
Asset Optimisation Plan

Committee considering report:	Executive
Date of Committee:	11 June 2026
Portfolio Member:	Councillor Tom McCann
Report Author:	Sarah Clarke

1 Purpose of the Report

- 1.1 To seek approval from the Executive for the adoption and implementation of the Assets Optimisation Plan, which forms a key component of the Council’s Finance Improvement Plan agreed in December 2025 and supports the Council’s financial recovery and long-term sustainability.

2 Recommendations

Executive is asked to:

1. Approve the Assets Optimisation Plan as the Council’s framework for the review, optimisation and disposal of its asset portfolio, as detailed at Appendix A.
2. Note that the Plan forms a core component of the Finance Improvement Plan approved in December 2025.
3. Delegate authority to progress asset optimisation and disposal proposals in accordance with the governance framework set out in the Plan and in accordance with the Constitution.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	No direct implications. However, the Assets Optimisation Plan is a key mechanism to support the Council’s financial recovery. It will: <ul style="list-style-type: none">• Generate capital receipts from non-core or surplus assets;• Enable the application of capital receipts, where permissible, to fund transformation activity;

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	<ul style="list-style-type: none"> • Deliver ongoing revenue savings through estate rationalisation, optimisation of income, co-location and reduced running costs; • Contribute to stabilising the Council’s financial position and reducing reliance on reserves. <p>There are a number of assets that the Council is already in the process of disposing of, which have already been subject to decisions of the Executive. These will deliver anticipated capital receipts in excess of £2m.</p> <p>A £2m capital receipt were to be used to fund the Council’s capital programme, it would reduce the need to borrow and avoid financing costs of circa £80K per annum (based on the Council’s current weighted average cost of capital of 3.92%). It would also avoid future Minimum Revenue Provision (MRP) for a limited time. Alternatively, capital receipts could be used to fund qualifying transformation projects that deliver ongoing revenue savings.</p>
<p>Human Resource:</p>	<p>There are no immediate direct staffing implications arising from the approval of the Plan. However, subsequent estate rationalisation and service reconfiguration may lead to workforce implications, which will be managed in accordance with HR policies and statutory consultation requirements.</p>
<p>Legal:</p>	<p>The implementation of the Plan will require compliance with relevant statutory provisions, including:</p> <ul style="list-style-type: none"> • Section 123 of the Local Government Act 1972 (best consideration); • General Disposal Consent 2003 (where applicable); • Subsidy control requirements; <p>All disposals and optimisation decisions will be subject to appropriate legal advice and formal decision-making processes.</p>
<p>Risk Management:</p>	<p>Key risks include:</p> <ul style="list-style-type: none"> • Failure to realise anticipated capital receipts; • Market volatility affecting asset values; • Service disruption arising from estate rationalisation; • Community or reputational impacts relating to disposal of certain assets. <p>Mitigation will be provided through:</p> <ul style="list-style-type: none"> • Robust governance via the Assets Board; • A structured pipeline and prioritisation process; • Comprehensive due diligence and business case development; • Programme-level risk monitoring through a dedicated risk register.

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Property:	<p>This report directly relates to the Council's property portfolio. The Plan establishes a corporate framework for:</p> <ul style="list-style-type: none"> • Reviewing all Council land and buildings; • Identifying surplus or under-utilised assets; • Optimising or disposing of assets to maximise value and efficiency. 			
Policy:	<p>The Plan supports delivery of:</p> <ul style="list-style-type: none"> • The Finance Improvement Plan (December 2025); • The Council's Medium Term Financial Strategy; 			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		

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Council Strategy Priorities:	X			The Plan supports the Council's priorities by: <ul style="list-style-type: none">• Ensuring financial sustainability;• Delivering efficient and effective services;• Supporting long-term resilience of the organisation.
Core Business:	X			The Plan ensures that assets are aligned to core service delivery and strategic priorities.
Data Impact:		X		No significant impact identified at this stage
Consultation and Engagement:	GPAW Assets Board, Finance Improvement Group			

4 Executive Summary

- 4.1 This report seeks approval for the Assets Optimisation Plan, which establishes a corporate framework for the review and optimisation of the Council's asset portfolio.
- 4.2 The report is brought forward in response to the Council's financial position and the Finance Improvement Plan approved by Executive in December 2025. The Council faces ongoing financial pressures, including structural budget challenges and increasing demand, and must take proactive steps to stabilise its finances and build resilience.
- 4.3 The Plan will:
- Identify opportunities to generate capital receipts from non-core assets;
 - Deliver recurring revenue savings through estate rationalisation and improved utilisation;
 - Ensure that assets are aligned to service requirements and strategic priorities;
 - Provide a structured and transparent pipeline for asset optimisation and disposal;
 - Embed robust governance, assurance and decision-making processes.

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- 4.4 Approval of the Plan will provide a key mechanism to support the delivery of the Finance Improvement Plan and contribute to the Council achieving a financially sustainable position.

5 Supporting Information

Introduction

- 5.1 This report seeks approval for the Assets Optimisation Plan, which sets out a structured approach to managing the Council's asset base to maximise value, reduce costs and support financial sustainability.

Background

- 5.2 The Council continues to operate within a challenging financial context, with increasing demand for services and ongoing budget pressures.
- 5.3 In December 2025, Executive approved a Finance Improvement Plan which identified a range of measures required to stabilise the Council's financial position and rebuild resilience. A central element of this plan was the need to take a more strategic and proactive approach to asset management.
- 5.4 The Council holds a significant portfolio of land and property assets. While many are essential to service delivery, others are under-utilised, surplus, or capable of being used more effectively. The Assets Optimisation Plan has been developed to address this.
- 5.5 The Assets Optimisation Plan will be supported by the Strategic Asset Management Plan, which will support the identification of the pipeline of assets for review under this Plan.

Proposals

- 5.6 The Assets Optimisation Plan provides a corporate framework to:

1. Review and classify assets

All Council assets will be systematically reviewed and categorised (e.g. operational, investment, surplus), enabling a consistent and evidence-based approach to decision-making.

2. Identify optimisation opportunities

Assets identified as surplus or sub-optimal will be assessed to determine whether they should be:

- (a) Retained and optimised;
- (b) Repurposed for alternative use; or
- (c) Disposed of.

3. Deliver a pipeline of opportunities

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A prioritised pipeline of assets will be developed, structured into:

Short-term (quick wins);

Medium-term opportunities;

Long-term / complex projects.

4. Generate financial benefits

The Plan will:

- (a) Deliver capital receipts to support the capital programme and transformation;
- (b) Achieve recurring savings through rationalisation of the estate;
- (c) Reduce maintenance and operational costs.

5. Ensure robust governance

All decisions will be subject to:

- (a) Formal governance through the Assets Board;
- (b) Transparent reporting to the Finance Improvement Group and Executive;
- (c) Compliance with statutory requirements and best value obligations.

- 5.7 In developing the Assets Optimisation Plan, the Council will also seek to maximise opportunities aligned to the One Public Estate (OPE) principle, working collaboratively with public sector partners to ensure that land and property assets are used strategically across organisational boundaries. This approach enables the co-location of services, reduction of duplication within the public estate, and unlocking of wider social, economic and financial benefits. Through partnership working with organisations such as the NHS, emergency services and central government bodies, there is potential to rationalise assets, improve service accessibility for residents, and support place-based outcomes, while also contributing to capital receipts and revenue efficiencies. The adoption of an OPE-informed approach will enhance the Council's ability to deliver both financial sustainability and improved outcomes for communities.

6 Other options considered

6.1 Option 1 – Do Nothing (Not Recommended)

Failure to adopt the Plan would limit the Council's ability to respond to financial pressures and would risk continued inefficiencies within the asset base.

6.2 Option 2 – Ad hoc asset disposals (Not Recommended)

A non-strategic approach would reduce transparency, weaken governance, and may result in sub-optimal financial outcomes.

6.3 Option 3 – Adopt the Assets Optimisation Plan (Recommended)

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Provides a structured, transparent and strategic approach aligned to the Finance Improvement Plan.

7 Conclusion

- 7.1 The Assets Optimisation Plan is a critical component of the Council's response to its financial challenges. It provides a governance-led, evidence-based framework to ensure that the Council's assets are used effectively, generate value, and support long-term sustainability.
- 7.2 Approval of the Plan will enable the Council to deliver capital receipts, achieve recurring savings, and strengthen its financial resilience in line with the Finance Improvement Plan agreed in December 2025.

8 Appendices

8.1 Assets Optimisation Plan

Subject to Call-In:

Yes: No:

The item is due to be referred to Council for final approval

Delays in implementation could have serious financial implications for the Council

Delays in implementation could compromise the Council's position:

Considered or reviewed by Scrutiny Commission or associated Committees, Task Groups within preceding six months

Item is Urgent Key Decision

Report is to note only

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