
- (e) All Financial decisions will be taken with due regard to published Financial Regulations and Procurement Policies of the Council.

## **6. Asset Management Framework**

- (a) Asset Management for 2007/08 – 2011/12 is based around the following:
  - The transfer of the professional property function on 1<sup>st</sup> April 2007 to NPS (SW) Ltd
  - The need to reduce the size of the Council's property estate and improve its fitness for purpose through:
    - The Property Strategy
    - The 1:3:28 Model of service delivery
    - The Barnstaple Review
    - Other area based reviews
    - The New Ways of Working Initiative
    - Maintenance Strategy
  - The transfer of some social care assets to an external provider        of services
  - Partnership working and co-location of services.

## **7. Consultation**

- (a) Consultation was undertaken to determine the priorities of the Council, detailed in the strategic plan, and this was achieved through Public Consultation, Stakeholder Consultation and Member and Officer Consultation. Other specific consultation, pertinent to service delivery and investment decisions, takes place via the Residents Panel and Citizen Surveys, through Devon Strategic Partnership and other Strategic Planning Bodies, through the Schools Forum and Schools Premises Board, statutory consultation on the local transport plan and specific consultations e.g. Bideford & Sherford Schools Projects.

## **8. Partnership Working**

- (a) Devon County Council is committed to working with other agencies where it is appropriate to do so and gives either a strategic or operational advantage.
- (b) The Council, working in partnership will identify potential projects to ensure integrated service provision and to maximise the resources available to invest in the Council's capital investment objectives.
- (c) Key partners will include:
- Devon's schools, colleges and universities
  - Devon's District Councils, towns and parish councils, National Park authorities and Plymouth and Torbay Unitary Councils.
  - Other public services including the NHS services, Police, Fire and Rescue Service, Learning & Skills Council, Connexions and Jobcentre Plus.
  - Trades Unions
  - Local voluntary and community organisations and their support organisations
  - Local businesses and business support organisations
  - Local and regional art, sport, culture and environmental organisations
  - Regional bodies including the Regional Development Agency, Regional Assembly and Government Office South West.

## **9. Property Strategy**

### **9.1 Asset Reviews**

- (a) The property strategy is being developed through the Property Estates Rationalisation Project chaired by the County Solicitor. The project's objectives are to:
- Reduce 'costs in use' of existing properties
  - Achieve capital receipts
  - Reduce backlog maintenance
  - Make the estate more energy efficient.
  - Ensure that buildings are fit for purpose
  - Promote flexible and mobile working

The project seeks to make recommendations aimed at reducing office running costs by 25% over the three year period 2007/08 – 2009/10 and is linked to various other key programmes and projects including the 1:3:28 model of service delivery.

## 9.2 The Barnstaple Review

- (a) A review of Devon County Council property in the Barnstaple area has already been undertaken and has resulted in a series of recommendations for the future use of property assets in this area. The Barnstaple review will dovetail with the Property Estates Rationalisation Project to deliver fit for purpose, cost effective greener accommodation.

## 9.3 Other Area Reviews

- (a) It is anticipated that the Council will continue with a programme of reviews on major towns in Devon, following on from the Barnstaple Review. The aim of the reviews is to improve services to the public and to provide better value for money, through co-location of services with other organisations.

## 9.4 Modernising the way we work

- (a) The aim of this project is to ensure that the Councils assets are strategically managed in the most cost effective way, thereby providing value for money service delivery and positively enhancing customer satisfaction in Devon. The project is expected to deliver modern fit for purpose office accommodation and flexible working practices that support the development of staff skills and capabilities and to reduce the need to travel to work, thereby reducing carbon emissions.

## 9.5 Compliance, Health and Safety

- (a) The Council are required to comply with all legislation relating to occupied premises, particularly in the following matters that have a major impact on the Capital Programme:

- Disability Discrimination Act
- Asbestos
- Legionella
- Radon
- Fire Regulations

## 9.6 Energy and Sustainability

- (a) Core Data:

<b>Cost per Square Metre</b>	<b>2004/05</b>	<b>2005/06</b>
Delegated and Strategic Maintenance	£ 3.92	£ 4.54
Energy	£ 3.42	£ 4.92
Water	£ 2.68	£ 1.70

- (b) NPS (SW) Ltd will report and advise on energy and water performance via a rolling programme of audits.
- (c) DCC have set a preliminary target of reducing CO2 emissions by 2.1% per annum which aligns with the central government target of a 60% reduction by 2050 as part of the draft Climate Change Bill.

## 9.7 Maintenance Strategy

- (a) Core Data – Backlog Maintenance

	<b>2005/06</b>
Schools	£ 80.62 million
Non Schools	£ 25.57 million
<b>Total</b>	<b>£106.19 million</b>

- (b) The aim of this project is to develop a maintenance strategy which ensures that public and staff are safe when using the Council's assets and that existing backlog maintenance is reduced. In addition, the maintenance strategy will be supported financially within the medium term financial plan, through both revenue budget and capital programme allocations.

## 10. Option Appraisal

- (a) The option appraisal process was reviewed and revised in 2006/07 and is to be trialled in 2007/08 on capital investment decisions requiring corporate resources. It will be extended to cover those major projects requiring supported borrowing resources during the next review of the medium term capital plan. The procedure is to be applied in proportion to the size and impact of the project. In particular this tool will be used to ensure that the overall size of the capital programme does not give rise to a level of capital finance charges greater than 12% of the revenue budget.
- (b) The key elements of the option appraisal are:
  - Defining objectives
  - Baseline assessment (including financial and asset reviews)
  - Listing possible options
  - Broad assessment of viable options (including whole life costing & risk assessment)
  - Challenge and short listing
  - Detailed option appraisal
  - Review and solution selection

## 11. Prioritisation

- (a) The Capital Programme Group will be responsible for the initial prioritisation of the capital programme. This will be based on projects submitted by directorate representatives and from priority rating sheets resulting from option appraisals. The

draft Capital Programme for each financial year will be submitted to Executive for approval.

(b) The priority rating sheets are scored based on the following:

- Need Assessment
- Benefits from the scheme (including links to strategic & service objectives)
- Timescales
- Cost Information
- Funding
- Professional Judgement

## **12. Capital Resources**

(a) The proposed financing for the Medium Term Capital Plan for 2007/08 – 2011/12 is described in the approved Budget Book for 2007/08. The Medium Term Capital Plan will be updated annually as part of the budget process.

### **12.1 Capital Receipts**

(a) The Council operates a surplus asset process which identifies assets available for disposal or redeployment. The Capital Receipts Working Party uses this information to determine the value of capital receipts that can be made available to finance the Capital Programme. It should be noted that there has been a change of policy in 2006/07 where by there are no new 'in & out' arrangements. Each capital investment decision will be considered and prioritised under its own merits and receipts will not be ring-fenced in advance of that assessment.

(b) The question of additional capital receipts will be a key element of funding and delivering the Council's Capital Programme.

### **12.2 Capital Grants and Contributions**

(a) These are usually grants from government or contributions from external parties. Projected levels are set out in the approved Capital Programme to 2011-12.

### **12.3 Direct Revenue Financing**

(a) Contributions from Revenue Resources to support Capital Investment. Projected levels are set out in the approved Capital Programme to 2011-12.

### **12.4 Borrowing**

(a) Levels of borrowing are limited in 2010/11 and 2011/12 to ensure that debt charges do not exceed 12% of the Revenue Budget. This strategy may affect the Council's ability to take up supported borrowing levels suggested for Schools and Transport in those years.

## **13. Capital Investment**

(a) The key objectives of the strategic plan to be delivered through capital investment are:

### **1. Improving the health and educational outcomes for underachieving children and young people:**

There is significant investment over the medium term through Devolved Formula Capital, Basic Need, New Deal for Schools and the Access Initiative. Expenditure is anticipated for the Building Schools for the Future initiative (Bideford). Works will continue at Exwick Heights and Mill Water and significant expenditure is anticipated at Children's Centres. Work will begin at Cranbrook New Community, Sherford New Community and on the relocation of Clyst Vale Community College.

### **2. Unlocking the economic potential of disadvantaged communities:**

Investment in Industrial Estates at Barnstaple Roundswell, Bideford, Holsworthy and Ilfracombe. Further investment in sustainable village communities and E.U. Objective 2.

### **3. Minimising waste, increasing recycling and composting, reducing the land-filling of waste**

Investment in in-vessel composting at Deep Moor and East Devon, Recycling Centres for Bideford, Brunel Road, Ivybridge and East of Exeter, Restoration of redundant landfill sites and Exeter Waste to Energy Plant.

### **4. Tackling traffic congestion and air pollution and improving public transport.**

There is significant investment in the Local Transport Plan, Monkerton Link Road, National Cycle network, Barnstaple Western Bypass and preparatory work for Kingskerswell Bypass.

### **5. Enabling more elderly and disabled people to stay safe and healthy in their home**

Investment in the modernisation programme at Mapleton and Rushbrook, adaptations for disabled adults, Greenways Elderly Peoples Home and Mental Health.

### **6. Other Investments**

- Exeter, Ivybridge and South Molton Library
- Office Accommodation Strategy
- Depot Strategy
- World Heritage Site
- Compliance, Health and Safety work to comply with legislation
- Vehicle Plant and Equipment
- Information Technology Investment

- (b) Summary capital investments are described in the approved Budget Book 2007/08. Detailed directorate capital programmes will be presented to Executive before end of June 2007.

## **14. Information Management**

### **14.1 Asset Information**

- (a) Information on assets is held on the corporate property database. Information can be taken and added to the system at any time to inform operational activity, especially in the areas of enhancement, compliance and building maintenance.
- (b) In September, each year a property revaluation exercise takes place, which is governed by the agreed Conditions of Engagement between Devon Finance Services and Devon Property Services. From April 1<sup>st</sup> 2007 this arrangement will exist between Devon Finance Services and NPS SW Limited.
- (c) At the same time, a reconciliation takes place between the corporate property database and the Asset Register.
- (d) The Asset Register is updated annually and includes the impact of revaluations, asset impairment, write offs, disposals, acquisitions, enhancements and depreciation. These are reported in the Statement of Accounts, which is approved by the Audit Committee.
- (e) Property Performance Indicator Information is reviewed by the Capital Programme Group and reported at six monthly intervals. A final benchmarking report is presented at the end of the financial years to Corporate Management Board and Executive (June).
- (f) The Council manages an Asset Management database, which links assets to values, backlog maintenance and proposed investment. This is updated in June each year with the approved Revised Accounting Values, Revised Capital Invested Programme and Revised Backlog Maintenance Figures.
- (g) In July, the Capital Programme Group review the Asset Management Database, Property Performance Indicators and Benchmarking information to inform any revisions to the medium term capital strategy.
- (h) Option appraisal information is collected between May and July and reviewed and prioritised by the Capital Programme Group in August and September. The implications of the revised Capital Programme are factored into revenue budget preparation to ensure that the revenue implications of Capital Investment including whole life costing are accounted for.

### **14.2 Financial Information**

- (a) Financial information is held on the FINEST System supported by Excel spreadsheet working papers. This includes the approved budget, actual spend to date and spending commitments.

- (b) Capital and Revenue Budgets are reviewed monthly by the Capital Monitoring Group and the Budget Management Group and reported to Members bi-monthly through a report to Corporate Management Board and Executive.
- (c) Annual Performance is reported at Outturn (June) in the Outturn Report this will include a report on the Prudential Indicators.
- (d) The Statement of Accounts is approved by the Audit Committee before June 30th each year and Audited by the Audit Commission before September 30<sup>th</sup>.

## **15. Performance Management**

### **15.1 Property Performance Indicators (National & Local) and benchmarking**

- (a) The National Property Performance Management Initiative (NaPPMI) has been developed over the last two years to provide a suite of national and local indicators to measure the performance of local authority assets. This initiative has been endorsed by the Office of the Deputy Prime Minister (ODPM) and is now supported by the Department of Communities and Local Government (DCLG).
- (b) The initiative enables effective benchmarking between authorities through the Institute of Public Finance (IPF) Asset Management Network.
- (c) Devon County Council has actively embraced this initiative and contributed to its development. It is recommended that the new performance indicators are measured from 2007/08 and authorities have been encouraged to measure the new indicators for 2006/07.
- (d) Devon County Council have where appropriate, measured the new indicators for 2006/07.

The seven property performance indicators are:

- Condition and Maintenance
  - Environmental Property Issues
  - Suitability Surveys
  - Building Accessibility Surveys
  - Sufficiency
  - Spend
  - Time and Cost Predictability
- (e) A Property Performance report will be presented to the Executive half yearly (June and November). On an annual basis a benchmarking performance report (i.e. giving comparative information against other authorities) will be presented to the Executive in June.
  - (f) Devon County Council are active members of the Institute of Public Finance (IPF) Asset Management Network and are the lead authority for the Devon Authorities Asset Management Group which works closely with the Government Office South West (GOSW). These groups enable effective benchmarking, the dissemination of good practice and present opportunities for joint working in a property context.

## **15.2 Prudential Indicators**

- (a) Prudential Indicators are set as part of the Budget Process in February and monitored at month 6 (November) and reported at outturn (June)

## **16. Procurement**

### **16.1 NPS (SW) Limited**

- (a) Devon County Council has entered into a joint venture with NPS (SW) Limited for the provision of property services. The joint venture is structured with a small client division being retained by Devon County Council and an agreed minimum level of procurement through the NPS (SW) Limited.

The Services to be provided are:

- Architectural Design
- Engineering and Quality Surveying
- Project Management
- Estates and Valuation
- Asset Management (information and data)
- Maintenance
- Minor Works

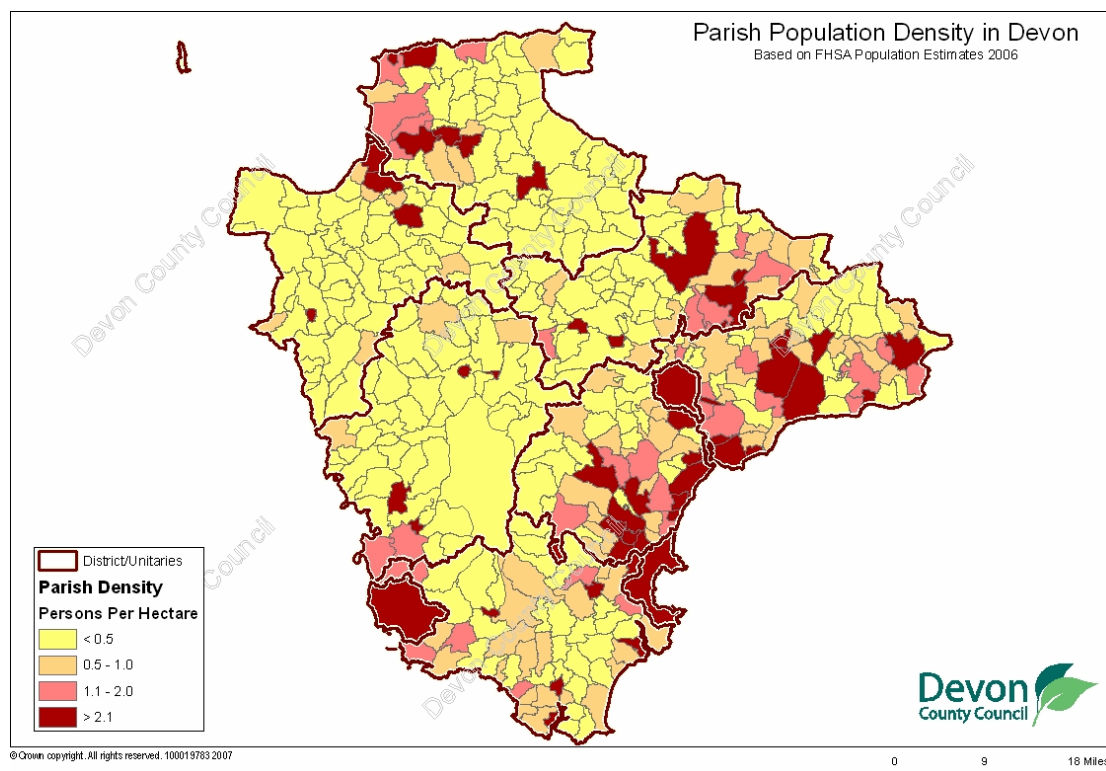
### **16.2 Procurement Policies**

- (a) The Council operates a Procurement Code that promotes the procurement strategies envisaged in the Best Value Guidance.

### **16.3 Approach to Procurement**

- (a) The Council's approach to procurement reflects Government best value procurement guidance and the guidance contained in the report of the Construction Industry Task Force. The Council operates framework agreements with selected construction and maintenance contractors for direct provision of property works. Works are allocated on the basis of quality factors as well as price. Both the Construction and Maintenance Frameworks are to be reviewed in the medium term.
- (b) The Council will utilise other forms of procurement through the Private Finance Initiative and Public Private Partnerships where appropriate and economically advantageous to do so.

## Devon's Statistic Profile



		2004/05	2005/06
1	Population	715,000	731,000
2	Births	6,200	6,600
3	Deaths	8,600	8,200
4	Number of Schools	368	375
5	Number of Pupils Full Time	97,000	94,700
6	Number of pupils part-time nursery & infant	2,100	1,800
7	Number of Libraries	56	51
11	Kilometres of Road	12,800	12,820
14	Number of Country Parks	2	2
16	Length of Coastline (km)	850	850
17	Unemployment Rate	1.4 %	1.4%
18	GDP/GVA per head index (UK =100)	86.8	78

### **Corporate Asset Group**

The Corporate Asset Group is to be reconstituted following the implementation of the Joint Venture with NPS SW Limited. In the interim the Corporate Property Officer (CPO) is the Chief Executive and decisions usually associated with the Corporate Asset Group are being taken either at the Member/Officer Joint Venture Briefing Group or at Corporate Management Board & Executive. Terms of Reference will be established showing the relationship with the Capital Programme Group and Capital Receipts Working Party.

### **Budget Management Group**

The Budget Management Group is chaired by the Director of Finance, IT and Trading and is attended by the Principal Finance Managers and representatives from the Finance Strategy Group. This group meets bi-monthly. This group report the bi-monthly monitoring position, link capital and revenue investment decisions and discuss actions to be taken if necessary. The Director of Finance, IT and Trading compiles the bi-monthly monitoring report for Corporate Management Board and Executive and following this meeting.

### **Capital Programme Group**

The Capital Programme Group is chaired by the Executive Support Member for Property and is attended by senior representatives from each Directorate. This group meets monthly and coordinates the production of the medium term capital plan and the detailed capital programme for the next financial year. This group review option appraisals and perform the initial prioritisation exercise. Reports from this group are taken to Corporate Management Board and Executive.

### **Capital Receipts Working Party**

The Capital Receipts working party is chaired by the Leader of the Council and comprises other Members and senior representatives of each Directorate. The group meets bi-monthly. This group reviews the Council's asset base and in particular reviews surplus assets and their subsequent disposal, It develops strategies for generating capital receipt income to support the delivery of the capital programme into the future.