### Audit Committee – 23rd September 2010

## 8. Asset Management Update Report

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### **Purpose of the Report**

To update members on the items which arose from the consideration of the Asset Management Audit Action Plan Update at the August 2010 Audit Committee.

#### Recommendation

To note the responses on the issues that arose from the consideration of the Asset Management Audit Action Plan Update.

### **Background**

The Asset Management Plan is maintained in respect of the Council's land and property portfolio. The plan details the approach to asset management and sets out policies, aims and initiatives of the Council in relation to its assets together with an action plan to be monitored by the Strategic Asset Management Group and reported annually to the District Executive. The Asset Management Team work together with various other teams, to develop a property strategy aimed at optimising the utilisation of the Council's property assets and ensuring departments and tenants are located in the right area.

At the Audit Committee in August 2010, the Committee asked for an update on the following items:

- (a) Whether any negotiations have taken place regarding the transfer of allotments still held by the District Council to appropriate parish councils;
- (b) Whether any action being taken in respect of the three tenancy arrangements remaining without formal agreements; and
- (c) Information on how many tenants (if any) left Council properties without having compensated the authority for any damage that may have been caused by them

#### **Transfer of Allotments**

Allotments can be the responsibility of a Parish, Town, District and Borough Council to provide. Currently no active negotiations are taken place. In the past Chard Town Council and Winsham Parish Council have not been interested in taking on the responsibility for the allotments. No communication has been made with either West Coker or Chilthorne Domer. The Senior Land and Property Officer has stated that neither of these sites are problematic and are all currently let.

The allotments generate about £2,500 per annum with little expenditure incurred as onsite maintenance is passed to the occupants. There is little work involved for the Land

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and Property Information Assistant – just annual inspections and the maintenance of the waiting list.

## **Tenancy Arrangements with no formal agreement**

The Senior Property and Land Officer has re-iterated that there is no legal reason for the tenants to now enter into a formal lease agreement as they are already in occupation. The only option for SSDC would be to begin a lengthy and costly eviction process which would result in 3 empty properties. Although the tenants do not have lease agreements they are all paying the expected rent.

### Damage caused to vacated premises

There is only one recorded incident on file. Dekordirect business folded and the unit was left in a mess but has since been vacated. Reports from the Senior Property and Land Officer are that vacated premises are more often than not left in a better condition than when they are taken on.

# **Financial Implications**

There are no financial implications in accepting this report and the associated recommendations.

Background Papers: None.