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## **EXCERPT FROM THE MINUTES OF THE RESOURCES OVERVIEW AND SCRUTINY PANEL HELD ON 30 AUGUST 2012**

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### **ROSP.62/12 DRAFT ASSET MANAGEMENT PLAN 2012-2017**

The Finance, Governance and Resources Portfolio Holder presented report RD.27/12 on the draft Asset Management Plan 2012 – 2017.

He informed Members that the draft Asset Management Plan had been updated to reflect the key issues and changes affecting the management and use of the City's property resources, and the impact of the Asset Review Business Plan approved by Council in January 2011. The Plan also reported on the current position and performance of the Portfolio and the Asset Disposal Programme.

The Executive had on 6 August 2012 considered the report (EX.092/12 refers) and made it available for the Resources Overview and Scrutiny Panel.

In considering the Plan Members raised the following comments and questions:

- The monies gained through the Asset Review were to be reinvested to improve the overall property portfolio. Was this being carried out and would there any opportunity to increase the investment level?

The Finance, Governance and Resources Portfolio Holder responded the Council was achieving a slightly higher interest rate than expected. He added that options for sale, redevelopment or lease were considered for each piece of land or property prior to disposal.

A Member asked when a review of the Asset Review would be carried out to ensure that the recommendations for re-investment were still appropriate.

The Town Clerk and Chief Executive (Dr Gooding) responded that most of the work carried out had been focussed incoming receipts. The investment in treasury management was meeting the required targets but there would be some major decisions to be taken by Members with regard to the options available for reinvestment.

- As the authority had money to reinvestment would there be any opportunity to encourage funding into Carlisle from other sources to support the reinvestment?

Dr Gooding explained that the Local Economic Partnership would be the primary route for investment but it would be for Cumbria not just Carlisle. He explained that the authority would prepare some projects/schemes that would be ready to go ahead immediately if money became available as this was the best way to attract funding.

- Had any consideration been given to properties within the Asset Review that could be developed as housing?

The primary priority of the Asset Business Plan was to generate revenue for the Council. The new administration had requested that the Business Plan be reviewed to ensure that the objectives were still appropriate and were still meeting the Council's priorities. There would be an opportunity for Members to be part of the considerations and submit their feedback and ideas. It was hoped that the review would take place at the end of the current year or the beginning of next year.

- Members asked for an update on the Morton disposal.

Dr Gooding informed the Panel that the Council was due to agree an exclusivity agreement with the interested supermarket subject to them receiving detailed planning agreement. The disposal was on target and then there would need to be some discussions and decisions regarding the capital. One option was to pay the £15million stock issue in 2020 and there would also be options around what to do with the capital until then.

A Member asked if all other options with regard to the Morton land had been considered before it was agreed to be disposed of.

Dr Gooding assured Members that all other options were investigated thoroughly and the disposal option had been the clear choice for the Authority.

- Carlisle City Council was unique as 20% of its gross budget came from asset, would it be possible to retain this figure?

Dr Gooding explained that the 20% would probably increase as other revenue sources were decreasing. The Council was doing as much as it could to ensure that the figure increased.

RESOLVED – 1) That the comments and concerns of the Committee be forwarded to the Executive for consideration.

2) That the Panel looked forward to being involved in the review of the Asset Review Business Plan.