

**MAKING ASSETS COUNT – CAMBRIDGESHIRE'S PROPOSED  
APPROACH TO STRATEGIC ASSET MANAGEMENT  
(Report by the Assistant Director, Environment, Growth and Planning)**

**1. INTRODUCTION**

- 1.1 The purpose of this report is to update Cabinet regarding the on-going joint working that is taking place between the Council and the other Councils in Cambridgeshire, and with other public sector organisations, in order to try and re-shape, and make more efficient use of, their property portfolios.
- 1.2 This collaborative work aims to try and ensure that, wherever possible, appropriate opportunities for delivering savings are fully explored - via both reducing the overall operating costs of our property holdings and through the potential co-location of key services in order to facilitate more efficient lower cost service delivery. It is also potentially a mechanism that could generate further capital returns and revenue savings from the potential sale and/or development of sites to enable re-investment in new community focussed service hubs - particularly as many of our existing facilities come to the end of their useful life.
- 1.3 The findings to date indicate that there are potential revenue savings and potential capital receipts to be gained from the further investigation and development of a joint public sector approach to asset use, redevelopment and management. However approaches under the MAC umbrella are obviously not the only options available to this Council, and other partners, in terms of determining the future use of their assets, and further detailed work will be required in order to determine the full implications of all the other available options.

**2. BACKGROUND**

- 2.1 The overarching MAC principles are aimed at trying to:
- generate an improvement in public service delivery from a coordinated partnership approach - thus maximising best practice, efficiencies and benefits to both the public sector and to our customers.
  - identify opportunities and challenge decisions relating to the use and disposal of assets across Cambridgeshire.
  - act as an exemplar of best practice in terms of the creative cross-organisational management of property issues.
- 2.2 The Making Assets Count (MAC) partnership currently comprises all 5 District Councils, the County Council, the Police Service, the Fire Service and some of the local Health Providers. Assets included in the project include those where joint services are currently provided or where they are being investigated for future delivery of co-located services. In the case of

this Council initial investigations have related to potentially making the best use of our assets in St Neots, St Ives, Yaxley and Huntingdon.

- 2.3 To date there has been some limited initial successes, in terms of facilitating and delivering logical sharing arrangements, for the whole partnership – with the County Council and South Cambridgeshire District working on a shared depot facility and with HDC being able to let out office space to accommodate health service requirements at Pathfinder House.
- 2.4 Various potential ‘delivery models’ for the elaboration of a joint public sector approach have been investigated by consultants appointed to provide property advice to the partnership. These consultants have suggested that one potential way forward is for the MAC partners to consider forming a property owning ‘joint venture’ and to consider transferring relevant assets into that structure. It is suggested that this MAC ‘public property partnership’ could deliver projects, manage transferred assets and potentially pay dividends to the MAC partners (who would become share holders in any JV). The structure and governance for such a potential vehicle is outlined further in the County Council Cabinet report of 9<sup>th</sup> July 2013 (forward plan ref 2013/039) and these future governance arrangements would most likely reflect a one member one vote arrangement with any dividends returned to partners in proportion to assets invested in the JV.

### **3. POTENTIAL NEXT STEPS FOR HDC**

- 3.1 MAC partners have been requested, through their respective organisational procedures, to agree to the continuation of this effective partnership working and to consider the principle of forming a publicly-owned Joint Venture vehicle.
- 3.2 It makes sense for the Council to look to continue to deliver logical ‘sharing’ solutions and to support the principle of such a vehicle but it is considered that further work, analysis and Cabinet approval would be required before this Council could make any commitment to transfer or encumber any specific assets to any such vehicle.

### **4. CONCLUSIONS**

- 4.1 HDC led ‘sharing work’ indicates that in principle there could be further opportunities for the ‘common sense’ approach, to the co-location of services and the effective sharing of buildings and premises within the wider public sector estate, to deliver real efficiencies and savings.
- 4.2 Given the Council’s enhanced ‘budget challenge’, it is considered vitally important that all such further sharing and partnership opportunities should be appropriately and fully investigated with potential related savings delivered wherever possible.

### **5. OVERVIEW AND SCRUTINY COMMENTS**

- 5.1 The Overview & Scrutiny Panel (Economic Well-Being) has welcomed the ‘common sense’ approach that has been adopted to Making Assets Count and has recognised that if a bigger vision is to be achieved the joint venture will be required. The Panel has endorsed the MAC principles and noted the creation of a countywide publicly-owned joint venture (the MAC

Public Property Partnership). The Panel has supported recommendations b and c as per the Section 6 of the Cabinet report. Members have also been assured that any specific proposals in relation to District Council assets would be considered by the Cabinet, in conjunction with the Overview & Scrutiny Panel in due course.

## **6. RECOMMENDATION**

6.1 Therefore it is recommended that the Cabinet:

- a. endorses the MAC principles and the creation of a countywide publicly-owned joint venture (the MAC Public Property Partnership); and
- b. endorses the pragmatic approach that HDC has taken to date in respect of maximising the use of our own assets and that all further 'common sense' sharing opportunities should be fully explored wherever that may be possible.
- c. notes that none of our assets will be committed to or encumbered by any joint venture proposal without further reference to Cabinet.

### **Background Papers:**

Localism Act 2011 – Duty to Co-operate - Local Planning Authorities

Making Assets Count: Cambridgeshire CC Cabinet Report – July 2013

### **CONTACT OFFICER**

Enquiries about this report to Steve Ingram, Assistant Director, Environment, Growth and Planning on 01480 388400.