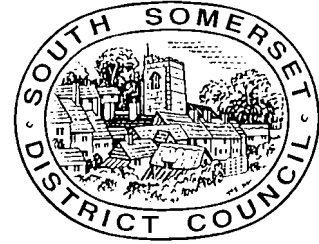


South Somerset District Council

Notice of Meeting



**Special Meeting of
District Executive**

Making a difference where it counts

Tuesday 18th April 2017

1.00 pm

**Council Chamber
Council Offices
Brympton Way
Yeovil
Somerset BA20 2HT**

Disabled access and a hearing loop are available at this meeting venue.



Members listed on the following page are requested to attend the meeting.

The public and press are welcome to attend.

If you would like any further information on the items to be discussed, please contact the Democratic Services Manager on 01935 462148 or democracy@southsomerset.gov.uk

This Agenda was issued on Thursday 6 April 2017.

A handwritten signature in black ink, appearing to read 'Ian Clarke'.

Ian Clarke, Assistant Director (Legal & Corporate Services)

This information is also available on our website
www.southsomerset.gov.uk and via the mod.gov app



District Executive Membership

Ric Pallister
Clare Aparicio Paul
Carol Goodall
Peter Gubbins
Henry Hobhouse
Jo Roundell Greene
Sylvia Seal
Peter Seib
Angie Singleton
Nick Weeks

Information for the Public

The District Executive co-ordinates the policy objectives of the Council and gives the Area Committees strategic direction. It carries out all of the local authority's functions which are not the responsibility of any other part of the Council. It delegates some of its responsibilities to Area Committees, officers and individual portfolio holders within limits set by the Council's Constitution. When major decisions are to be discussed or made, these are published in the Executive Forward Plan in so far as they can be anticipated.

Members of the Public are able to:-

- attend meetings of the Council and its committees such as Area Committees, District Executive, except where, for example, personal or confidential matters are being discussed;
- speak at Area Committees, District Executive and Council meetings;
- see reports and background papers, and any record of decisions made by the Council and Executive;
- find out, from the Executive Forward Plan, what major decisions are to be decided by the District Executive.

Meetings of the District Executive are held monthly at 9.30 a.m. on the first Thursday of the month in the Council Offices, Brympton Way.

The Executive Forward Plan and copies of executive reports and decisions are published on the Council's web site - www.southsomerset.gov.uk.

The Council's Constitution is also on the web site and available for inspection in Council offices. The Council's corporate priorities which guide the work and decisions of the Executive are set out below.

Questions, statements or comments from members of the public are welcome at the beginning of each meeting of the Council. If a member of the public wishes to speak they should advise the committee administrator and complete one of the public participation slips setting out their name and the matter they wish to speak about. Each individual speaker shall be restricted to a total of three minutes. Answers to questions may be provided at the meeting itself or a written reply will be sent subsequently, as appropriate. Matters raised during the public question session will not be debated by the Committee at that meeting.

Further information can be obtained by contacting the agenda co-ordinator named on the front page.

District Executive

Tuesday 18 April 2017

Agenda

1. Apologies for Absence

2. Declarations of Interest

In accordance with the Council's current Code of Conduct (as amended 26 February 2015), which includes all the provisions relating to Disclosable Pecuniary Interests (DPI), personal and prejudicial interests, Members are asked to declare any DPI and also any personal interests (and whether or not such personal interests are also "prejudicial") in relation to any matter on the Agenda for this meeting.

Members are reminded that they need to declare the fact that they are also a member of a County, Town or Parish Council as a Personal Interest. Where you are also a member of Somerset County Council and/or a Town or Parish Council within South Somerset you must declare a prejudicial interest in any business on the agenda where there is a financial benefit or gain or advantage to Somerset County Council and/or a Town or Parish Council which would be at the cost or to the financial disadvantage of South Somerset District Council.

3. Public Question Time

4. Chairman's Announcements

Items for Discussion

5. SSDC Council Action Plan 2017-18 (Pages 4 - 11)

6. SSDC Transformation Project (Pages 12 - 29)

7. Capital Programme 2017/18 to 2021/22 (Pages 30 - 40)

8. Date of Next Meeting

The next scheduled meeting of the District Executive will take place on **Thursday, 11th May 2017** in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m. (one week later than usual due to the County Elections).

Agenda Item 5

SSDC Council Action Plan 2017-18

Executive Portfolio Holder: Ric Pallister, Leader of Council
Strategic Director: Alex Parmley, Chief Executive
Lead Officer: Andrew Gillespie Corporate Performance Manager
Contact Details: andrew.gillespie@southsomerset.gov.uk or 01935 462364

Purpose of the Report

To invite members to endorse the SSDC Annual Action Plan and to recommend its adoption at Full Council on the 20th April 2017.

Forward Plan

This report was due to be considered at the April 2017 meeting of the District Executive Committee.

Public Interest

The Council Plan for 2016-21 agreed by Full Council last year showed the Council's ambition to make major changes in the way that it operates and delivers services over the next two years whilst continuing to deliver services and priority projects that meet the needs of our residents, visitors and businesses. The Annual Action Plan 2017-18 reflects this priority and the resource required to deliver Transformation.

Recommendation

That the District Executive recommends that Full Council adopts the Annual Action Plan 2017-18.

Background

SSDC is in an exciting period of major transition with many challenges still ahead. The changes we are making through our transformation programme will ensure we are better placed to deliver excellent services and meet the needs of our communities into the future, during what are very demanding times.

The Council Plan

In April 2016, we adopted 'Tackling the Challenges': Council Plan on a Page (2016-21) and also a simpler way to update and report on the Council Plan through a one page summary Annual Action Plan (AAP). As last year, the AAP is accompanied by a one page summary of the "core work" of the Council that outlines what we are doing to continue to meet the needs of our residents, visitors and businesses.

The contents of the Annual Action Plan for 2017- 18 have been created and revised through a number of recent member and officer workshops and provide a clear focus for the Council and what it will deliver during a period of major change. It draws together our strategies and priority projects for the year ahead.

The main focus for the coming year will be the implementation of our transformation programme. Delivering major change such as this will take a lot of the organisation's

capacity and energy and will require a clear focus if we are to be successful. Ensuring that we can meet our aims is more complex than ever and like all councils, we continue to face substantial financial challenges as we work towards meeting the £4.7 million savings we need to find from our budgets.

Our communities still expect us to deliver for them and we provide many local services in and for South Somerset. We also play an essential role in broader areas like engaging with and where necessary, supporting local communities and businesses, helping the most vulnerable in society and making sure our district continues to develop and thrive economically. We want to press ahead with many projects, but recognise that we will not have the capacity to deliver everything and have set clear priorities in the AAP.

The Transformation Programme

The Transformation Programme will see us adopt a very different way of working and delivering services, using technology as an enabler. It will also see us develop a more commercial approach to support our community objectives and increase the income the council receives. There will also be significant cultural change within the council to support the development of a more modern, flexible organisation that can continue to change and develop in to the future. This will help us remain financially sound and able to continue to deliver important local services and improvements for our communities.

The Transformation Programme represents a massive change in the way the council works and delivers services - the biggest change for over twenty years. Our transformation is about more than saving money and investing in better technology, important as these things are. We want to shape the transformation programme to help us deliver further benefits that ultimately mean we provide a better service to our residents, visitors and businesses.

The AAP includes a statement that reflects the organisation we aspire to become through transformation. One team that is ambitious for South Somerset, great to work for, excellent to work with, leading the way and delivering for our communities.

For us this means that, by the end of the Transformation Programme:

- We are one team – Members and officers united under a common purpose and working effectively together to ensure we meet the organisations goals
- There is effective leadership at every level of the organisation – coaching and supporting people in taking ownership of their work and stopping barriers such as process, complexity and hierarchy getting in the way
- We have a strong and ambitious workforce – we are investing in developing our staff and giving people ownership of their own development so that everyone and the organisation as a whole is continually developing and improving. Ensuring we are developing the next generation of people to provide services in to the future.
- We are all focused on clear and ambitious outcomes – the organisation and everyone in it is clear on what we are trying to achieve and what their role is in achieving it and that we are pushing for the best for South Somerset and our communities
- Everyone in the organisation is focused on our communities and customers – ensuring what we do is benefitting our communities and customers, that we do it as efficiently as possible, and that we use customer insight and data in making the best decisions

- We are continually improving – ensuring that in a changing environment, we do not stand still and that we continuously develop our skills, approaches and systems and always asking “how can we do better?”
- That we re-establish ourselves as one of the leading councils in the country because we are being innovative and highly efficient in providing services and meeting our communities’ needs

This will provide a focus for the programme and the decisions we will need to make during the transformation process. It will also be a reference point to check whether changes are effective and take us towards being the organisation we want to be.

Our Priority Projects

Whilst Transformation will deliver new ways of working, a more commercial council and develop a different culture, the priority projects set out those things the council will focus on delivering for and with our communities over the coming year. Therefore, if something is not covered by the Transformation Programme or the Priority Projects, it will be a low priority for the council in terms of its financial and staff resources.

Performance Management

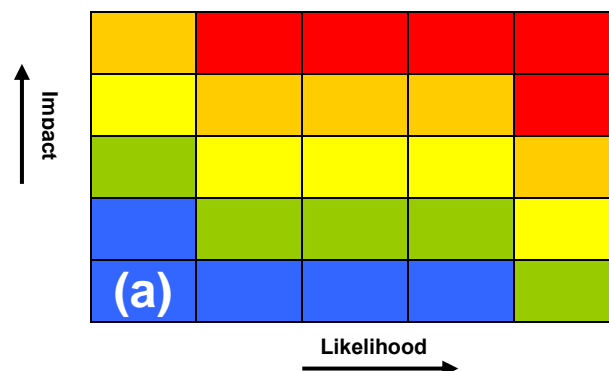
The Transformation Programme will also enable us to develop a new performance management framework that better links corporate and service area performance and business intelligence. This will move us from monitoring performance to driving improved performance in the organisation. To fully realise the “One Team” philosophy we recognise that we have an opportunity to redesign the collection, analysis and reporting of performance data throughout SSDC, not only to ensure we achieve the outcomes we set ourselves but also to ensure that good quality data drives and underpins our future policy development.

Financial Implications

The costs of implementing our strategies and priority projects have either been included in the 2017/8 budget, the capital programme elsewhere on this agenda or will be included in separate reports.

Risk Matrix

The recommendations in this report have no effect on the risk profile. All categories will remain in square (a)



Key

Categories	Colours <i>(for further detail please refer to Risk management strategy)</i>
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

This report clarifies council plan priorities

Carbon Emissions and Climate Change Implications

None directly

Equality and Diversity Implications

None directly

Privacy Impact Assessment

None directly

Background Papers

SSDC Council Plan 2016 to 2021 (*Report to Full Council April 2016*)

'Tackling the Challenges': Council Plan on a Page 2016-21

Our Vision for South Somerset: a place where businesses flourish, communities are safe, vibrant and healthy; where residents enjoy good housing and cultural, leisure and sporting activities.

Our Aims:

South Somerset District Council will be a confident, resilient and flexible organization, protecting and improving core services, delivering public priorities and acting in the best long-term interests of the district. We will:

- Protect core services to the public by reducing costs and seeking income generation.
- Increase the focus on Jobs and Economic Development.
- Protect and enhance the quality of our environment.
- Enable housing to meet all needs.
- Improve health and reduce health inequalities.

Our Values:

- Putting the customer and community first when developing plans and services
- Supporting people and communities, enabling them to help themselves.
- Being open, transparent and with greater accessibility to those that need to use Council services.
- Working with partners to improve services, efficiencies, resilience and influence.
- Embracing innovation and improved technology to improve customer service and access.
- Empowering a confident, flexible workforce.

Our Focus – Making a Difference Where it Counts

High quality cost effective services

In order to protect front line services we will:

- Transform customer services through technology.
- Actively manage assets and resources to ensure the best financial or community return.
- Seek business opportunities for the council.
- Work with partners to achieve economies, resilience and influence.

Economy

To promote a strong economy with thriving urban and rural businesses we will:

- Work with businesses and use our assets to grow our economy.
- Advise and support initiatives that ensure worker skills meet the employers needs.
- Lobby for and support infra structure improvements to enable growth.
- Capitalise on our high quality culture, leisure and tourism opportunities to bring people to South Somerset.

Environment

To keep South Somerset clean, green and attractive we will:

- Increase recycling.
- Maintain Country Parks and open spaces to promote good mental and physical health.
- Keep streets and neighbour hoods clean and attractive.
- Continue to address the impact of flooding.
- Promote a high quality built environment in line with Local Plan
- Support communities to develop local, parish and neighbourhood plans.

Homes

To work with partners to enable the provision of housing that meets the future and existing needs of residents and employers we will:

- Minimise homelessness and rough sleeping.
- Work with the private rented sector to improve the standard and availability of rented accommodation.
- Tackle fuel poverty.
- Enable people to live independently for as long as they are able.

Health and Communities

To build healthy, self-reliant, active communities we will:

- Support communities so that they can identify their needs and develop local solutions.
- Target support to areas of need.
- Help people to live well by enabling quality cultural, leisure, play, sport & healthy lifestyle facilities & activities.
- Work with partners to tackle health issues such as diabetes and hypertension.
- Help keep our communities safe.

‘Tackling the Challenges’: Annual Action Plan 2017-18

Our Vision for South Somerset

A place where businesses flourish, communities are safe, vibrant and healthy; where residents enjoy good housing, leisure, cultural and sporting activities

Our Strategy for 2017-18

To create a modern, responsive, pro-active council serving South Somerset through a Transformation Programme, developing the culture and working practices needed to support a flexible, customer focused council with a modern, commercial approach.

The Transformed Council will be “One Team, Ambitious for South Somerset”

Great to work for * Excellent to work with * Leading the way * Delivering for our communities

This is a major change programme for the Council. During the transition we will manage our performance to minimise disruption to customer services and to deliver our current and ongoing work programmes of agreed projects

Our Priority Projects for 2017-18

1. To implement the Transformation programme
2. To complete the updating of the plans for regenerating Central Yeovil and Chard and progress implementation
3. To deliver Phase 2 of the Yeovil Innovation Centre
4. To complete the refurbishment and relaunch of the Westlands Complex
5. To facilitate appropriate development with both council and national funding
6. To ensure that local housing and infrastructure needs are met
7. To support our small and medium sized businesses across the District, including internet access, to meet their needs

Core Work of the Council

Front Line Services:

Contracted in:

Healthy Lifestyles,
Play Area inspection,
Hospital Grounds Maintenance
Yarlington Grounds Maintenance

Contracted out:

Revenue Recovery Bailiffs,
Office & Public
Convenience Cleaning, Out
of Hours Helpline

Local delivery by town, parish or community:

Car parks charging policy
(Castle Cary, Somerton & Wincanton), Play
& Youth Facility provision (some), Public conveniences
(some), Local Information Centre, Streetcleansing (Chard)

By Partnerships or Shared Services:

Agricultural / Food Business Support (Defra), Civil Contingencies, Crematorium, Disabled Facilities
Grants, Energy/Carbon/Fuel Poverty schemes (CSE, community organisations etc), Goldenstones
Leisure Centre, Homefinder, Home Loans, Market Town Regeneration, Play area provision, Shared use leisure facilities, Third Sector &
Partnership support*, Troubled Families, Waste & Recycling,
Welfare Benefits Advice, Wincanton Community Sports Centre, Workplace Nursery, Yeovil in Bloom,
Yeovil Bus Station, Yeovil Crematorium, Yeovil Cemetery.
Also: Area/Community Offices (some), Arts, CCTV monitoring, Community Bus, Milford Healthy
Living Project, St Michael's Hall

Directly provided by SSDC:

Building Control, Car Parking, Community Safety, Countryside Parks*, Customer Services, Development
Management, Economic Development & Regeneration, Elections, Environmental Enforcement, Environmental
Protection, Food & Water Safety, Health & Safety compliance, Heritage services*, Homelessness services,
Horticulture & Nursery, Licensing, Neighbourhood Development & Community Planning*, Open Spaces, Planning
Enforcement, Private Sector Housing Standards, Revenues & Benefits, Social & Private Sector Housing, Spatial
Planning, Strategic Housing, Street cleansing, Theatre & Arts*, Tourism & TIC's, Welfare Benefits & support,
Also: Birchfield Landfill site management, Careline, Community Grants, Community Offices (some), Conservation advice, Flooding
advice, Gypsy & Traveller sites, Markets, Pest Control, Play & Youth Facility Management & Inspection, Public Conveniences, Sports
Development, Street Naming & Numbering Yeovil Recreation Centre

Back Office Business Support Services:

Contracted in: Payroll & HR (SWAP, Crematorium & Cemetery)

Contracted out: Cash collection & banking for offices and car parks, Occupational Health, Property & Maintenance (Mechanical & Electrical), Workplace Nursery

By Partnerships or Shared Services: Audit (SWAP), Benefit Fraud (DWP, National Anti-Fraud Network & RSL's), Insurance (EDDC)

Directly provided by SSDC: Asset Management, Business Continuity/Disaster Recovery, Canteen, Councillor Development, Data Protection, Democratic Services, Engineering Services, Equalities, Financial Services, Fleet Maintenance, Fraud & Data, Human Resources, ICT, Lean Efficiency work, Legal Services (inc Land Charges & Rights of Way advice), Management, Marketing & Communications, Payroll, Performance, Post/Printing/Scanning, Procurement & Risk, Property Maintenance, Scrutiny, Spatial Systems

Partnerships that will support the delivery of the Council Plan:

Blackdown Hills Area of Outstanding Natural Beauty * Chard Regeneration Scheme (Chard Vision) * Cranborne Chase and West Wiltshire Downs AONB * Heart of the South West (LEP) * Heart of Wessex Rail Partnership * Homefinder Somerset Partnership & Strategic IT * Market Towns Investment Group * Safer Somerset Partnership * Joint Leaders Advisory Group (Sedgemoor DC) * Somerset Armed Forces Community Covenant Partnership * Somerset Intelligence Partnership * Somerset Levels & Moors Local Action for Rural Communities * Somerset Local Authorities Civil Contingencies Partnership * Somerset Rivers Authority * Somerset Waste Partnership * Somerset Water Management Partnership * South Somerset Together (LSP) * South West Audit Partnership * Strategic Partnership Against Hate Crime * The Stop Line Way * Town & Parish Councils * Yeovil Vision*

Agenda Item 6

SSDC Transformation Programme

Executive Portfolio Holders: Cllr. Ric Pallister, Leader, Strategy & Policy
Cllr Jo Roundell Greene, Transformation
Chief Executive: Alex Parmley
Lead Officer: Tracy Winser, Strategic Lead for Transformation
Contact Details: tracy.winser@southsomerset.gov.uk or 01935 462120

Purpose of the Report

This report updates Members on the progress of the Transformation Programme. It seeks Member approval of the revised business case for the programme, the award of the technology partner contract and a revised senior structure.

Forward Plan

This report appeared on the Executive Forward Plan for April 2017.

Public Interest

This report updates on progress with the Transformation Programme and sets out a revised business case and timetable to adopt a new operating model for delivering council services to all in South Somerset, providing more choice and speed of access to services.

The Transformation Programme aims to enhance our customers' experience and enable the council to respond to their changing needs and preferences. This will be achieved through changing the way our current service team structures are organised and by making more use of Electronic Document Management (EDM) and web based technologies.

Recommendations

That District Executive recommends Full Council to:

- I. Approve the further revision to the senior leadership structure as set out in section 2 of this report
- II. Note the revised cost of the senior leadership structure which will produce a further saving of £30,134 per year on top of the £200,537 saving outlined in the report to Council in October 2016
- III. Agree the revised Business Case for Transformation and note the headline risks included in this report
- IV. Agree the award of a contract to CIVICA UK LTD for a technology platform and services in support of the future model
- V. Note the progress to date and the programme for delivering Transformation
- VI. Agree the revised Transformation Programme governance arrangements as set out in section 3 and Appendix A of this report

- VII. Approve that additional net savings of £539,800 be added to the Medium Term Financial Plan for 2018/19 and 2019/20
- VIII. Allocate a further £756,585 from capital receipts reserved within the capital programme for transformation
- IX. Approve the use of Revenue Support Reserve for 2020/21 of £1,508,000 to fund revenue once-off costs (£564,570) and contribute to Redundancy Reserve (£943,430)
- X. Approve the use of £231,270 of General Fund Balances to support the Redundancy Reserve
- XI. Note that the Redundancy Reserve has a target of a further £1,100,000 to find through underspends and the MTFP
- XII. Note that a further £400,000 in capital receipts that can be utilised for revenue spend remain to be found to fund the Transformation Programme.

Summary

In March 2016, Council agreed a Headline Business Case for Transformation, based on initial work and estimates. This report builds on the report of March 2016 and the further more detailed work undertaken on the development of a new operating model for the council and the more detailed business case that now supports it. The headline business case has been also revised to deliver additional savings with additional investment.

The Council has embarked on an ambitious plan to totally redesign its service delivery to ensure an improved experience for the customer and communities it serves whilst at the same time reducing the cost to the tax payer. This is an investment based approach that will realise genuine efficiencies whilst also realising improvements in levels of services for customers and modernising service delivery.

Since the report of March 2016 the financial challenge facing the council has grown. The council now faces a funding gap of over £4.7 million over the next 4 years. Given the changes and challenges facing the public sector and councils in particular, it is prudent to anticipate that the savings target will continue to be added to over the coming years due to factors outside of the Council's control.

To respond to the financial challenge requires either a major reduction in services and associated staffing or the ongoing implementation of the current Transformation Programme. This council has chosen the route of transformation and therefore it is appropriate that it seeks to maximise the benefits from this both in terms of customers and financial savings.

The updated business case delivers:-

- recurring net annual savings of £2,483,925 with an updated payback period of 3 years (an increase in savings of £539,800 per year)
- A 'fit for purpose' organisation that will be in a position to drive further income opportunities generating funding to support the council's future priorities

To achieve these outcomes the revised business case requires additional investment by the council. The new total investment is £7,448,155 which includes a provision of £189,570 contingency.

Other indirect savings, such as travel and office costs will be realised too, but are not built into these figures.

The challenge and risks are significant and should not be underestimated. In preparing the revised business case we have included an assessment of risks associated with delivering a transformation programme of such breadth and scale and the revised proposed governance arrangements and resourcing of the Implementation Team reflect this assessment.

It should be noted that the council is taking other measures to reduce the financial gap, including commercialisation and income generation. However, many schemes will take some time to develop and to start generating a return on the investment the Council makes. Through the Transformation Programme we will build the capacity and approach in the Council to deliver on the commercial and income generation ambitions.

1 Background

- 1.1 The Council has begun an ambitious plan to totally redesign its service delivery to ensure a reduced cost to the tax payer and at the same time a better experience for the customer. We will embrace smart interactive technology for customers who expect 24/7 service delivery whilst also maintaining traditional service contact methods for those who cannot access services on-line. The transformation programme approved by council in March 2016 was based on an outline business case prior to this more detailed business case being developed.
- 1.2 Since then the Medium Term Financial Plan presented to council in February 2017 updated the savings target to £4.7 million, an increase from £4.1 million the previous year mainly due to additional pension costs and the authority making provision within the MTFP to become less reliant on New Homes Bonus.
- 1.3 In future years, the financial pressure is likely to increase and it is therefore appropriate that we look to maximise genuine efficiency savings from transformation rather than finding savings from cutting services. Officers have reviewed how much saving and customer benefit can be achieved through the Transformation Programme and have concluded that we should increase the savings to be achieved from £2 million to £2.5 million per annum. This additional saving will be achieved by:-
 - Investment in Technology
 - Agile Working

Investment in Technology

- 1.4 The original technology brief was conservative in what it sought to achieve and looked to minimise the investment in technology and thus save on technology cost. We have changed our approach to one of an 'investment approach' looking at how much we might invest and what return this will produce. We have reviewed and changed the brief with a view to maximising the benefits achieved for our customers and in terms of efficiency. This has produced a different technology investment proposal with a higher return in terms of benefits, including financial savings. This additional saving will be achieved by –

Agile Working

- 1.5 Put simply agile working is doing the right work with the right people in the right way and supported by the right tools. It means our staff will have more flexibility of when, where and

how they can do their work whilst at the same time Managers focus on the end results not the activity. Put together the evidence shows that this leads to staff becoming more productive whilst maintaining and improving services for customers.

- 1.6 Almost 46% of SSDC gross annual expenditure of £32.0 million is spent on staff related costs (2017/2018). The financial challenge cannot be met without reducing our staff numbers and the increased efficiency and productivity mentioned above means that we should seek to reduce our FTEs by 77. This represents an increase of 22% over the previous figure of 63.
- 1.7 Agile working requires investment in suitable technology but it also means a reduction in office space required and an appraisal of our current accommodation is being carried out as part of the Commercial Property Strategy due to report in July 2017. The potential for additional savings from office accommodation and other budgets has not been included in this business case. The business case only includes direct staff cost savings and therefore there is potential for further savings from moving to agile working.

2 Senior Leadership Structure

- 2.1 Council approved a new Senior Leadership Structure in October 2016. Since then the financial savings the Council needs to find have increased from £4.1 million to £4.7 million. It is to be expected that the Council will need to find further savings in the future due to proposed changes to funding streams by the government, such as the New Homes Bonus, and other factors outside of the Council's control. In seeking to maximise the savings achievable through Transformation, it is appropriate that the Council considers whether there are further savings achievable in the Senior Leadership Structure, on top of those already identified.
- 2.2 The proposal is to remove the position of Deputy Chief Executive and create a new position of Director of Strategy and Commissioning. The new position will be at the same level and grade as the other Directors.
- 2.3 Senior leadership is required to support the council through the period of transition into new ways of working and reflect the new roles that are required under the future operating model. The role of the team is different from the previous structure, with the roles holding less operational responsibility and instead, being focussed on:
 - Delivering a new way of operating and delivering services
 - Continuous improvement – providing a customer centric service offering wider choice and enhanced access
 - Financial sustainability
 - Flexibility and ability to change
 - A more commercial approach that will deliver increased income to support the delivery of council services and ambitions
- 2.4 The new Director of Strategy and Commissioning role will form an important part of the Senior Leadership Team, providing capacity to help manage and drive forward what is a substantial programme of change within the Council. The role will also head up the Strategy & Commissioning group of services whose role is to protect both the uniqueness of the Council and the delivery of accessible services to all who need them. Specifically, it brings together in one place the strategic planning functions of the Council to ensure:

- a coordinated and well planned approach to meeting the needs of South Somerset communities;
- the rest of the Council is aligned to the agreed strategic direction and priorities agreed by Members and that service delivery, programmes and projects reflect this;
- effective programme and project management to deliver the Council's strategies and priorities;
- effective performance management arrangements to support delivery of council priorities and efficient, customer focussed services;
- organisational development and that the council is continuously developing and improving, as well as adapting to an ever changing environment.

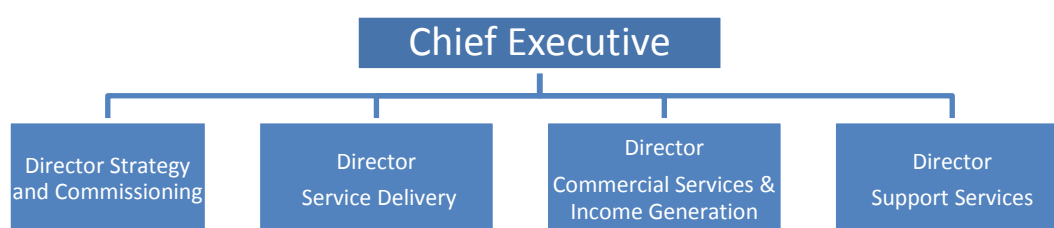


Fig 1 Proposed amended senior leadership team structure

Costs and Savings

2.5 The Deputy Chief Executive role costs the Council £129,982 including employer costs. The Director of Strategy and Commissioning role will cost £99,848 including employer costs. Therefore the proposed changes will provide an additional saving of £30,134 per annum in senior management costs to add to the net £200,537 saving in senior management costs agreed by Council in October 2016. The cost of redundancy will be up to £145,190 giving a payback of four years ten months. The proposals outlined within this paper have been discussed with representatives of both GMB and Unison who support the further change as it reflects the comments made by unions in response to the consultation in September 2016. If approved the further amendment to the structure would be implemented at a timetable to be agreed by the Chief Executive, in consultation with the Leader but not later than January 2018.

3 Transformation Programme (TP) Governance

3.1 Experience to date has suggested the need to revise the programme governance arrangements. This is to ensure that decision making is delegated to the appropriate level and that decisions are undertaken in a timely manner to make sure that the programme is successful. We need to allow the rapid taking and implementation of decisions whilst still retaining high level support, constructive challenge and an overview.

3.2 The proposals to create new arrangements include a High Level Steering Group and a new Programme Team Board to assist programme delivery. The proposals:

- set out lines of responsibility and accountability within SDC for the delivery of the programme;

- give members and officers the ability to manage their interest in the programme at the right level;
- support the programme team to deliver the required outcomes by providing resources, giving direction and by enabling trade-offs and timely decision taking;
- provide forums necessary for issue resolution;
- include clear reporting lines for members and officers so that they can fulfil their roles effectively.

3.3 The proposals are shown in Appendix A, creating operational layers below the existing Transformation Board (renamed the High Level Steering Group) they create clearer links to the reporting cycles of Council, District Executive and Scrutiny Committee.

4 Financial Implications

The tables below show a breakdown of estimated costs and savings:-

Revised Capital Costs					
Item	2016/17 £	2017/18 £	2018/19 £	2019/20 £	Totals £
Software, connectors and GIS, and implementation including programme team and backfilling. Reconfiguration of accommodation	44,995	1,553,439	400,541	-	1,998,975
Contingency		79,350	12,560	-	91,910
Total Capital Costs	44,995	1,632,789	413,101	-	2,090,885
Amount Allocated in March 2016					-1,334,300
Additional funding to be found from capital receipts set aside for Transformation					756,585

Revised Once-Off Revenue					
Item	2016/17 £	2017/18 £	2018/19 £	2019/20 £	Totals £
Training, organisational change management consultancy, internal programme team and backfilling	104,699	615,861	494,350		1,214,910
Contingency		53,850	43,810		97,660
Once-off Programme Revenue Costs	104,699	669,711	538,160		1,312,570
Funding Allocated in March 2016					-748,000
Remaining Funding to be found from 2020/21 Revenue Support Fund					564,570

Redundancy Reserve					
Item	2016/17 £	2017/18 £	2018/19 £	2019/20 £	Totals £
Target Allowance for redundancy costs & redundancies already agreed	534,900	1,933,000	1,576,800		4,044,700
Amount Allocated in March 2016					-2,400,000
Additional Allowance Required					1,644,700
Plus Remaining funding to find from original business case					630,000
Total Target Remaining					2,274,700
Additional Funding to be found from 2020/21 Revenue Support Fund					943,430
Additional Funding to be found from General Fund Balances					231,270
Remaining target to be found from underspends and MTFP					1,100,000

Ongoing Revenue					
Item	2016/17 £	2017/18 £	2018/19 £	2019/20 £	Totals £
Ongoing costs e.g. support and maintenance	59,975	-84,040	6,025	75,935	57,895
Salary Savings	-	-540,960	-1,228,760	-772,100	-2,541,820
Net Ongoing Revenue Income	59,975	-625,000	-1,222,735	-696,165	-2,483,925
Amount Amended MTFP 2017/18	59,975	-625,000	-1,011,900	-367,200	-1,944,125
Additional Net Income to be added to the Medium Term Financial Plan	-	-	-210,835	-328,965	-539,800

4.1 Revised Capital Costs Notes

The Capital Costs now include an allowance for building alterations to Brympton Way including rewiring and electrics, as well as updated ICT procurement costs. An allocation of £2.5 million was made in the 2016/17 budget for transformation and therefore there are no further revenue costs of utilising a further £756,585 of the sum originally set aside for this purpose.

4.2 Revised Once-Off Revenue Costs Notes

The revenue costs now reflect updated ICT procurement and organisational development costs.

4.3 Redundancy Reserve Notes

4.3.1 The Redundancy Reserve should not be seen as part of the Transformation Budget but sits alongside it. Given the financial challenges the council faces, it needs to save on cost. 46% of the council's cost is formed of staff costs. Therefore, whether the Council pursues a Transformation route or cuts services, it will need to provide for a significant number of redundancies.

4.3.2 The Redundancy Reserve is not a budget to be spent as such, but a provision for the eventuality of redundancies. A key part of the programme is to support staff in adapting to change and being prepared for new or changed roles, with a view to minimising the number of redundancies occurring. In addition, there is strict control of recruitment during Transformation with a view to holding vacancies where ever possible. This has led to there being a significant and growing number of vacant posts in the organisation. This will also help minimise the number of redundancies.

4.3.4 Despite these actions, it is prudent for the Council to set aside a reserve for redundancies, given the scale of change it is making. The redundancy costs reflect a higher cost per redundancy following analysis of the staffing profile and also reflect a higher number of redundancies to the previous assessment presented in March 2016.

4.4 Revised Once-Off Revenue Funding Note

4.4.1 The original business case was not fully funded and costs of £2,754 million were offset against the Revenue Support Fund. As at budget setting for 2017/18 £0.630 million remained unfunded plus a further £0.400 million is expected from capital receipts that can be utilised for revenue.

4.4.2 It is recommended to utilise £1.508 million of Revenue Support Funding for 2020/21 to fund additional revenue costs. This still ensures 1. that SSDC meets its agreed strategy of having the budget year plus 2 for New Homes Bonus to support the budget (the Revenue Support Reserve is made up of NHB). If Members agree the recommendation there is still sufficient NHB to fund the budget to 2019/20.

4.4.3 In addition it is recommended to utilise General Fund Balances of £231,270 towards the Redundancy Fund. General Fund Balances will still remain around £3.1 million and above the minimum required to support the budget.

4.4.4 There will be a remaining target of £1.1 million towards the Redundancy Fund. This can be targeted from underspends and the MTFP for 2018/19. In addition, the required level of the Redundancy Reserve will be reviewed after each implementation phase of the Transformation Programme which may lead to a reduced requirement. A sum has been set at £54,400 per redundancy for the remaining FTE numbers required. This has been calculated by analysing the profile of the organisation and the average cost of that profile. The worst case scenario has been calculated at £6 million but this would mean that a much higher number of staff would qualify for redundancy than required.

4.5 On-Going Revenue Funding Notes

4.5.1 The ongoing revenue costs now reflect the on-going costs outlined in the ICT tender. They also include an additional £100,000 ongoing training for staff. The additional staff savings have also been included and the effect will add £539,800 net savings to the MTFP.

4.5.2 The revised Senior Leadership Team saving of £30,134 has been added to the net savings of £200,537 agreed by Council in October 2016. This saving will form part of the proposed £2.5 million overall Transformation savings target. The associated redundancy costs of up to £145,190 will be met from the Redundancy Reserve.

5 Implementation of the Model - Progress to Date

5.1 The Transformation Programme is divided into a number of workstreams and progress to date is outlined below. Further workstreams, including locality working and agile working will be developed as the programme moves forward.

5.2 PEOPLE

5.2.1 This programme is at its heart a culture change programme and it is essential that members and staff have a common understanding of what the organisation will look like at the end. The new Strategic Leadership Team has been working, to develop a vision for the new organisation so that staff can be clear as to the direction of travel, what the journey will look like and how we will know whether we have succeeded.

5.2.2 Creating this vision means that an attitudes and approaches framework can be developed which in turn means that staff can be recruited into the new operating model using selection criteria aligned to the framework. The attitudes and approaches framework forms an important part of ensuring a successful organisation in to the future. It will support a shift in culture that ensures our staff approach their work in a way that supports the council and each other in delivering our ambitions and providing highly customer focussed services.

5.2.3 The approach the senior leadership have taken is to involve as many staff as want to be involved and several workshops and events are planned throughout April.

5.2.4 The selection process is currently being designed with external support. Emphasis is being placed on supporting staff through the process with familiarisation workshops to prepare everyone.

5.3 ICT

5.3.1 The procurement of the software was carried out under the Local Authority Software Applications Framework (LASA RM1059). The 'invitation to tender' was issued on 20th February. Five companies expressed an interest in the opportunity. Two suppliers, Civica and Arcus Global, provided demonstrations to the Evaluation Panel and the many invited observers during the tender period and before the deadline of Friday 24 March. These two suppliers submitted tenders on 24 March 2017:

- Civica
- Arcus Global

5.3.2 A detailed scoring methodology was applied following the guidance of the chosen framework and the criteria agreed with the Transformation Board. This led to the recommendation that the contract should be awarded to CIVICA UK LTD who scored highest on both price and quality. Further information is attached at Appendix B.

5.4 SERVICE REDESIGN

This work stream is responsible for delivering a significant proportion of the savings. Working methodically through the majority of the council's processes, a team of Business Analysts assist representatives from each current service area to streamline processes and create self-service opportunities for our customers whenever appropriate. The Business Analyst positions are currently being recruited to from both internal and external candidates.

5.5 COMMUNICATION

5.5.1 A key workstream in the programme, our communication strategy now involves weekly newsletters to staff, workshops, team meetings, staff briefings and union meetings as well as monthly newsletters for Members and Member briefings. We have an email address for staff to post questions and concerns and are updating our Frequently Asked Questions on a weekly basis to provide a comprehensive source of information.

5.5.2 Shortly our internal social media platform will be launched, which will provide further engagement opportunities for all staff keeping them up to date on all projects and opportunities to get involved.

6 Timescale

6.1 The programme will deliver the Future Operating Model and the associated savings by the end of December 2018.

6.2 In order to manage this process, effectively maximise benefits and minimise risks the implementation is divided into phases. Phase 1a Leadership and Management, Phase 1b Support Services, Phase 2 Strategy & Commissioning and Phase 3 Service Delivery & Commercial.

6.3 Each phase contains an element of detailed design at the beginning, moving through consultation, interviews, selection and training for new roles. Supporting this activity will be detailed transition plans to ensure as much continuity of service provision as possible. Each phase has an allocated target saving allocated to it based on the analysis of the organisation undertaken in the detailed business case. Monitoring of progress with delivery, the realisation of the programme benefits and the delivery of savings will be undertaken through a quarterly report to the Transformation High Level Steering Group, the Scrutiny Committee and the District Executive.

6.4 The indicative timeline can be found at Appendix C.

6.5 It is important to note that whilst the future operating model will be implemented by December 2018, there will be significant ongoing work required after this date to ensure the new ways of working are embedded into our culture and that we continue to harness the effectiveness of this new way of working to improve our service delivery.

6.6 Other Notes

6.6.1 The overall payback will be 3 years and an overall return of 33.3 % on the sums invested.

7 Procurement

The procurement process has been undertaken in line with the Council's Contract Procedure Rules and in line with EU requirements.

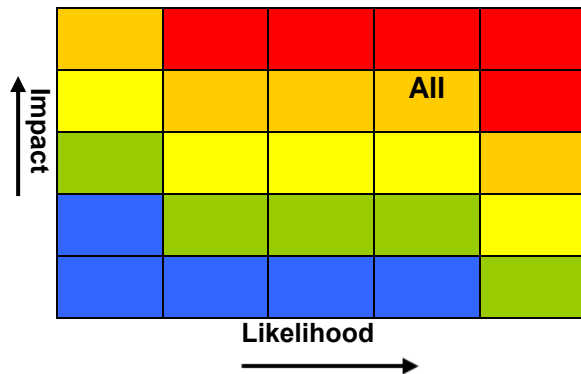
8 Risk assessment

Risk >	Score>		Controls >	Actions >	New Score	
R 46 - TP budget overspends	20	High	C 046.1 - Detailed business case C 046.2 - Robust contractual arrangements C 046.3 - Detailed monitoring	A 46.1 - Prepare and present detailed business case A 46.2 - Contracts A 46.3 - Monitoring	14	Med
R 47 - TP Unexpected external cost	20	High	C 047.1 - Review level of corporate priority against the new cost pressure.	A 47.1 - Review	14	Med
R 48 - TP ICT solutions fail to deliver to expectations	20	High	C 048.1 - Achieve "fit for purpose", specification C 048.2 - Use "tried and tested" innovation C 048.3 - Review business continuity / disaster recovery plans	A 048.1 - Complete IT specification	14	Med
R 49 - TP Insufficient capacity to deliver the TP	19	High	C 049.1 - Programme identified as a key corporate priority C 049.2 - Commission external support as required to ensure the TP is delivered in line with the timetable.	A 49.1 - Procurement of external consultancy for blueprinting and detailed design stage	14	Med
R 50 - TP The shared vision for the TP during periods of significant changes is not maintained	15	Med	C 050.1 - Effective communication strategies to engage with members staff and other stakeholders embedded within TP.	A 050.1 - Implement Communication plan	14	Med
R 51 - TP Organisation transition to the new operating model is not managed effectively.	20	High	C 051.1 - Once decision taken to implement TP create sufficient organisation capacity to achieve programme timeframes. C 051.2 - Transition Plans	A 051.1 - Complete programme implementation plan with Ignite	14	Med

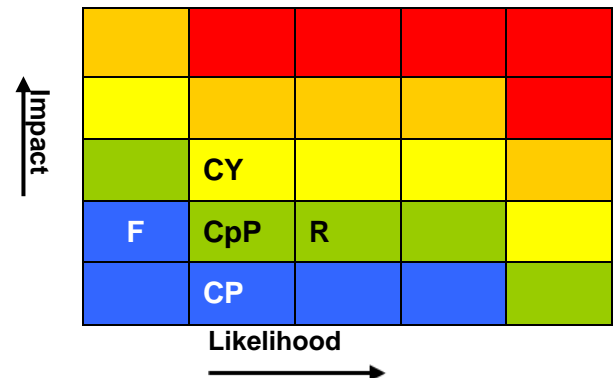
Risk >	Score>		Controls >	Actions >	New Score	
R 52 - TP Programme management arrangements are not robust or resilient.	20	High	C 052.1 - Maintain appropriate Member and officer TP governance arrangements.	A 052.1 - Continue to review programme governance	14	Med
R 53 - TP loss of ongoing political commitment	20	High	C 053.1 - Ongoing liaison with members to maintain shared vision C 053.2 - Raise awareness of the scale of organisation change and the impact on both members and staff.	A.053. ..As controls	14	Med
R 54 - TP Reduced capacity and morale during significant corporate change	15	Med	C 054.1 - TP communication strategy C 054.2 - Ensure that key staff are not lost to SSDC C 054.3 - Performance monitoring C 054.4 - Supporting people through change	A 54.1 - agree KPIs for Transformation Programme	14	Med
R 55 - TP New skills and approaches to work styles are not adopted	20	High	C 055.1 - Support cultural change with a comprehensive corporate training and development programme C 055.2 - Ensure new systems are resilient and stable C 055.3 - TP Communication Strategy	A 055.1 - Complete detailed implementation plan including values and behaviours with Ignite A 055.2 -	9	Low
R 56 - TP detailed design fails to meet data privacy/protection or access requirements	15	Med	C R 56.1 - Privacy Impact Assessment C R 56.2 - Equalities Analysis	A 056.1 - Continue to maintain relevant assessments as part of the blueprinting and detailed design process	8	Low

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Council Plan Implications

The Transformation Programme is a major priority in the Council Plan. It will build the council's future resilience for delivering well managed cost effective services valued by our customers and create capacity to support the delivery of other aspects of the Council Plan. The detailed design of a new operating model will be fully informed by the council long and short term priorities.

Carbon Emissions and Climate Change Implications

None from this report. Implementation of a new operating model coupled with an investment in ICT will help reduce the council's carbon footprint for example by reducing the need to travel, the use potage and printing and by reducing the requirement for accommodation.

Equality and Diversity Implications

The programme will include a significant investment to help customers use our services through digital means - and so a key aspect is to *design in* digital inclusion. Early work for the Transformation Programme has made good use of existing customer data, and an understanding of the different ways in which customers need and want to access services from the council.

If the recommendations are approved, a detailed communication / stakeholder plan will be developed and future progress will be fully informed by detailed equalities analysis. This will apply to all stages at all levels. At this stage, the TP is high level, and no detailed proposals are available to have their impact assessed or for fuller consultation.

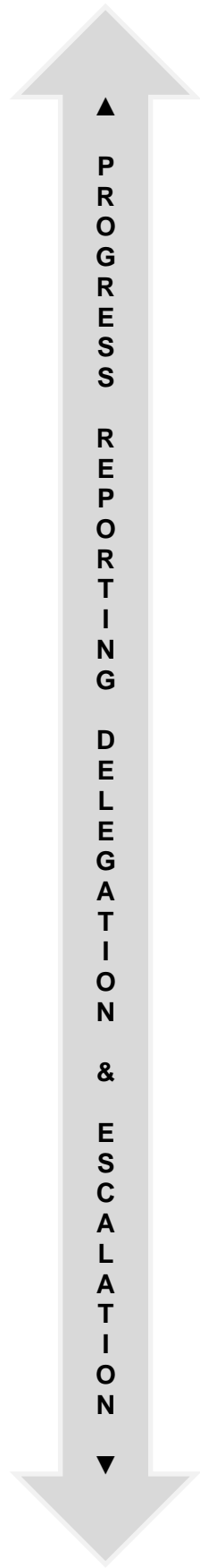
Privacy Impact Assessment

A privacy impact assessment should be carried out whenever there is a change being proposed that is likely to involve a new use or significantly change the way in which personal data is handled. This will include a redesign of an existing process or service, or a new process or information asset being introduced e.g. “single view of a customer”. This “single view” is a key strand of the transformation program that has significant /privacy data protection implications. The PIA is simply a best practice process which helps assess privacy risks to individuals in the collection, use and disclosure of personal information. A failure to properly embed appropriate privacy protection measures may result in a breach of privacy laws, a declaration of incompatibility with the Human Rights Act, or prohibitive costs in retro-fitting a system to ensure legal compliance or to address community concerns about privacy. A failure to properly keep personal information secure has potentially significant financial and reputational implications. The approach to be adopted by SSDC will be to identify and address the data protection and privacy concerns at the design and development stage of the transformation project, building data protection compliance in from the outset rather than attempting to bolt it on as an afterthought. In addition conducting and/or reviewing a Privacy Impact Assessment (PIA) through a project lifecycle will ensure that, where necessary, personal and sensitive information requirements are complied with and any risks are identified and mitigated.

APPENDIX A

Transformation Programme Governance Structure – from March 2017

Full Council: (will receive an annual report on progress)
District Executive: (will receive quarterly reports on progress)
Scrutiny Committee: (will receive quarterly reports to DX on progress)
High Level Steering Group: (meets quarterly)
<p>Programme Sponsor: Leader – Ric Pallister Chair: Portfolio Holder (Transformation) – Jo Roundell Greene -----</p> <p>User Representatives: Portfolio Holders for Specific Service Delivery – as necessary Portfolio Holder Finance Peter Seib; Scrutiny Members - Sue Steele, John Clark; Other members; Sarah Dyke, Andrew Turpin -----</p> <p>Supplier Representatives: Chief Executive – Alex Parmley; Strategic Lead for Transformation – Tracy Winsler Specialist professional officers as required -----</p> <p>Role:</p> <ul style="list-style-type: none"> • provide a high-level strategic steer • champion the programme to internal/external stakeholders • create an environment in which the programme can thrive • set and monitor the overall direction of the programme • maintain budget control
Programme Team Board: (meets every two weeks)
<p>Programme Portfolio Holder – Jo Roundell Greene; Senior L/ship Team – Alex Parmley, Martin Woods, Ian Clarke, Clare Pestell; Strategic Lead for Transformation – Tracy Winsler; Programme Manager – TBA; Performance and Governance Manager – Andrew Gillespie.</p> <p>Role:</p> <ul style="list-style-type: none"> • accountable for programme design, workstream implementation and progress • authorise commitments within the existing financial procedures • monitor risk and agree mitigation
Programme Working Group: (meets every week)
<p>Strategic Lead for Transformation – Tracy Winsler Programme Manager – TBA Performance and Governance Manager – Andrew Gillespie -----</p> <p>Role:</p> <ul style="list-style-type: none"> • monitor workstream updates • review and drive progress
Workstream Groups (meet daily or weekly as required)
<p>Workstream Leads: HR - Mike Holliday/ Comms - Mary Ostler/ Service Redesign- Charlotte Jones/ Finance - Jayne Beevor/ IT - Dave Chubb</p> <p>Role:</p> <ul style="list-style-type: none"> • plan and deliver actions as per workstream briefs



APPENDIX B

Further information on the Civica technology platform and the Future Model.

Under Civica's enterprise licence the council will have access to:

- The Civica Portal360 (for on-line self-serve)
- Civica Contacts - a new CRM (customer relationship management)
- Corporate EDM and workflow (document and process management)
- Civica Mobile360 (for locality based working)
- A comprehensive set of applications that assist and support the management of data and paper within the organisation.

SSDC already has a significant investment in Civica products. This includes EDM and workflow in Revenues and Benefits; EDM in Planning and a 'back office' system for Environmental Health, Streetscene and Licencing. This means that the overall programme will have less migration and integration to contend with than would otherwise be the case. There are also the benefits of considerable staff knowledge and skills of working with Civica systems.

Whilst other suppliers are working with Councils to implement the Future Model, these are at an early stage. To date Civica are the only supplier to support full implementation of the operating model.

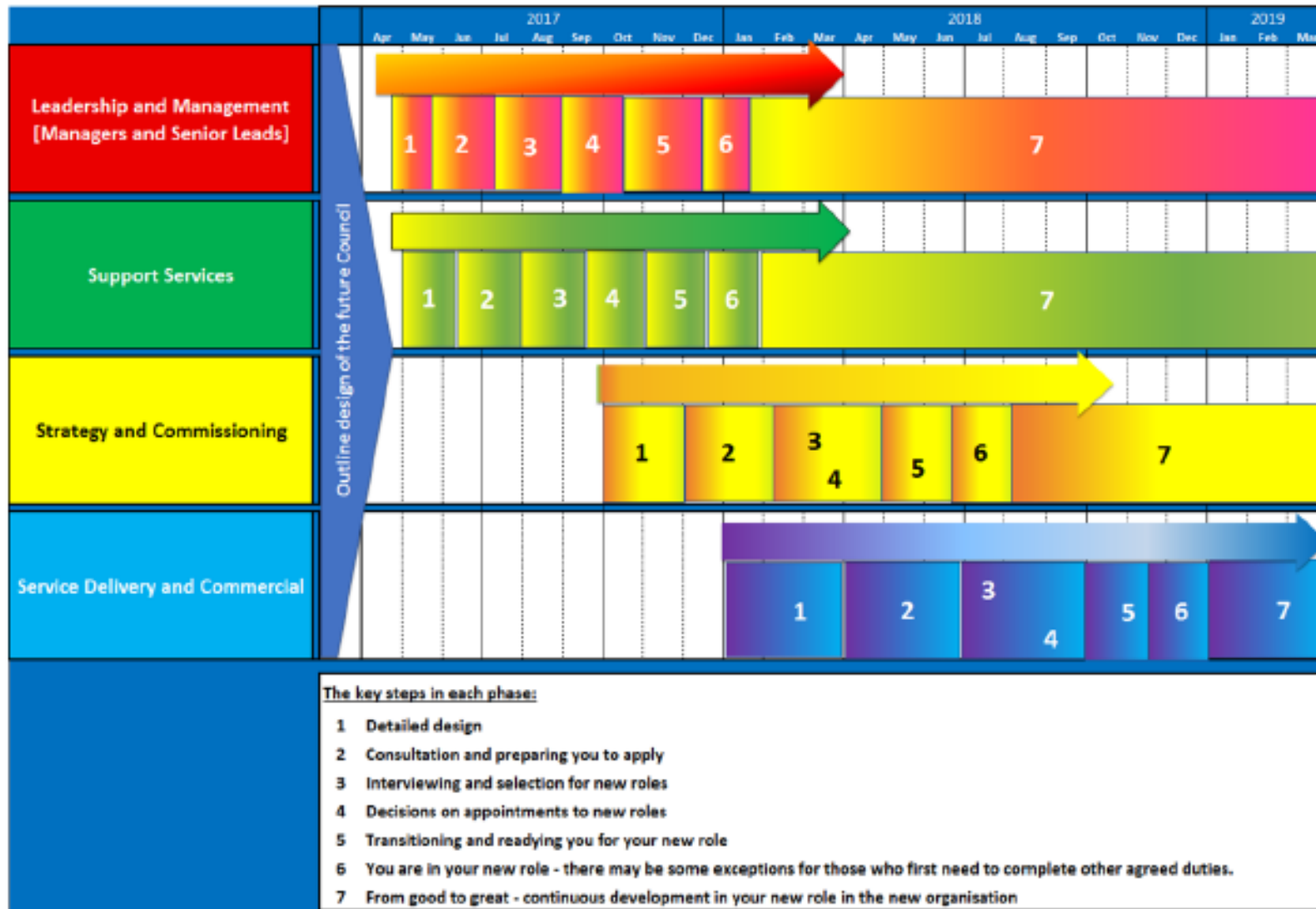
Eastbourne and South Hams & West Devon (SWDevon) Councils have both worked with Ignite to implement the Future Model. Both Councils have used the full Civica software suite to underpin their new ways of working.

All components are in place and are operating, other than the mobile component which is yet to go fully live in the field. Whilst both councils have different technological needs for a mobile solution, Civica demonstrated that they can develop suitable solutions. Civica have provided an assurance that they will work with SSDC to develop a solution to meet our needs.

Although these two councils are the only ones to implement the full, integrated platform, individual components are in use at many councils. For example 26 councils use Civica Contacts (CRM) including Torbay, Spelthorne, Norwich, Luton, Gateshead, Great Yarmouth; 138 councils use the Civica EDM system; and 59 Councils have the same integration from Civica EDM to Northgate for their revenues system.

Rectangular Snip

The Indicative Timeline



Agenda Item 7

Capital Programme 2017/18 to 2021/22

Executive Portfolio Holder: Councillor Peter Seib, Finance and Legal Services
Service Head: Catherine Hood, Finance Manager
Lead Officer: Nicola Hix, Corporate Accountant
Contact Details: nicola.hix@southsomerset.gov.uk or (01935) 462612

Purpose of Report

1. To seek approval for the Capital Programme for 2017/18 to 2021/22 that will be recommended to Full Council.

Forward Plan

2. This report did not appear on the District Executive Forward Plan for April 2017.

Public Interest

3. This report was delayed until the Council Plan had been updated. It asks members to approve capital schemes for funding in 2017/18.

Recommendation

4. That the District Executive recommends to Council the following:
 - (a) approval of the revised Capital Programme as shown in Appendix A;
 - (b) approval of the new schemes to be included in the Capital Programme as shown in Appendix B;
 - (c) note the scoring of new capital schemes outlined in Appendix C;
 - (d) note the proposed funding of the Capital Programme as shown in paragraph 12;
 - (e) note the detailed Capital Investment appraisal forms for new schemes, as shown at Appendix D;

Background

5. Full Council approved the revenue budget for 2017/18 in February 2017. Capital bids were not approved at that time as work had not been completed on the annual action plan of the Council Plan. That work has now been completed and included elsewhere in this agenda. The delay was necessary to ensure that all new bids met the Council's priorities.

The Council Plan

6. The authority approved the Council Plan in March 2016. It was agreed that an annual update would be made to ensure that the budget and the capital programme were affordable. The update for 2017/18 is outlined elsewhere in this agenda.

Capital Strategy

7. This Capital Strategy outlines how SSDC will utilise its capital resources to deliver the Council Plan and key strategies. SSDC held £35 million in capital receipts at the end of the 2015/16 financial year. However, once commitments are taken into account the authority has approximately £15.8 million unallocated to spend on new schemes as of February 17. A review of possible bids for the next five years has shown a need of approximately £21.2 million.
8. The authority has a considerable requirement for capital resources through its Transformation, Regeneration, and Income Generation Boards. Some of these require considerable revenue costs to set up as well as capital. It is therefore important that SSDC is able to take up the offer of “Flexible Capital Receipts” to ensure that its ambitions can be delivered. Therefore the strategy will be as follows:-
 - Each project will be reviewed initially on a commercial basis so that schemes will be considered on the basis that both capital and interest at PWLB rates is repaid;
 - SSDC will utilise its own internal cash wherever possible to maximise its treasury management efficiency and minimise costs in the short to medium term. The Council will retain the budget to finance the capital project as outlined in paragraph 18 to minimise the financial risks of rising interest rates. The Treasury Management Strategy currently allows borrowing of up to £12 million;
 - SSDC will utilise the ability in 2019/20 to use new receipts from property, plant, and equipment for revenue expenditure as outlined in the Efficiency Strategy approved in September 2016;
 - The Minimum Revenue Provision (MRP) Statement and Prudential Indicators that apply to capital spend are attached at Appendix E for members to note;
 - The level of capital receipts will be monitored to ensure that non-commercial (essential and those with community and social value) can continue to be funded from available resources;
9. District Executive has delegated authority to approve the use of up to 5% of capital receipts in any one year (approx. £900k). Approvals beyond this sum must be agreed through full Council.

Capital Programme 2017/18 to 2021/22

10. Members are requested to approve capital bids totalling £816K. These are split into £671K for 2017/18 and £145K for 2018/19. Full details of the revised Capital Programme are shown in Appendix A; new schemes are shown in bold type, with previously approved schemes in ordinary type. A summary of recommended schemes is included at Appendix B and the scoring of all bids at Appendix C. Appendix D details the Capital Investment Appraisal forms for all new schemes – separate document.
11. A capital sum of £15.0 million has been earmarked to fund for investment in land, property, and renewables assuming members approve the report to do so. As per the Capital Strategy it will remain unfunded within the table below to ensure that the most efficient and effective use of the Council’s cash reserves are made in the short to

medium term. However, in assessing each bid PWLB rates will be used and budgeted for to ensure long term affordability is maintained.

Funding the Capital Programme for 2017/18- 2019/20

12. The table below shows how the 2017/18 Capital Programme will be financed:-

	2017/18 £'000	2018/19 £'000
Gross Capital Programme Spend	11,024	1,029
Gross Reserve Scheme Spend	5,588	1,200
Total Capital Programme to be Financed	16,612	2,229
Financed by:-		
Capital Grants, Contributions & Loan Repayments as detailed on Programme	999	782
Grants & Other Contributions in Reserves	1,836	0
Useable Capital Receipts	13,777	1,447
Total Financing	16,612	2,229
Capital Financing to Remain Unsupported in the short to Medium Term		
Earmarked Land, Property, and Renewables Funds	15,000	

13. If members agree the current capital programme it leaves £15.8 million of capital receipts to invest in other projects.

Impact of the Capital Programme on Prudential Indicators

14. The impact of the new capital schemes approved within the capital programme on the average Band D household is as follows:

Prudential Indicator 12	2017/18 £	2018/19 £
Increase in Council Tax Band D	9.62	2.41

Corporate Priority Implications

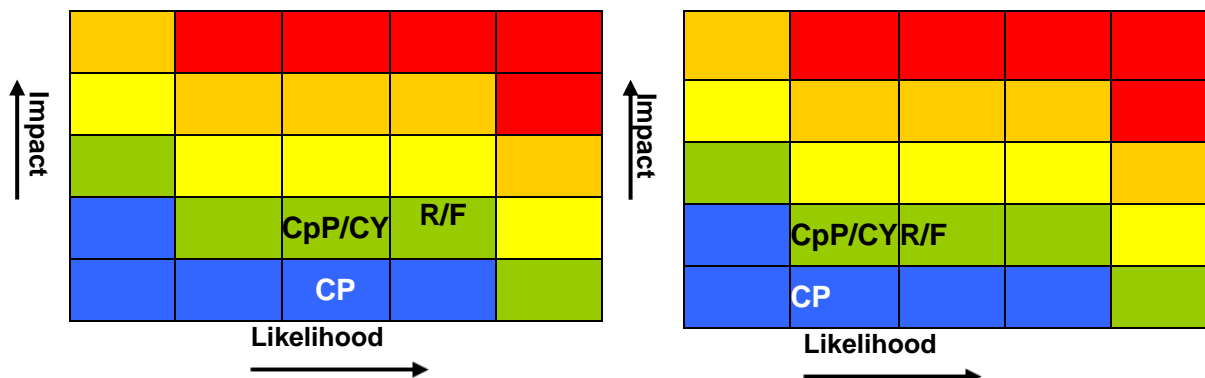
15. The budget is aligned to the current Council Plan.

Carbon Emissions and Climate Change Implications

16. The budget is aligned to the Carbon Reduction Strategy and new capital projects to deliver the strategy will be included in the Capital programme once approved.

Risk Matrix

Risk Profile before officer recommendations Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
CpP = Corporate Plan Priorities F = Financial CP = Community Priorities R = Reputational risk CY = Capacity	Red = High impact and high probability Orange = Major impact and major probability Yellow = Moderate impact and moderate probability Green = Minor impact and minor probability Blue = Insignificant impact and insignificant probability

Background Papers

Medium Term Financial Strategy Report to District Executive - Sept 2016 & Jan 2017

APPENDICES:-

- Appendix A - Revised Capital Programme
- Appendix B - New Bids with Interest
- Appendix C - Capital Investment Appraisals for New Schemes
- Appendix D - Capital Bid Scoring

	2016/17	2017/18	2018/19	2019/20	2020/21	Project Officer	Project Sponsor
	Est Spend £'000	Est Spend £'000	Est Spend £'000	Est Spend £'000	Est Spend £'000		
Chief Executive - Alex Parmley							
STRATEGIC MANAGEMENT							
Transformation		1,000	315			A Gillespie / C Jones	A Parmley
Total Strategic Management	0	1,000	315	0	0		
FINANCE & CORPORATE SERVICES							
Assistant Director - Vacant							
FINANCIAL SERVICES							
Service Manager - Catherine Hood							
Portfolio Holder - Cllr Peter Seib							
Capital Salaries	50					C Hood	I Clarke
Loan to Somerset Waste Partnership for Vehicles	1,567					C Hood	I Clarke
Repayment of Loan from Somerset Waste Partnership	-141	-241	-241	-241	-241	C Hood	I Clarke
Loan to Somerset Waste Partnership for Vehicles		3,500				C Hood	I Clarke
Repayment of Loan from Somerset Waste Partnership		-269	-470	-482	-494	C Hood	I Clarke
Loan to Hinton St. George & Locality Rural Comm Services - Repayment	-8	-9	-9	-9	-9	C Hood	I Clarke
ICT SERVICES							
Service Manager - Roger Brown							
Portfolio Holder - Cllr Henry Hobhouse							
ICT Infrastructure		171				D Chubb	R Brown
Total Finance & Corporate Services	1,468	3,152	-720	-732	-744		
ECONOMY							
Assistant Director - Martin Woods							
STRATEGIC HOUSING							
Service Manager : Colin McDonald							
Portfolio Holder - Cllr Ric Pallister							
Affordable Housing - Millfield, Chard	98					C McDonald	M Woods
Affordable Housing - Rural exception, Misterton (Yarlington)		199	198			C McDonald	M Woods
Affordable Housing - Furnham Road Phase II, Chard (Knightstone)		120				C McDonald	M Woods
Affordable Housing - Westfield Academy 3 Bed Bung (Yarlington)	315					C McDonald	M Woods
Affordable Housing - Queensway, Yeovil (Stonewater)	162					C McDonald	M Woods
Affordable Housing - Bought not built Allocation		201				C McDonald	M Woods
Affordable Housing - Mortgage Rescue Contingency Fund		277				C McDonald	M Woods
Affordable Housing - West Hendford, Yeovil	1	374				C McDonald	M Woods
Affordable Housing - North Street, Crewkerne		1,040				C McDonald	M Woods
Affordable Housing - Jarman Way (Knightstone)		80				C McDonald	M Woods
Purchase of 45-50 Lavers Oak, Martock	16	26				C McDonald	M Woods
Purchase of 2 x 5 Bed House for Leasing	487					C McDonald	M Woods
Purchase of 1 x 3 Bed Bungalow, Chard (Magna)	37					C McDonald	M Woods
TRANSPORT							
Service Manager : Vacant							
Portfolio Holder - Cllr Henry Hobhouse							
Grant for Lyde Road Pedestrian & Cycle Way		630				N Collins	M Woods
Grant for Lyde Road Pedestrian & Cycle Way - Inc		-380				N Collins	M Woods
ECONOMIC DEVELOPMENT							
Service Manager : David Julian							
Portfolio Holder - Cllr Jo Roundell-Greene							
Yeovil Innovation Centre Phase II	200	1,525				D Julian	M Woods
Yeovil Innovation Centre Phase II - Income	-433					D Julian	M Woods
Yeovil Innovation Centre Car Park Facilities	120					D Julian	M Woods
Total Economy	1,003	4,092	198	0	0		

	2016/17	2017/18	2018/19	2019/20	2020/21	Project Officer	Project Sponsor
	Est Spend £'000	Est Spend £'000	Est Spend £'000	Est Spend £'000	Est Spend £'000		
COMMUNITIES							
Assistant Directors - Helen Rutter							
AREA SOUTH							
Service Manager - Natalie Fortt							
Area Chairman - Cllr Peter Gubbins							
Reckleford Gyrotory (Eastern Gateway)	88					N Fortt	H Rutter
Local Delivery Vehicle (linked to Yeovil Vision)		34				N Fortt	H Rutter
Foundry House		4				N Fortt	H Rutter
5 Additional CCTV Cameras in Yeovil	11					S Brewer	G Green
Wyndham Park Community Facilities		400				N Fortt	H Rutter
Yeovil to Ilchester Multi User Pathway - Feasibility		2				N Fortt	H Rutter
Westfield Academy-New Bus Parking Bay		13				N Fortt	H Rutter
AREA NORTH							
Service Manager - Sara Kelly							
Area Chairman - Cllr Clare Aparicio Paul							
Grant to Curry Rivel VH - Hearing Loop & Toilets	10					S Kelly	H Rutter
Grant to Curry Rivel VH - Hearing Loop & Toilets	-10					S Kelly	H Rutter
Cocklemoor Bridge	28					S Kelly	H Rutter
Support of Economic Vitality in Area North (Signage for marketing programme)	9					S Kelly	H Rutter
Community Grants							
High Ham Recreation Ground - Youth Park	1					S Kelly	H Rutter
New Accessible Footpaths at Seavington Playing Field	2					S Kelly	H Rutter
Village Hall Grant Kingsbury Episcopi Church Rooms	4					S Kelly	H Rutter
Grant to Tintinhull Village Hall	40					S Kelly	H Rutter
New purpose built Community Centre in Kingsbury Episcopi	40					S Kelly	H Rutter
Montacute Village Hall Accessibility Project	2					S Kelly	H Rutter
Chilthorne Domer Recreational Trust Pavilion Alterations	10					S Kelly	H Rutter
Long Load Village Hall Mgt Committee	5					S Kelly	H Rutter
Equipment at Edgar Hall, Somerton	3					S Kelly	H Rutter
AREA EAST							
Service Manager - Tim Cook							
Area Chairman - Cllr Nick Weeks							
Land Acquisition in Waterside Rd, Wincanton		11				P Williams	T Cook
Enhancements to Waterside Rd, Wincanton		24				P Williams	T Cook
Forton Community Association	13					Z Harris	H Rutter
Chaffcombe Village Hall	1					Z Harris	H Rutter
Merriott Village Hall	11					Z Harris	H Rutter
Grant to Ashill Parish Council - Outdoor gym	5					Z Harris	H Rutter
Chard Business Hub Project	64					Dylan Martlew	Z Harris
Crewkerne Rugby/Football Club - floodlighting	10					Z Harris/Jake Hannis	H Rutter
Crewkerne Town Council - Skate Park	13					Z Harris	H Rutter
Henhayes Centre - Extension	13					Z Harris	H Rutter
Hinton St George - St George Hall and Playing Fields	12					Z Harris	H Rutter
Horsington PC-Pond Improvements	5					T Cook	H Rutter
South Barrow PCC-Provision of Meeting Place	10					T Cook	H Rutter
Sutton Montis-Village hall refurbishment	7					T Cook	H Rutter
Castle Cary-Purchase of Moat Garden	6					T Cook	H Rutter
Carymoor Environment Centre-Going underground project	5					T Cook	H Rutter
Henstridge-Village hall furniture	2					T Cook	H Rutter
AREA WEST							
Service Manager - Zoe Harris							
Area Chairman - Cllr Carol Goodall							
Market Towns Visions	64					H Rutter	H Rutter
Grant to Ilminster Sports Club	5					Z Harris	H Rutter
Grant to Ilminster Sports Club - S106 Inc	-5					Z Harris	H Rutter
Grant to Merriott Village Hall	10					Z Harris	H Rutter
Grant to Merriott Village Hall - S106 Inc	-10					Z Harris	H Rutter
Forton Community Association	13					Z Harris	H Rutter
Chaffcombe Village Hall	1					Z Harris	H Rutter
Merriott Village Hall	11					Z Harris	H Rutter
Grant to Ashill Parish Council - Outdoor gym	5					Z Harris	H Rutter
Chard Business Hub Project	64					Dylan Martlew	Z Harris
Crewkerne Rugby/Football Club - floodlighting	10					Z Harris/Jake Hannis	H Rutter
Crewkerne Town Council - Skate Park	13					Z Harris	H Rutter
Henhayes Centre - Extension	13					Z Harris	H Rutter
Hinton St George - St George Hall and Playing Fields	12					Z Harris	H Rutter
Total Communities	625	488	0	0	0		

	2016/17 Est Spend £'000	2017/18 Est Spend £'000	2018/19 Est Spend £'000	2019/20 Est Spend £'000	2020/21 Est Spend £'000	Project Officer	Project Sponsor
ENVIRONMENT							
Assistant Director - Laurence Willis							
ENVIRONMENTAL HEALTH							
Service Manager - Alasdair Bell							
Portfolio Holder - Cllr Ric Pallister							
Disabled Facilities Grants (Expenditure)	746	100				A Bell	L Willis
Disabled Facilities Grants - Inc	-984					A Bell	L Willis
Empty Property Grants	123					A Bell	L Willis
Empty Property Grants		50				A Bell	L Willis
Home Repairs Assistance	60	18				A Bell	L Willis
Home Repairs Assistance		25				A Bell	L Willis
HMO Grants	46	13				A Bell	L Willis
HMO Grants		25				A Bell	L Willis
Remediation of Whatley Gasworks	70					V Dawson	A Bell
Remediation of Whatley Gasworks - Inc	-70					V Dawson	A Bell
ENGINEERING AND PROPERTY SERVICES							
Service Manager - Garry Green							
Portfolio Holder - Cllr Henry Hobhouse							
Car Park Enhancements	37					G Green	L Willis
Car Park Enhancements		50				I Case	G Green
Intelligent Enforcement Car Park Adaptions	20					G Green	L Willis
New Car Parks	100	290	52			G Green	L Willis
Capital Works to Councils Portfolio	21					G Green	L Willis
Capital Works to Councils Portfolio	51					G Green	L Willis
Capital Works to Councils Portfolio	195	166				G Green	L Willis
Gas Control System - Birchfield	25	150	319			G Green	L Willis
Transfer of Castle Cary Market House	45					G Green	L Willis
Tolbury Mill Roof	18					G Green	L Willis
Tolbury Mill Roof - Income	-18					G Green	L Willis
Bus Shelters in South Somerset	40					G Green	L Willis
Yeovil Crematorium	66	25				G Green	L Willis
Yeovil Crematorium - Inc	-7	-2				G Green	L Willis
STREETSCENE							
Service Manager - Chris Cooper							
Portfolio Holder - Cllr Jo Roundell Greene							
Access all Areas Footpaths on Open Spaces	127					S Fox	C Cooper
Purchase of a Road Sweeper			145			C Cooper	L Willis
Total Environment	711	910	516	0	0		
HEALTH & WELL-BEING							
Assistant Director - Steve Joel							
ARTS AND ENTERTAINMENT							
Service Manager - Adam Burgan							
Portfolio Holder - Cllr Sylvia Seal							
Octagon Theatre - Upgrade to Toilets (Gents & Backstage)	4					A Burgan	S Joel
Octagon Theatre Stage Dimmer Lighting		64				A Burgan	S Joel
Octagon Theatre Lighting & Hearing	64					A Burgan	S Joel
Octagon Theatre Lighting & Hearing - S106	-64					A Burgan	S Joel
Westland Leisure Complex	1,878					S Joel	S Joel
Westland Leisure Complex - Loan Repayment	-62	-62	-62	-62	-62	S Joel	S Joel
Westlands Sports & Pavilion	1,219					S Joel	S Joel
Westland Leisure Complex - S106 Income	-990					S Joel	S Joel
Westland Leisure Complex - Unbanked S106 Income	-136					S Joel	S Joel
COMMUNITY HEALTH AND LEISURE							
Service Manager - Linda Pincombe							
Portfolio Holder - Cllr Sylvia Seal							
Community Play Schemes (Lavers Oak)	3					R Parr	L Pincombe
Multi Use Games Area		70				R Parr	L Pincombe
Grants for Parishes with Play Area	56					R Parr	L Pincombe
Grants for Parishes with Play Area - SCC Playbuilder Inc	-40					R Parr	L Pincombe
Grant to Kingston View Play Area	24					R Parr	L Pincombe

	2016/17	2017/18	2018/19	2019/20	2020/21	Project Officer	Project Sponsor
	Est Spend £'000	Est Spend £'000	Est Spend £'000	Est Spend £'000	Est Spend £'000		
Grant to Kingston View Play Area	-13					R Parr	L Pincombe
Grant for Stoke Sub Hamdon Recreational Ground		10				R Parr	L Pincombe
Grant for Skate Park at Horton		5				R Parr	L Pincombe
Wyndham Park Play Area Equipment	37					R Parr	L Pincombe
Wyndham Park Play Area Equipment - S106	-34					R Parr	L Pincombe
Eastfields, Cuckhoo Hill Play Area Equipment	55					R Parr	L Pincombe
Eastfields, Cuckhoo Hill Play Area Equipment - S106	-55					R Parr	L Pincombe
Jarman Way, Chard - Play Area Equipment		36				R Parr	L Pincombe
Jarman Way, Chard - Play Area Equipment - S106		-36				R Parr	L Pincombe
Grass Royal Play Area		10				R Parr	L Pincombe
Cavalier Way Play Area	5					R Parr	L Pincombe
Cavalier Way Play Area - Income	-5					R Parr	L Pincombe
Grant to Winterhay Lane Play Area Equipment	7					R Parr	L Pincombe
Grant to Winterhay Lane Play Area Equipment - Inc	-7					R Parr	L Pincombe
Monksdale Play Area - Equipment	15					R Parr	L Pincombe
Monksdale Play Area - Equipment	-15					R Parr	L Pincombe
Grant to Castle Street Playing Fields, Keinton Mandeville	7					R Parr	L Pincombe
Grant to Castle Street Playing Fields, Keinton Mandeville - Inc	-7					R Parr	L Pincombe
Minchington Play Area Equipment	9					R Parr	L Pincombe
Minchington Play Area Equipment - S106	-9					R Parr	L Pincombe
Synthetic Grass Pitch		5				L Pincombe	S Joel
Yeo Rec - Phase 2 Works (Pitch & Putt Fencing)			7			L Pincombe	S Joel
Grant to Henhayes Sports & Community Centre		14				L Pincombe	S Joel
Grant to Huish Episcopi Academy AGP	24					L Pincombe	S Joel
Grant to Huish Episcopi Academy AGP - Inc S106	-24					L Pincombe	S Joel
Grant to Westfield AGP	21					L Pincombe	S Joel
Grant to Milborne Port Rec Changing Rooms	5					L Pincombe	S Joel
Grant to Milborne Port Rec Changing Rooms - Inc S106	-5					L Pincombe	S Joel
Grant to Ilminster Football Club	141					L Pincombe	S Joel
Grant to Ilminster Football Club - Inc	-91					L Pincombe	S Joel
Grant to Ilminster Football Club Cricket Square	15					L Pincombe	S Joel
Grant to Ilminster Football Club - Inc	-15					L Pincombe	S Joel
Upgrade Joanna France Building		27				L Pincombe	S Joel
Grant for Chard Town Council Jocelyn Park	6					L Pincombe	S Joel
Grant for Chard Town Council Jocelyn Park - Income	-6					L Pincombe	S Joel
Grant to Donald Pither Memorial Ground, Castle Cary	16					L Pincombe	S Joel
Grant to Donald Pither Memorial Ground, Castle Cary - Inc	-16					L Pincombe	S Joel
Grant to Babcary Playing Field Committee	1					L Pincombe	S Joel
Grant to Babcary Playing Field Committee - Inc	-1					L Pincombe	S Joel
Grant to Henstridge PC - Pitches Improvements	20					L Pincombe	S Joel
Grant to Henstridge PC - Pitches Improvements - Inc	-20					L Pincombe	S Joel
Grant to Merriott PC - Play & Pitch Improvements	28					L Pincombe	S Joel
Grant to Merriott PC - Play & Pitch Improvements	-28					L Pincombe	S Joel
Ham Hill Road Improvements	21					K Menday	S Joel
Ham Hill Road Improvements - Income	-1					K Menday	S Joel
Dual Use Sport Centre Grants	50					S Joel	S Joel
Dual Use Sport Centre Grants - Inc	-10					S Joel	S Joel
Wincanton Community Sports Centre 10 year plan	35	35				S Joel	S Joel
Goldenstones 10 Year Plan	45					S Joel	S Joel
Huish Episcopi Swimming Pool	180	205				S Joel	S Joel
Huish Episcopi Swimming Pool - Inc S106	-153					S Joel	S Joel
Total Health & Well-being	2,184	383	-55	-62	-62		
Total Net Capital Programme	5,991	10,025	254	-794	-806		

	2016/17	2017/18	2018/19	2019/20	2020/21	Project Officer	Project Sponsor
	Est Spend £'000	Est Spend £'000	Est Spend £'000	Est Spend £'000	Est Spend £'000		

Reserve Schemes Awaiting new Appraisal but Approved in Principle

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Old Town Station Reserve	0	321			
Market Towns Vision	0	300			
ICT Reserve	77	29			
Affordable Housing - Unallocated	0	933			
Affordable Housing - Rural Contingency Fund	0	500			
Investment in Market Housing	0	682	1,200		
Transformation	0	1,185			
Contingency for Plant Failure	0	199			
Home Farm, Somerton	0	298			
Home Farm, Somerton - Inc	0	-200			
Lufton 2000 - All Phases	0	390			
Lufton 2000 - All Phases - Inc	0	-1,406			
Sports Zone- Inc	0	-50			
Gypsy & Traveller Acquisition Fund	0	133			
Gypsy & Traveller Acquisition Fund - Inc	0	-83			
Infrastructure & Park Homes, Ilton - £60K Grant for MUGA	0	60			
Infrastructure & Park Homes, Ilton - Grant for MUGA - Inc	0	-60			
Infrastructure & Park Homes Contingency	0	91			
Infrastructure & Park Homes Contingency - Inc	0	-37			
	77	3,285	1,200	0	0

Area Reserve Schemes Awaiting Allocation But Approved in Principle

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	
North						
Local Priority Projects - enhancing facilities and services	22	155	0	0		S Kelly
Top Up Area Capital		25				S Kelly
South						
Unallocated programme	0	176	0	0		N Fortt
Play area refurbishment - District allocation	0	15	0	0		N Fortt
Top Up Area Capital		25				N Fortt
East						
Unallocated Capital Reserve	15	6	0	0		H Rutter
Parish Infrastructure Fund	0	8	0	0		H Rutter
Community & Leisure Grants	0	0	0	0		H Rutter
Top Up Area Capital		25				
West						
Ilminster Community Office	0	0	0	0		Z Harris
Area West Markets Improvement Group (Nov 2010 committee)	6	0	0	0		Z Harris
Unallocated Programme	0	32	0	0		Z Harris
Top Up Area Capital		25				Z Harris
Total	42	467	0	0	0	

Capital Programme	5,991	10,025	254	-794	-806
Contingent Liabilities and Reserve Schemes	119	3,752	1,200	0	0
Total Programme to be Financed	6,110	13,777	1,454	-794	-806

Summary of Recommended Schemes (with Interest)

APPENDIX B

Bid No.	Scheme Name	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
SSDC Assets					
2017-05	ICT Infrastructure Replacement	171			171
2017-06	Car Park Enhancements	50			50
2017-07	Purchase of a Road Sweeper		145		145
		221	145	0	366
Other Schemes					
2017-03	Lyde Road Pedestrian & Cycle Way	250			250
2017-04	Private Sector Housing Grants	100			100
		350	0	0	350
Non-Scoring					
	Top up to Area Capital	100			100
Total of All New Capital Bids		671	145	0	816

Lost interest at 1.6% 2016/17 £	Lost interest at 1.6% 2017/18 £	Lost interest at 1.6% 2018/19 £	Total Cumulative Revenue Cost £
2,736			2,736
800			800
	2,320		2,320
3,536	2,320	0	5,856
4,000			4,000
1,600			1,600
5,600	0	0	5,600
1,600	0	0	0
10,736	2,320	0	11,456

