



## Terms of Reference

# BCC owned Assets Inquiry

## Economy and Skills Overview and Scrutiny Committee

<p>Our key question:</p>	<p>What more could the Council do, through the use and management of its property estate, to ensure small and medium-sized businesses and community organisations and enterprises can play a full part in the city's economic development and regeneration?</p>
<p>1. How is O&amp;S adding value through this work?</p>	<p>The City Council owns 26,000 acres, including 40% of all land within the municipal boundary, and around 6,500 property assets (excluding housing, infrastructure and schools). The property portfolio has an asset value of over £2.4 billion and generates £32 million in revenue and £30 million in capital receipts.</p> <p>The Property Strategy 2018/2019-2023/24 including first-phase projects was approved by Cabinet on 13 November 2018.</p> <p>The vision of the strategy was to "maximise commercial and social returns through the City Council's property assets, ensuring that they act as a catalyst for development and regeneration initiatives to underpin the social fabric of communities across the city". At mid-way point, the strategy is due for review to ensure it is meeting its objectives and challenges.</p> <p>Members of the O&amp;S committee are aware of concerns that the current operational management of the council's rented assets, disposal arrangements can disadvantage small businesses and community organisations (including the process of designating Assets of Community Value) and questions as to whether the process of obtaining best value from assets is able to weigh social and economic value against financial gain.</p> <p>This inquiry will encourage people and organisations to share their experiences of property dealings with the Council, and interview and seek information from Cabinet members and senior officers. Through this we will examine how well the service meets the aims of the strategy, how best the Council can balance financial propriety in obtaining best value from its assets, against supporting communities, small and medium-sized enterprises and the voluntary sector to take part in economic development and regeneration journey and share in maximising the benefits.</p>
<p>2. What needs to be done?</p>	<p>Key lines of enquiry:</p> <ul style="list-style-type: none"> <li>• Establish extent and status of BCC owned assets as a baseline</li> <li>• Compare progress made on 2018-22 Property Strategy against aims set out in 2019, to include rationalisation of stock; and the work of the Property &amp; Assets Board and sub boards</li> <li>• Explore experiences of tenants and prospective purchasers (including SMEs and community organisations) around the entire estate</li> </ul>



	<p>management process to include negotiating and maintaining tenancies, the sale process, and Assets of Community Value listing</p> <ul style="list-style-type: none"> <li>• Explore, by comparison with other local authorities and reviewing research including into community wealth-building, how the Council, the city's businesses and community organisations can get the most out of its property assets, with particular reference to economic recovery from the Covid-19 pandemic and inclusion in local regeneration programmes</li> <li>• Explore how Council management of property assets could contribute to wider economic strategies, such as the East Birmingham Inclusive Growth; job retention schemes; job creation; skills and training, looking explicitly at how property contributes to supporting communities and local economies</li> <li>• Explore any equalities considerations</li> </ul> <p>It is proposed to hold at least two evidence-gathering sessions to hear from Councillors, community organisations and businesses about their experiences with property transactions concerning Council-owned assets or as Council tenants, and the transparency and ease of the process, and request written submissions on the above.</p>
<p>3. What timescale do we propose to do this in?</p>	<ul style="list-style-type: none"> <li>• Circulate draft TOR to committee members 14<sup>th</sup> October 2020</li> <li>• Evidence gathering sessions 11<sup>th</sup> Nov, 26<sup>th</sup> Nov and 9<sup>th</sup> Dec</li> <li>• First draft of report 1<sup>st</sup> February 2021</li> <li>• Consideration of report by Committee 15<sup>th</sup> – 26<sup>th</sup> February 2021</li> <li>• 8-day rule 9<sup>th</sup> – 18<sup>th</sup> March 2021</li> <li>• Reporting to City Council 13<sup>th</sup> April 2021 (TBC)</li> </ul>
<p>4. What outcomes are we looking to achieve?</p>	<ul style="list-style-type: none"> <li>• Review situation against November 2018/January 2019 and chart progress against objectives set then.</li> <li>• Analyse process of managing BCC assets; and whether it matches up with driving economic growth and regeneration objectives.</li> <li>• Adding value by making the process more accessible to SMEs, community organisations and BCC tenants; and recommending improvements and ways for all parties to work together better.</li> <li>• Making recommendations to the Executive on how the Council can make it easier for these groups to share in regeneration and inclusive economic growth and to support their communities, and how the Council can best support them through a transparent process that also captures social value.</li> </ul>
<p>5. Proposed Witnesses</p>	<p>Leader of the Council, Executive Members, BCC councillors and Birmingham MPs          Director, Inclusive Growth          AD Property Services          AD Neighbourhoods          Head of Neighbourhood Development and Support Unit          Business representative groups and Improvement Districts          Property industry          Community groups (ACV)          Third and voluntary sector</p>



	<p>Academic institutions and thinktanks Heritage groups Open invitation to tenants, SMEs and community organisations via ward councillors and online Other local authorities</p>
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