

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS & AUDIT COMMITTEE

meeting date: WEDNESDAY 6 APRIL 2022
title: CORPORATE ASSET MANAGEMENT
submitted by: CHIEF EXECUTIVE
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1 PURPOSE

- 1.1 To inform Committee of the Council's corporate asset management procedures.
- 1.2 Relevance to the Council's ambitions and priorities:
 - Community Objectives –
 - Corporate Priorities – Review of systems and keeping Committee informed, promotes the Council's aim of being a well-managed Council.
 - Other Considerations –

2 BACKGROUND

- 2.1 The Council owns a substantial amount of land and assets throughout the borough. It is important that it properly manages these assets and that it ensures that best value is obtained for those assets in terms of revenue and provision of facilities for the public.
- 2.2 In order to ensure that it has accurate and up to date records of its assets the Council records this information using asset management software.
- 2.3 All of the Council's assets are also mapped with a unique property reference number on the local and national land and property gazetteer.
- 2.4 The Council has an Asset Management Group, whose membership is made up of the Corporate Management Team, and representatives from legal, finance and engineering services. This group ensures that all relevant officers are present and that the assets are considered from a financial, legal, economic development and community perspective.

3 ISSUES

- 3.1 Legal Services hold a large number of legal agreements, leases and licences relating to the Council's assets. These documents are in the process of being scanned and saved electronically so that there can be joined up access to documents through the asset management systems. All new documentation is added to this system as it is produced.
- 3.2 The current version of the software is somewhat outdated, and officers are investigating moving to a new cloud-based version of the software which would enable better asset management. It would allow for agile working and for information to be input directly from site during condition surveys and to report maintenance issues. The system also provides better links between the different users of the system. It also has provision for a visual depiction of the location of assets on a map which then links back to the relevant

information and documents which relate to that asset. Officers are seeking confirmation of the costs of this software and its implementation so that a capital bid can be made. In the meantime, officers are also seeking to make more full use of the existing software and to ensure that it is fully populated. The Unique property reference number will be added (if it is not already) so that the Council can link its register to the gazetteer.

- 3.3 Within the finance function the Technology Forge asset management system is used extensively for recording changes to asset ownership and also valuations, as provided annually by the external valuer. Such movements as recorded on the system are then used to help in producing the council's Annual Statement of Accounts. Information that is recorded is in respect of valuation and asset lives for accounting purposes (this is different from potential sale valuations). Such accounting information is currently held on the system going back to 2010.
- 3.4 The forthcoming introduction of the financial reporting standard IFRS16 (Leases) to local government, which will change the way in which we account for our leases, the new cloud-based version of the Technology Forge system offers added functionality. This will greatly help the accounting process, rather than manually calculating and processing the accounting entries, which would otherwise be very time consuming and potentially open to error.

4 **RISK ASSESSMENT**

- 4.1 The approval of this report may have the following implications:
- Resources – On going resources will be required to continue the process of digitisation. A capital bid will be required to purchase an upgraded version of the asset management software.
 - Technical, Environmental and Legal – Legal Services comments are incorporated into this report.
 - Political – N/A
 - Reputation – The Council's reputation will be enhanced by its consideration of its arrangements for asset management.
 - Equality & Diversity – N/A

5 **CONCLUSION**

- 5.1 Committee note the contents of this report.

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