

	<p style="text-align: center;"><b>Executive</b> 13<sup>th</sup> November 2006</p> <p style="text-align: center;"><b>Report from the Director of Finance and Corporate Resources</b></p>
<p>For Action <span style="float: right;">Wards Affected: ALL</span></p>	
<p style="text-align: center;"><b>Capital Strategy and Corporate Asset Plan</b></p>	

Forward Plan ref: F&CR-06/07-9

## 1. SUMMARY

- 1.1 This report presents the Capital Strategy (Appendix 1) and Corporate Asset Plan (Appendix 2).

## 2. RECOMMENDATIONS

That the Executive:

- 2.1 Agrees the Capital Strategy in Appendix 1 for submission to Full Council for approval
- 2.2 Approves the Corporate Asset Plan in Appendix 2.

## 3. BACKGROUND & DETAIL

- 3.1 The Capital Strategy and Corporate Asset Plan are key elements of the council's overall approach to ensuring efficient and effective use of the council's asset base in pursuit of the council's objectives and priorities set out in the Corporate Strategy.
- 3.2 The Capital Strategy covers a five year period and provides the context in which the council's rolling capital programme is up-dated. The strategy is kept under review during the five year period to ensure that it reflects changing needs and priorities within the authority. Its key objectives are:

- To ensure use of the council's capital assets supports delivery of priorities within the council's Corporate Strategy;
  - To determine the council's priorities for capital investment;
  - To identify and seek sustainable funding sources to support capital investment;
  - To be a basis for determining the council's rolling four year capital programme;
  - To help ensure the most cost effective use is made of existing assets and new capital investment.
- 3.3 An interim Capital Strategy for 2005-2010 was produced in 2005 pending the development of a new Corporate Strategy. The up-dated Capital Strategy for 2006-2011 has been prepared concurrently with the new Corporate Strategy and reflects the objectives and priorities within it.
- 3.4 The Capital Strategy does not allocate resources as this is done as part of the decision making process on the four year rolling capital programme. It does however provide a framework for informed decision making within the limited resources available to the council.
- 3.5 The Corporate Asset Plan (CAP) is a central element of asset management which aims to ensure the council has the right space, at the right time, in the right place and at the right cost to support its corporate and service priorities. It links closely to similar plans for schools, housing stock and highways and feeds directly into the Capital Strategy. The Corporate Asset Plan is up-dated annually based on reviews of the condition of the council's assets. The CAP for 2006 was completed in July 2006 but it was decided to hold back reporting it to the Executive until an up-dated Capital Strategy, reflecting priorities in the Corporate Strategy, could be presented.
- 3.6 From 2002 it was a requirement of the ODPM that each local authority produced both a Capital Strategy and a CAP. In 2005 this requirement was fully relaxed. However, it is regarded as best practice that they are regularly reviewed and revised to meet the changing circumstances and priorities of each authority. This has been reflected in the framework for the Use of Resources Block and Corporate Assessment for the Comprehensive Performance Assessment.
- 3.7 Both documents set out in some detail how the Council will seek to ensure it maximises value for money from its investments and use of assets.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Both documents are closely linked to the financial position of the council. Elements of the report are entirely concerned with financial matters in relation to the council's capital programme.

## **5. LEGAL IMPLICATIONS**

- 5.1 Under the Council's Constitution, the Capital Strategy needs to be referred to Full Council for approval. There are no other direct legal implications arising from this report.

## **6. DIVERSITY IMPLICATIONS**

- 6.1 Diversity implications are taken into account in determining the corporate and service strategies that inform the capital strategy. There have been significant improvements in access to council and school buildings, disabled adaptations to homes, and accessibility of road crossings during the period of the previous capital strategy, and these priorities will continue to be reflected in the new strategy.

## **7. STAFFING IMPLICATIONS**

- 7.1 There are no staffing implications arising directly from this report.

## **8. BACKGROUND INFORMATION**

2002-2005 Capital Strategy

2005-2010 Interim Capital Strategy

2002 Corporate Asset Plan

2005 Corporate Asset Plan

Any person wishing to inspect these documents should contact Committee Services, Room 106, Brent Town Hall, Forty Lane, Wembley, Middlesex HA9 9HD. Tel. 020 8937 1353.

**DUNCAN McLEOD**  
**Director of Finance and Corporate Resources**