1. **Purpose:**

   1.1 This report sets out the response to the recommendation made by the Overview & Scrutiny Business Panel arising from the officer report ‘Asset Rationalisation Programme – Update’, considered at its meeting on 26th November 2013.

2. **Recommendations:**

   The Mayor is asked to:

   2.1 Approve the response from the Director of Regeneration and Asset Management, and

   2.2 Agree that this report should be forwarded to the Overview & Scrutiny Business Panel

3. **Policy Context:**

   3.1 The Council’s vision is to work together to ‘make Lewisham the best place in London to live, work and learn’. The key corporate strategic document is the Sustainable Community Strategy, which sets out the objectives, targets and performance of the authority and includes a section relating to asset management as a cross-cutting issue.

   3.2 Lewisham’s core values are to:

   - Put service to the public first
   - Respect all people and all communities
   - Invest in employees
   - Be open, honest and fair in all we do.
3.3 The Council has identified ten enduring corporate priorities focused on the needs of local people. These include: Community leadership and empowerment; Clean, green and liveable; and Strengthening the local economy. The remaining, including further details of how the management of the Council’s assets help deliver these priorities are summarised in the adopted Strategic Asset Management Plan (SAMP)2011-14. The SAMP and its work programme outlines how the Council’s asset base is used to provide citizens with access to high quality local services, as set out in the Sustainable Community Strategy.

3.4 This SAMP is currently being reviewed in the light of the changing pressures and opportunities that exist for Lewisham. The work programme also includes a strand on asset rationalisation which seeks to generate new opportunities for asset use.

3.5 This is aimed at ensuring that the Council’s assets and social infrastructure are matched to current and future service requirements, meeting the broadest strategic objectives and delivering investment opportunities that accord to corporate priorities.

4 Background:

4.1 On 13th November 2013, the Mayor and Cabinet agreed the following recommendations contained in the Asset Rationalisation Update report:

- note progress made in the delivery of the first phase of the asset rationalisation programme between April 2012 and September 2013;
- agree to declare the Town Hall building surplus to operational requirements;
- note the options considered for the Town Hall and approve the interim use approach;
- subject to the above recommendation, delegate authority to the Executive Director for Resources and Regeneration to agree the final terms of any leasing arrangements relating to the Town Hall building;
- note developments in relation to 28 Deptford High Street and 144 Evelyn Street (Parker House);
- note developments in relation to 98 Northover.

4.2 The report was called in by the Overview & Scrutiny Business Panel at their meeting on 26th November 2013 and following a review, a referral was made to Mayor and Cabinet on 4th December 2013.
5 Referral:

5.1 At the above meeting, Business Panel members agreed that the Mayor should be made aware of the concerns held by the Panel over the delay of the provision of a single register of Council assets for members, which should also be accessible to the public.

5.2 Business Panel stressed that asset management should be a corporate entity which should be linked to the rest of the Council’s strategies, and should represent a corporate view.

5.3 Business Panel requests that the Mayor asks officers to develop at an early date, a single asset register or system that manages all the Council’s assets, and includes the following emerging strategies:

- Accommodation Strategy.
- Regeneration Strategy
- Strategic Asset Management Plan

6 Response:

6.1 There is currently no single accurate asset register or management system for the Council’s non-housing assets. Asset information is held on a number of fragmented systems often by the services using them.

6.2 The new emerging strategic/corporate direction for asset management requires a functionally integrated asset management system (AMS) to ensure a consistent corporate approach to managing, maintaining and investing in assets. This will allow the Council to maximise use, reduce cost and to deploy its assets in an optimised manner to help deliver the Council’s strategic objectives and corporate priorities including the Future Lewisham Programme.

6.3 The Regeneration and Asset Management Division, with responsibility for corporate asset management have, over the last few months, been reconciling and cleaning the information held on the Council’s property and land assets.

6.4 A process is now under way to create a single property register and map of the Council’s assets to assist in strategic decision making thus ensuring effective and efficient use of assets to support day-to-day service delivery. It is expected that the new system will eventually integrate all assets including public realm or highways assets. This will incorporate new business support systems, processes and resources to enable good business practice.

6.5 This exercise is also integral to the production of a number of strategic documents such as: a refresh of the current Regeneration Strategy – People, Prosperity and Place; the Corporate Accommodation Strategy;
6.6 and the Strategic Asset Management Plan. All strategic documents are expected to be completed by the 3rd quarter of 2014/15.

6.7 A central part of this will be to establish an evidence-based approach to decision-making in relation to the corporate estate. In particular, how a strategic approach to accommodation will provide a framework for aligning the capital programme and service priorities to decisions for retention, disposal, acquisition and management of assets. This will ensure that the Council optimises the benefits it delivers from its corporate asset base.

6.8 Given the ongoing work and the linkages described above, officers expect to have a complete asset register during the first quarter of 2014/15 financial year, together with an update on the strategic documents noted above.

7. **Financial Implications:**

7.1 There are no direct financial implications arising from this response.

8. **Legal Implications:**

8.1 There are no specific legal implications arising from this response, save for noting that the Council’s Constitution provides that the Executive may respond to reports and recommendations by the Overview and Scrutiny Committee.

9. **Crime and Disorder Implications:**

9.1 There are no direct crime and disorder implications arising from this response.

10. **Equalities Implications:**

10.1 There are no direct equalities implications arising from this response.

11. **Environmental Implications:**

11.1 There are no environmental implications arising from this response.

**List of Background documents**

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<td>Asset Rationalisation Programme (Update)</td>
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If you would like further information on this report please contact Kplom Lotsu, Programme Manager on extension 49283