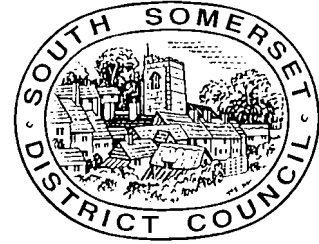


South Somerset District Council

Notice of Meeting



District Executive

Making a difference where it counts

Thursday 5th April 2018

9.30 am

**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 Specialist on 01935 462148 or democracy@southsomerset.gov.uk

This Agenda was issued on Monday 26 March 2018.

Alex Parmley, *Chief Executive Officer*

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



District Executive Membership

Ric Pallister
Peter Gubbins
Henry Hobhouse
Val Keitch
Jo Roundell Greene
Sylvia Seal
Peter Seib
Angie Singleton
Nick Weeks
Derek Yeomans

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, Yeovil.

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

Thursday 5 April 2018

Agenda

1. Minutes of Previous Meeting

To approve as a correct record the minutes of the District Executive meeting held on 1st March 2018.

2. Apologies for Absence

3. 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.

4. Public Question Time

5. Chairman's Announcements

Items for Discussion

6. Transformation Project Progress Report (Pages 4 - 9)

7. Asset Transfer Policy revised to: The Asset Disposal and Community Asset Transfer Policy (Pages 10 - 38)

8. District Executive Forward Plan (Pages 39 - 45)

9. Date of Next Meeting (Page 46)

Agenda Item 6

SSDC Transformation Programme – Progress Report

Executive Portfolio Holder: Jo Roundell Greene, Environment, Economic Development, Transformation
Director: Alex Parmley, Chief Executive
Lead Officer: Caron Starkey, Strategic Lead for Transformation
Contact Details: caron.starkey@southsomerset.gov.uk or 01935 462120

Purpose of the Report

1. This progress report has been prepared in accordance with the Transformation Programme Governance arrangements agreed by Full Council in April 2017 where it was agreed that the District Executive would receive quarterly updates on the progress of the council's Transformation Programme.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of April 2018.

Public Interest

3. The Council has embarked on an ambitious plan to totally redesign its service delivery to ensure an improved experience for the customers and the communities it serves whilst at the same time reducing the cost to the tax payer. This will be achieved through a radical change in the way our services are designed, the way service teams are structured to support service delivery and by making more use of digital technology including Electronic Document Management (EDM), workflow and web based technologies. Rather than cutting services, 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.

Implementation of the agreed business case will deliver: -

- recurring net annual savings of £2,483,925 from an investment of up to £7,448,155 (the savings comprise £2,541,821 reduction in staff costs, partly offset by £57,896 net increase in IT systems ongoing maintenance)
- a 'fit for purpose' organisation that will be in a position not only to drive continuous improvement but also to generate additional income to fund and support the council's future priorities.

Recommendation

4. The District Executive is asked to note and comment on the report.

Background

5. The previous quarterly progress report was made to District Executive in January 2018. The Transformation Programme Board continues to meet twice each month to resolve emerging issues and drive the programme forward. The programme is now in full delivery, there are three phases to the programme ending in January 2019. Phase 1 which involved the repositioning of management roles and support services into the new operating model has been completed, the 60 day "go live window" started on 23rd January 2018 with the expectation that the majority of planned

improvements would be in place by the end of March. Phases 2 and 3 have been combined; the timeline for these phases was brought forward and was outlined in the previous update report to the District Executive in January.

Programme Status

The programme is on track and within budget to deliver expected benefits

6. The Programme Board is provided with monthly updates in the form of programme and work stream level status reports. A consolidated quarterly report is reported to the High Level Steering Group in accordance with the agreed governance structure.
7. The new operating model is being delivered in three phases:
 - Phase 1 – New management roles and support services activity
 - Phase 2 – Strategy and Commissioning activity
 - Phase 3 – Service Delivery and Commercial activity
8. The programme has been internally focussed until this point as Phase 1 was the repositioning of management and support services and the associated redesign of internal processes. Additionally, staff across the organisation have been engaged in learning and understanding the model and roles in phases 2 and 3. Significant time and effort has been given to internal communications and engagement so that the workforce has sufficient insight to make informed decisions around submitting expressions of interest for new roles.
9. Attention now turns to ensuring we commence sufficient communication and engagement with other relevant stakeholders. This has started with a series of engagement sessions with Members to make sure that full extent and scale of the transformation ambitions are fully understood. A comprehensive communications plan is in development to ensure the transformation of customer facing services through service redesign and new technology is properly mapped to appropriate and timely messaging and engagement for all as necessary.

Financial Benefits - Phase 1 Outcome and Revised Profile

10. Phase 1 has delivered more than the expected benefits for 17/18, as outlined in the Business Case.
 - The repositioning of Support Services and the new Leadership and Management roles has been completed. Most appointments to new roles were made in October 2017, with the new operating model going live in January 2018.
 - In-year saving details have been finalised as exit dates for individuals were confirmed.
 - Service budgets for 2018/19 are in development.

TARGET Transformation Savings profile stated in updated July 2017 Business Case				
	2017/18	2018/19	2019/20	Total stated in Business Case
Phase 1	124,830	711,744		836,574
Phase 2 and 3		563,313	1,141,934	1,705,247
Total	124,830	1,275,057	1,141,934	2,541,821

ACTUAL Transformation Savings for Phase 1 in 17/18 and new profile for 18/19 and 19/20, still in line with updated July 2017 Business Case

	2017/18	2018/19	2019/20	Total
Phase 1	185,630	650,944	150,608	987,182
Phase 2 and 3		473,505	1,081,134	1,554,639
Total	185,630	1,124,449	1,231,742	2,541,821

11. The Phase 1 target straddled two financial years with an estimated part-year saving in 2017/18 with the full-year effect seen in 2018/19. Some of the savings were realised earlier than initially estimated due to identified agreed exit arrangements for individuals. Overall the ongoing annual savings from Phase 1 will reach £987,182 by 2019/20, which is higher than the initial estimate. This larger balance of savings in Phase 1 has been balanced with revised scoping of roles in phases 2 and 3, therefore overall the predicted savings at this time remain the same as stated in the business case.
12. The target savings for Phases 2 and 3 have been combined for ease of reporting. As the selection process is now being undertaken at the same time for both phases it will not be possible to differentiate the savings generated between the role allocations for the original phasing.
13. The savings targets set out in the transformation business case were based on specific identified roles and associated activities. The baseline was based on a capture of these identified roles in the Council's "establishment" in June 2016, costed at the April 2017 pay scales. The actual savings figure for Phase 1 is based on the new roles positioned into the new operating model as at March 2018. The business case was based on transforming existing activity in the council and securing efficiencies and other benefits from working in different ways. It does not cover new activity that the council has subsequently decided to deliver, such as the commercial property activity and the associated posts and investment in Westlands, which were put to Council in separate business cases. In addition, a number of service areas and roles were deemed "out of scope" in the original transformation business case, these areas and roles will still be affected by transformation and the new ways of working but no savings were associated with them. They will, however, be subject to a business planning process to take forward transformation and commercial development.
14. However, the Council's draft Medium Term Financial Plan (MTFP) incorporates ongoing assumptions for budget purposes that would see annual savings being delivered quicker than shown in the table above. It is anticipated for budgeting purposes that the MTFP assumption will be delivered as the Council is holding a number of vacancies in advance of the implementation of the new model. This approach effectively means the savings can be delivered in line with budget assumptions and earlier than planned in the updated business case.

Funding the Transformation Programme

15. The estimated overall costs of implementing the Transformation Programme were updated in April 2017 with Full Council approving the total budget of £7.448m. Members will be aware from that report and subsequent financial monitoring and budget reports that part of the funding was to be found from underspends and future budget plans. In April the target to be found from underspends/budget was £1.1m.
16. Good progress has been made and the significant majority of these funds have now been secured. Of the £1.1m, only £267k remains to be identified, and at the time of this report there is a good probability that most if not all of this sum can be identified from underspend against the 2017/18 budget at the end of this financial year. The following table summarises the current costs and proposed funding position:

	£k
Costs:	
Capital Costs – Programme Implementation	1,791
Revenue Costs – Programme Implementation	1,612
Revenue Costs – Redundancy Provision	4,045
Total Costs	7,448
Funding:	
Capital	
Capital Receipts Reserve	1,791
Revenue	
General Reserves / Underspends	1,676
MTFP Support Fund	1,508
Earmarked Reserves	1,232
Revenue Budget Allocations	474
Flexible Capital Receipts	500
Still to be identified	267
Total Funding	7,448

17. The budgeted implementation costs have been reviewed to confirm latest estimates. As a result there is effectively a swap of £300,000 of costs between capital and revenue expenditure. This does not change the costs overall but ensures expenditure is accounted for correctly as this classification is important for the annual accounts. However, this does have a funding implication. It reduces the call on the historic Capital Receipts Reserve balance – which can only be used for capital expenditure – with the additional revenue costs to be funded from the “Capital Reserve” earmarked reserve (current unallocated balance is £1.25m) which can be used for both capital and revenue purposes.
18. Budget monitoring is currently on track and all budgeted costs are within profile. The largest budget provision is for redundancies, with an overall provision for redundancy and related costs of up to £4,044,700. As previously reported this is not a target to spend but rather a reasonable estimate of possible costs based on a range of assumptions. The position on redundancy payments at the end of phase 1 have been finalised at £1,038,704 plus additional future pension strain costs of £160,272. This averages at £54,499 person for the 22 redundancies. However, this first tranche of redundancies included management roles, which naturally presented higher than the average, the financial modelling for redundancies overall remains within target.

Transformation of Area Working - Area+

19. SSDC has a proud history of Area working, first established in the early 1990s and evolving over a 25 year period. The Area working system was established to recognise that South Somerset is geographically a large district encompassing a diverse set of communities, ranging from larger urban Areas such as Yeovil to small, relatively isolated rural settlements in the north of the district.
20. The needs of these communities are individual, including relatively high levels of deprivation in the urban areas of the south and west, and access to transport and services in rural parts of the district. Therefore, whilst there are district wide needs, there are also distinct local community needs. Whilst it is appropriate for some Council delivery and services to be homogenous across the district, it should not be “one size fits all”, and delivery should be tailored to different local requirements.
21. Through Transformation, the concept of “Locality Working” has also been introduced as a fundamental part of the new business model. It should not be regarded as replacing Area Working, but as an addition and an enhancement to Area Working - hence the use of the term Area+.

22. The purpose of Locality Working as set out in the Business Case and Future Operating Model is:

- To meet local priorities within the Council Plan
- Provide a responsive and high profile presence in the community
- Deliver locally tailored inspection and enforcement
- Respond to customers
- Proactively resolve issues on the ground and reduce service requests

These operational considerations have been blended together with the legacy of SSDC Area Working to form the basis of the proposal for Area+

23. The proposal for Area+ working was issued to all Members on 22nd February 2018. This document sets out a proposal on how Area+ will work in the future in SSDC. The proposal has been drafted following discussions of the Transformation Member Working Group, a survey of all Members and discussions with officers in the new structure and working methods, concerned with delivery at a local level.

24. Making Area+ an integral part of the new operating model ensures that the legacy of successful Area Working and the new opportunities of Locality Working can be woven into the redesign of service delivery and embedded into strategy development and corporate planning. An outline implementation plan and associated communication plan have been approved by the Transformation Programme Board, these plans will be incorporated into the Transformation Programme Management, governance and reporting routines so that progress can be monitored and dependencies managed effectively.

Financial Implications

25. There are no direct financial implications related to this report. The programme remains in budget and is forecast to deliver the expected financial savings.

Risk Matrix

26. A programme risks are actively managed through the programme risk register and monitored through the Programme Board and High Level Steering Group. The current heat map is as follows:

Catastrophic					
Major					
Moderate			7		
Minor		4			
Insignificant					
	Remote	Unlikely	Possible	Probable	Highly Probable

Council Plan Implications

27. This report is consistent with the Council Plan 2016 – 2021. Transformation is a priority of the current Plan.

Carbon Emissions and Climate Change Implications

28. There are no direct implications

Equality and Diversity Implications

29. There are no direct implications in this report. The redesign of services will require impact assessments to ensure new service delivery options meet with all relevant requirements. The assessment process is embedded into the service redesign work stream.

Privacy Impact Assessment

30. There are no direct implications

Background Papers

31. Reports to District Executive and Transformation Programme Board as mentioned in this report.

Agenda Item 7

Asset Transfer Policy revised to: The Asset Disposal and Community Asset Transfer Policy

Executive Portfolio Holder: Henry Hobhouse, Property, Climate Change and Income Generation
Director: Clare Pestell, Commercial Services and Income Generation
Service Manager: Caroline White, Commercial Property, Land & Development Manager
Lead Officer: Caroline White, Commercial Property, Land & Development Manager
Contact Details: Caroline.White@southsomerset.gov.uk or 01935 462538

Purpose of the Report

1. This report is to inform members of a revised policy, with embedded procedure and governance, that streamlines the asset disposals and community asset transfer processes.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of the 5 April 2018.

Public Interest

3. This report introduces the revised Asset Transfer Policy, which is now the "Asset Disposal and Community Asset Transfer Policy". The aim of this report and accompanying revised policy is to inform the District Executive of the proposed new process and governance for assisting SSDC's Property team to ensure the asset stock is of good quality and fit for purpose in accordance with the approved Commercial Strategy 2017-2021.

Recommendations

4. That the District Executive:
 - a. Approve the replacement of the existing Asset Transfer Policy with the Asset Disposal and Community Asset Transfer Policy;
 - b. To note there is a requirement to change the Financial Procedure Rules to accommodate the financial delegated authority limits in this policy which the Disposal Assessment Group will adopt;
 - c. Recommend to Full Council the acceptance of the changes required in relation to the delegated authority limits to the Financial Procedure Rules detailed in this report (paragraphs 14-16).

Background

5. The purpose of revising the Asset Transfer Policy and creating the new Asset Disposals and Community Transfer Policy is to align it with the Commercial Strategy adopted in August 2017 and to include a process and new streamlined governance for asset disposals on the open market. Historically SSDC have transferred land to the community to facilitate schemes they wished to develop. However, the Commercial Strategy and Performance Management Indicators paper (District Executive March 2018) has also highlighted the need to assess our assets to ensure they are performing well in line with the approved strategy. For the purpose of this policy, assets are deemed as land or property that SSDC owns. For reference, the Ministry of Housing,

Communities and Local Government produced a guidance paper “Local Authority Assets Disposal Guidance March 2016”. The full report can be found via the following link;

<https://www.gov.uk/government/publications/local-authority-assets-disposal-guidance>

6. In light of the Commercial Strategy and Income Generation aspirations it was necessary to ensure the assets are reviewed against Performance Management Indicators. This will enable the Property Team to investigate how an asset performs against nine Performance Management Indicators, which can be found in the Table 1 below.
7. Once assets have been assessed as suitable for Community Asset Transfer or Disposal a clear process will be followed and, if appropriate, approval recommended to proceed by the Disposal Assessment Group (DAG), in consultation with the relevant ward member(s). The DAG comprises the Director of Commercial Services and Income Generation, Monitoring Officer, Section 151 Officer, Commercial Property, Land and Development Manager and the Portfolio Holder for Property, Climate Change & Income Generation.
8. The DAG procedure and governance will allow a recommendation to the Chief Executive, in consultation with the Council Leader, to have delegated authority to approve disposals up to an individual asset value of £250,000 for Non-Investment Properties or up to £10,000,000 for Investment properties (in line with the IAG delegated authority already approved for acquisitions of Investment properties, and enabling effective management of the investment portfolio and its long term performance). Disposals expected to achieve a value in excess of £250,000 for Non-Investment properties or in excess of £10,000,000 for Investment properties would be referred to the District Executive for approval.
9. The DAG procedure and governance will also permit transfers to Registered Social Landlords (RSLs) for social housing or associated parking up to £250,000 per unit. Transfers above this value or outside of policy will require District Executive approval. All delegated disposal decisions will be formally reported through quarterly performance reports and a briefing note to all members prior to any press release.

Table 1 – SSSDC Property Management Indicators on which to rate assets

PMI1a	Measure of Operational and Community Property These are properties used for the delivery of direct or indirect Council services.	This measures and compares the Opportunity Cost of the asset by area. The Opportunity Cost is the amount of capital tied up in the asset, and can be based on its current Asset Value as used for accounting purposes.
PMI1b	Measure of Operational and Community Property Measure of investment need per M2/hectare/space (adjusted as above)	This measure looks at what needs to be spent on the property going forward, so a high figure above the average indicates a significant expense compared to other properties within the portfolio.
PMI1c	Measure of Operational and Community Property Measure of revenue opportunity cost per M2/ha/space.	This looks at the market rental that could be secured, if the property were let, against the current income, to identify any hidden cost in terms of revenue foregone, so that this hidden cost can be compared between assets.

PMI1d	Measure of Operational and Community Property Measure of running cost per M2/ha/space.	This provides an indication of the efficiency of the building from an operational point of view. If a building displays high running costs, but is otherwise effective, then this can inform investment decisions to seek to improve its overall efficiency, such as investment in better windows, new boilers etc.
Together PMI's 1 a-d provide an overview of the financial performance of the operational and community asset portfolios, with poor performers identified against each measure. This will enable those performing poorly across all measures to be identified, and for an informed view to be taken where performance is only poor, say, against one of the 4 indicators.		
PMI1e	Measure of Operational and Community Property Measure of occupancy of operational and community property.	This aims to look at whether the property is a suitable size for its current use, and to identify property that is underutilised. To develop a comprehensive baseline will require resources to undertake an assessment of use appropriate to the individual sub-categories of property within the wider operational and community portfolios. This will then enable measurement and comparison to take place.
PMI2a	Measure of investment property Net revenue as a return on investment.	This looks at the % return on investment secured from a property held primarily for investment purposes, and aligns performance with the criteria applied for acquisition and investment.
PMI2b	Measure of investment property Change in capital value over previous year.	This looks at the capital value of the investment year on year against market conditions to see if this is going up or down. The baseline asset values and purchase prices are known, but the assessment cannot be made against the baseline until the next asset valuation is carried out.
PMI3a	Measure of strategically held property Years held, and anticipated time until strategic objectives are achieved	Strategic property is held for a purpose, usually associated with enabling regeneration or wider policy objectives. If nothing is happening, its benefit is not being delivered, therefore the time to achieving the benefit is a reasonable measure of performance. Clearly this may be influenced by wider matters, but will help to highlight areas of activity so interventions can be made, or strategies reconsidered to secure the desired outcomes.
PMI3b	Measure of strategically held property Net holding cost per annum per M2/ha/space.	This can be assessed by dividing the annual revenue costs of the asset by the M2/ha/space as appropriate. This identifies those strategic properties which are costing the most to continue to hold on a comparative basis and coupled with the timescale for delivery of objectives will inform which strategic properties should be prioritised or reconsidered to improve financial efficiency.

Key processes

10. The policy gives delegated authority and a governance structure to the Disposals Assessment Group (DAG) in order to ensure disposals are considered appropriately by a senior team and approved in a timely manner, as to prevent any loss of interest from purchasers or community bodies and to create efficiencies. If delegated authority for disposals isn't granted to the DAG and approval has to wait until the next District Executive meeting there is a risk SSDC cannot meet the required timescales of a sale.
11. Therefore, it is in SSDC's interest to streamline the disposals process but with appropriate checks and balances at a senior level before proceeding, including the important requirement of achieving best consideration. The proposed governance procedure mirrors the Investment Assessment Group that has already been approved by District Executive.

The Community Asset Transfer approval process is as follows;

- I. Community Group to access basic information on Community Asset Transfers from SSDC website. Group contacts SSDC, Locality Team or Commercial Property, Land and Development Manager. Relevant Area Member is informed, and SSDC approaches a community group with an asset offer.
- II. Initial assessment against policy criteria and checklist.
- III. Commercial Property, Land and Development Manager and relevant Locality Officer to provide details to the Disposals Assessment Group for an initial view and agree due diligence required.
- IV. Further work on any issues raised by internal consultants e.g.: improvements to business plan, ensuring appropriate governance and legal structures are in place (e.g. Incorporated Charity Status).
- V. Commercial Property, Land and Development Manager to circulate documents to SSDC Disposal Assessment Group (DAG).
- VI. Commercial Property Team to draft DAG report, consult applicant, Locality Team and other SSDC Officers, Portfolio Holder, Area Chair and relevant Ward Member(s). Report is presented to DAG for approval.
- VII. DAG majority approval of report required in order to submit to CEO for decision, sign off in consultation with Council Leader.
- VIII. Proceed with community asset transfer, Commercial Property Team to lead. Heads of Terms drafted and sent to solicitor. Condition survey completed.

The Disposals approval process is as follows;

- I. Annual review mechanism undertaken by the Commercial Land Property and Development service, highlights property assets for disposal, in accordance with the approved Commercial Strategy.
- II. Commercial Land and Property Manager considers wider policy implications and appropriate method of disposal/route to market, and provides details of the review together with completed Asset Sale Appraisal Forms to the Disposal Assessment Group (DAG) who may agree

disposals in principle, approve or request further information. Area Chair/ward members to be advised and invited to comment.

- III. If appropriate the Commercial Land and Property Manager circulates any additional information requested.
- IV. Commercial Land and Property Manager drafts summary Disposal Assessment Group Report listing assets approved for disposal.
- V. DAG majority approval of the report proposal is required prior to submitting recommendation to Chief Executive. Report makes recommendation to Chief Executive for decision; sign off is in consultation with Council Leader. Except in the case of disposals in excess of £250,000 for Non-Investment Properties or in excess of £10,000,000 for Investment properties which will be referred to the District Executive for approval.
- VI. Proceed with disposal – Commercial Property Land and Development Manager to lead. Heads of Terms drafted and sent to group/solicitor. Condition Survey completed.

CONCLUSION

- 12. If SSDC are to improve the quality of its portfolio, it is necessary to routinely assess each asset's merits and dispose of stock that is no longer viable, therefore reducing risk and liability to SSDC. Where a community group have aspirations to take on an asset, and can demonstrate the ability to successfully own and manage that asset, we have the ability to support the local communities in their goals. Similarly, where SSDC believe that an asset is suitable for Community Asset Transfer, due to its considered social value or local strategic importance for example, SSDC can choose to offer an asset to the community for transfer.
- 13. Where SSDC have assets that are suitable for disposal on the open market there is the opportunity to generate a capital receipt that could be used for a number of purposes, including investing into new income generating investments or corporate regeneration initiatives. Therefore the purpose of the recommended revised policy is to improve process and governance and facilitate an efficient use of assets in accordance with the approved Commercial Strategy, and to enable effective management and performance of the investment properties portfolio.

Financial Implications

- 14. There are minimal alterations required to the Financial Procedure Rules, however the levels of delegated authority DAG would hold if the policy is approved, would need to be revised to reflect this policy and report. The S151 officer has been consulted and is in agreement with the changes. Below is a table of disposal limits DAG could authorise subject to approval of delegated authority by Full Council. In addition, it includes information on when District Executive should authorise a Community Asset Transfer or Disposal.

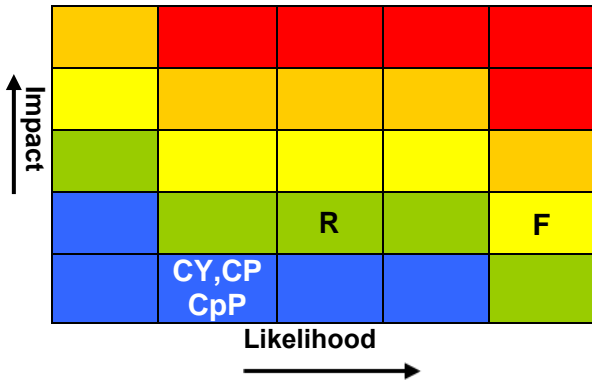
Financial Procedure Rules	Procedural requirements
Disposals of up to £250,000 for Non-Investment Properties except to RSLs, or up to £10,000,000 for Investment Properties	Completion of an Asset Sale Appraisal Form Meet any requirements stipulated by DAG review Approval via DAG Procedure/CEO sign off
Transfers to RSLs up to £250,000 (for social housing or associated parking)	Completion of an Asset Sale Appraisal Form and follow agreed policy Approval from S151 Officer and Portfolio Holder Strategy & Policy Approval via DAG procedure/CEO sign off

Transfers to RSLs above £250,000 (for social housing or associated parking)-	Approval via DAG procedure/CEO sign off Or outside policy - District Executive Approval
Disposals under the Community Asset Transfer Policy	Approval via DAG procedure/CEO sign off Or outside policy - District Executive Approval
Disposals above £250,000 for Non-Investment Properties except to RSLs, or above £10,000,000 for Investment Properties	Completion of an Asset Sale Appraisal Form Meet any requirements stipulated by DAG review District Executive report recommending approval
Disposals at less than best consideration.	<p>With the exception of transfers to RSLs under £250,000 (for social housing or associated parking) or disposals outside of policy, the Commercial Property, Land and Development Manager in conjunction with the relevant Portfolio Holder and Director of Commercial Services and Income Generation, report to the DAG requesting approval to proceed with the disposal.</p> <p>In such circumstances either the use of a specific or general disposal consent is required or a Qualifying Meeting (as defined in General Disposal Consent of 2003) is required before the disposal can be completed. In addition to any other circumstances where the recommendation is to accept a tender which is other than the tender which offers the best consideration reasonably obtainable.</p> <p>Approval via DAG procedure and governance.</p>
Receipts from sales of assets where values less than £10,000.	Net proceeds credited to the appropriate revenue budget.
Receipts from sales of assets where values £10,000 or more	<p>Where permitted under the Statutory Guidance on the Flexible Use of Capital Receipts (updated) March 2016 net receipts can be used to fund revenue costs up to and including 31 March 2022, provided the expenditure meets the requirements for qualifying expenditure under this guidance.</p> <p>After 31 March 2022 or where the proposed expenditure does not meet the qualifying requirements net receipts will then be distributed according to corporate priorities.</p>

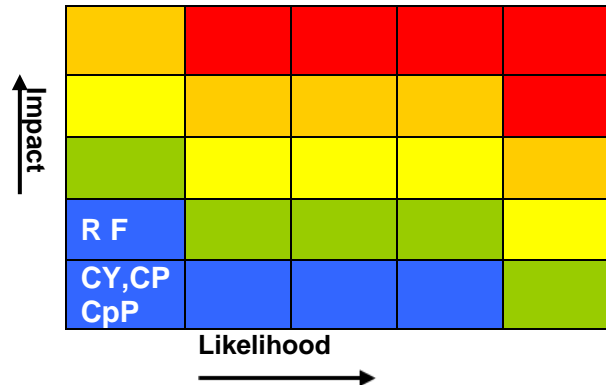
15. The existing, long-standing limits are covered within Financial Regulation 13.2. Currently District Executive approval is required for:
- disposals where estimated value is expected to exceed £10,000;
 - transfers to Registered Social Landlords that are expected to exceed £100,000;
 - all disposals made under the Community Asset Transfer Policy;
 - disposals at less than best consideration, excluding to RSLs.
16. It is recommended that Financial Regulation 13.2 is updated to reflect the revised limits proposed in paragraph 14 above.

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

17. This revised policy links to the corporate plan's aims to:-

- Protect core services to the public by reducing costs and seeking income generation.
- Protect and enhance the quality of our environment.
- Putting the customer and community first when developing plans and services
- Supporting people and communities, enabling them to help themselves.

Carbon Emissions and Climate Change Implications

18. By disposing of stock that is energy inefficient removes the carbon consumption debt of the council's property assets. Our aim is to retain stock that is structurally, environmentally and economically efficient.

Equality and Diversity Implications

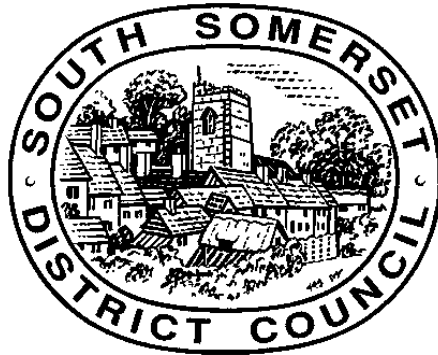
19. The Policy is subject to an Equality Analysis Assessment, which is attached.

Privacy Impact Assessment

20. It is unlikely any personal data will be shared during the disposals policy; any personal data will be protected in accordance with the general Data Protection Regulation May 2018.

Background Papers

Commercial Strategy - August 2017



South Somerset District Council

Asset Disposal and Community Asset Transfer Policy

Version Details:	
Programme:	Refresh of Asset Transfer Policy to align it with the Transformation Programme and Commercial Land and Property Strategy 2017 resulting in a Disposals Policy which covers “Community Asset Transfers” and general “Asset Disposals”
Version:	1
Element Name:	
Owner:	Caroline White
Authorisation:	District Executive
Authorisation Date:	April 2018
Review Date	April 2022

SSDC Asset Disposal and Community Asset Transfer Policy

This policy replaces the existing Disposal Policy and Process for Council Owned Property. It was first adopted by SSDC District Executive in July 2007. It now links to the objectives of the 2017 Commercial Land and Property Strategy. The policy includes two sections: Section 1 covers Community Asset Transfer, Section 2 covers General Disposals.

The purpose of this policy is to provide a transparent, robust and strategic framework to enable Asset Disposal and Community Asset Transfer decisions to be made, together with a clear process for both SSDC and community organisations to progress with transfers/disposals, with long term sustainable benefits both to the Council and the community.

Disposals refer to Council owned assets that are sold on the open market for a financial consideration or otherwise transferred out of Council ownership. The aim is to enable SSDC to retain only sound assets that support the effective and efficient delivery of services, achieve corporate priorities or produce a healthy financial return each year in accordance with the Commercial Land and Property Strategy.

Certain assets that SSDC retain may have passed their useful lifespan, require too much maintenance, are no longer fit for purpose or were purchased historically for strategic or regeneration reasons that have now come to fruition. This policy sets out the process for assessing an asset for general disposal (Disposal) or community asset transfer (CAT).

Background

Local authorities have discretionary powers under the Local Government Act 1972 to dispose of land in any manner they wish, normally for the “best consideration” obtainable. However, the General Disposal Consent 2003, permits the local authority, in certain circumstances, to transfer land at an “undervalue” or “less than best consideration” without the need to seek specific permission from the Secretary of State. This is subject to the condition that the “undervalue” does not exceed £2 million and that land is held under powers which permit disposal under the 1972 Act.

Under the Act, the authority can transfer its land/property at less than best consideration if it is likely to contribute to the achievement of any one or more of the following:

1. the promotion or improvement of economic wellbeing;
2. the promotion or improvement of social wellbeing;
3. the promotion or improvement of environmental wellbeing.

These discretionary powers can be applied to both general Disposals and Community Asset Transfers

Section 1 Community Asset Transfers

Community Asset Transfer (CAT) refers to the ability of local communities to acquire land and buildings from the local authority property portfolio, normally at a discount, in order to deliver local services that meet local needs.

Context

The Localism Act (2011) created new rights for local communities including the framework for the Community Right to Bid and the Community Right to Challenge. The Act has strengthened the rights of communities to be proactive in proposing changes to the way services are delivered and local authorities are obliged and encouraged to positively consider those proposals.

The Council recognises that the way in which its physical assets are managed can have a significant impact on local services. The Council considers community organisations as key partners in the delivery of services and recognises the role of community organisations in ensuring strong, sustainable and cohesive communities.

Tackling the Challenges, the SSDC Council Plan 2016-21, incorporates values which reflect the ethos which underpins community asset transfer:

- *Putting the customer and community first when developing plans and services*
- *Supporting people and communities, enabling them to help themselves.*

This thread continues in the Health and Communities focus area where the Council pledges to *support communities so that they can identify their needs and develop local solutions.*

The spectrum of CAT options can range widely, from short-term leasehold to freehold acquisition. Under previous policy SSDC has chosen to only consider transfers on a leasehold basis however it is proposed to consider both freehold and leasehold options, potentially with covenants defining future use conditions. The Council recognises that there are circumstances where the transfer of a freehold interest can enhance community benefit, as this can extend the funding options open to an organisation. Consideration of such benefit is reflected in the assessment criteria for Community Asset Transfer.

What are the benefits of CAT?

Community benefits of acquiring assets include:

- the ability to plan longer term, generate income and develop the capacity of local groups – strengthening the local community, local communication and involvement;
- providing greater financial stability through having ownership (or long term security through a lease) of a physical asset. This financial sustainability can help the organisation become less dependent on grants, provide collateral for further borrowing and opportunities for further growth;
- ability to attract external grants/funding currently not available to local authorities;

- using local trades people to restore and maintain buildings, the benefit of which is likely to be lower overhead costs and a reinvestment of money in the local economy.
- providing a more accessible and responsive base from which to deliver local services;
- delivery of social, economic and environmental benefits in response to local community needs such as providing local employment and purchasing opportunities;
- advancing neighbourhood community/regeneration plans or encouraging new business.

Benefits to SSDC include:

- attracting new investment into an area and providing an impetus for wider regeneration activities in the area;
- the sustainable refurbishment of a number of otherwise out dated buildings, redesigned and managed to meet the needs of the local community;
- provision of opportunities for more flexible, responsive service delivery out in local communities;
- reduction of property liabilities including maintenance and security costs;
- reduction in grants currently “silted up” in payments to organisations renting properties from SSDC;
- better partnership working with the third sector;
- improved sense of place and maintaining quality of place where it might otherwise depreciate in the face of spending constraints.

Typically, organisations that would be considered appropriate are Voluntary and Community Groups/Associations, Trusts or Charities, Social Enterprises or regeneration groups and Community Interest Companies. Transfers to Town or Parish Councils are also considered.

A request to transfer a SSDC Council asset to one of the above bodies must:

- Support the aims and priorities of SSDC to enable efficient and effective service delivery
- Provide added value/benefit to the local community and reduce costs for SSDC by improved operations at a local level
- Facilitate improved efficiency and effectiveness in service delivery when viewed from the perspective of all involved councils
- Ensure that the organisation requesting the transfer has the capability and capacity in place to manage both the asset and/or service to be transferred. This can be established in advance through the active partnering process.

To be successful, asset transfer requires a long-term partnership approach on the part of the council and the community organisation.

Risk

Not every building or piece of land will be an asset for the community, in fact some will represent liabilities (e.g. poor condition, wrong size/location/configuration, listed, expensive to maintain etc.). This could result in a drain on resources, generating too

little income and potentially set a valued community group up for failure, or detract from their primary focus.

To mitigate any risk, the community group will need to provide a robust business plan that is deemed to be achievable. Equally, SSDC will make a full assessment of the asset condition and future maintenance liabilities and will provide timely information on historical running costs and condition surveys, to assist groups in preparing their business case. (A template is provided at Appendix 1 to assist organisations in developing their business case).

Community access to assets should not be restricted through the process of transfer. Legal agreements should be in place to ensure they are not sold on or privately appropriated, except with the authority's consent and relevant financial clawback provisions, notwithstanding, that 'asset-lock' provisions are provided in the common legal forms that guarantee assets remain in community benefit in perpetuity.

In some cases, an asset transfer could mean the loss of rental income to SSDC. However, asset transfer may lead to a reduction in both the Council's property costs and the grant monies currently paid to organisations renting those properties.

The CAT Policy

- The Council will review its ownership of land and property and explore ways of achieving community objectives through asset transfer, recognising that "best consideration" in terms of asset use and disposal is not necessarily always measured simply in monetary terms.
- Using discretionary powers the Council will (where appropriate and compatible with the General Disposal Consent 2003) include the option of community management or ownership within the options appraisal process for surplus, underused or other suitable assets where such disposal is likely to contribute to the promotion or improvement of the economic, social or environmental wellbeing of its area where:
 - a community partnership (or trust) can be entered into based on public access to and use of an asset;
 - the local body, group or association is properly constituted and managed and is prepared to enter into an appropriate agreement with the Council; (For charities see note below)¹;
 - the group provide a business plan that is acceptable to the Chief Finance Officer (S151 Officer for SSDC); *the business plan must be realistic and include no future expectation/request for funding from SSDC, unless wider service re- design makes it desirable to do so, or new project work which is suitable for a grant application is proposed. Where the business plan is a radical change from before the transfer, the group need to demonstrate their ability to raise the revenue. Evidence will be needed to reflect future maintenance and ability to fund repairs.*

¹ The Charities Act 2006 introduced a new form of incorporation for charities to reduce the administrative burden of registering both with the Charity Commission and Companies House, called the Charitable Incorporated Organisation (CIO). This gives the charity a separate legal identity from that of its trustees, which is often seen as appropriate for organisations managing buildings.

- there is evidence that both the future management of the building and the services delivered would improve/respond better to local needs;
- Transfers will be on a tenure basis appropriate to the specific circumstances. The preference remains for transfers to be on a leasehold basis, however freehold transfers will be considered where this has clear financial benefits.
- Where land or buildings may have future development value the Council will covenant with the group to safeguard its long-term interests.
- Before consideration of asset transfer, in each instance, the Council will:
 - assess the building's condition and future maintenance liabilities;
 - ensure that legal agreements are in place to ensure the asset(s) are not sold on or privately appropriated, except with the authority's consent and relevant financial clawback provisions.
- Where the property is transferred on a leasehold basis SSDC will continue its annual inspections, in particular in relation to the general maintenance of the property, in accordance with its obligations as a landlord.
- The Disposal Assessment Group and/or District Executive will have absolute discretion in determining those assets that can be considered for transfer.
- Each party will bear their own legal costs.

Implementing the Policy

It is likely that enquiries will in the first instance be made through the SSDC Area Development working arrangements as relevant officers are generally in regular contact with community groups/organisations seeking to benefit from asset transfer.

To ensure that the policy is implemented consistently, and any opportunities for asset transfer fit within SSDC's legal and policy framework, the following criteria/checklist should be implemented:

Criteria	
Do the multiple benefits of transfer, for the group, the Council and the community fit with the Council's Corporate Priorities?	Yes/No
Is there already a strong partnership between the Council and the relevant organisation? <i>NB. It is important that there is historically a strong partnership which shows a good track record of service delivery, governance and financial management, or, if a new group, the track record of the lead individuals will be considered</i>	Yes/No
Does the Council currently own the asset? <i>The asset must be held under powers which permit disposal under the 1972 Act and is compatible with the General Disposal Consent 2003</i>	Yes/No

Does the transfer comply with state aid rules? <i>The Council must ensure that the nature of the “subsidy” complies with state aid rules, particularly if there is no element of competition in the disposal process</i>	Yes/No
Is the transfer to one organisation only? <i>NB. Assets will only be considered for transfer to one party/accountable body</i>	Yes/No
Is the Voluntary, Community, Social Enterprise (VCSE) of the following: <ul style="list-style-type: none"> • An incorporated organisation e.g. Company Limited by Guarantee, Charitable Incorporated Organisation, Industrial Provenant Society, Co-operative Societies or Community Benefit Societies • Town or Parish Council <i>NB. Evidence of the legal status of the organisation must be provided. We can advise on this.</i>	Please state
Has initial feasibility work with the relevant locality officer and the Commercial Property, Land and Development Manager been undertaken? Is the asset the most appropriate to meet the needs of the VCSE sector and wider community? <ul style="list-style-type: none"> • Will the asset offer real opportunities for successful and independent VCSE sector organisation to become more sustainable in the longer term? • Will the asset provide opportunities for improved service delivery? • Will the asset provide improved access to third party funding? 	Yes/No
Does the VCSE sector organisation have the capacity to manage the asset effectively? Have the risks been assessed? <i>A detailed Business Plan is required in the form set out in Appendix 1</i>	Yes/No
Will the asset be made fully available to a wide range of local groups/people, especially those working with disadvantaged communities? <i>As set out in the business plan and constitution of the managing group</i>	Yes/No
Will the asset be maintained / refurbished appropriately? Is there a future maintenance plan and the ability to fund repairs? <ul style="list-style-type: none"> ○ to reflect the needs of users ○ to reflect sustainability e.g. use of materials, waste reduction, minimise energy use. <i>Evidence must be provided. NB. SSDC will carry out a full condition survey prior to any transfer.</i>	Yes/No
Is there adequate insurance cover? <i>Evidence must be provided</i>	Yes/No
Have all the suitable transfer arrangements been explored (e.g. Tenure, length of lease, partnership opportunities, Trust options, limitations on disposal etc)	Yes/No
Do the objectives of the VCSE sector organisation meet with the Council's Corporate Aims & Objectives, and fit with SSDC policies on Community Grants?	Yes/No
Has the Council covenanted where land or buildings may have future development value, to safeguard its long-term interests?	Yes/No
Has SSDC assessed the building's condition and future maintenance liabilities?	Yes/No

Are the relevant legal agreements in place to ensure the asset(s) are not sold on or privately appropriated, except with the Council's consent and have relevant financial clawback provisions been agreed?	Yes/No
Do both parties agree to pay their own legal costs involved in the transfer?	Yes/No

Below is the flow diagram of how a Community Asset Transfer should be initiated.

Community Asset Transfer – SSDC Process



Section 2 General Disposals

Introduction

The Council's Commercial Land and Property Strategy introduced in 2017 sets out the following clear principle guiding the retention and acquisition of assets;

'Property should only be held or acquired where there is a clear, operational, economic or financial justification, and where it represents value for money'.

The strategy sets out a review mechanism to monitor the performance of the Council's assets (both operational and commercial). This mechanism allows performance to be categorised and measured to inform decision making and drive improvement over time. In essence, it sets the parameters for review, such that any property that fails the test will be identified as surplus for disposal. Surplus assets will be disposed of on the open market or via Community Asset Transfer as appropriate. This ensures that valuable capital and revenue is not tied up in property for no justifiable reason.

Performance Review

A set of performance measures has been developed to assess the relative performance of SSDC's various assets within each property type and category within the portfolio and will be reported to the District Executive at least annually. The Performance Measures table is included at Appendix 2.

The measures identified are targeted at highlighting both overall poor performance, and specific areas of poor performance so further detailed investigation can be prioritised where improvement will make the most difference. The measures can be adjusted to target the performance level required for the Council's property portfolio. The performance review enables comparison of assets and a ranking to be established, dictated by the expected useful life of an operational asset. Further sifting can be used to identify the worst performers in each category/property type, so the future of these can be prioritised for consideration.

In tandem with performance monitoring, a detailed condition survey will be undertaken for each council owned property at least once every 5 years. The results of this will inform the preparation of a planned maintenance programme which will identify the anticipated expenditure according to an appropriate standard for each property. The Value for Money Maintenance Policy is summarised at Appendix 3.

In parallel with this policy, the monitoring of expenditure should take place year on year to enable true building performance to be established, and to support informed financial planning for property maintenance or selection for disposal.

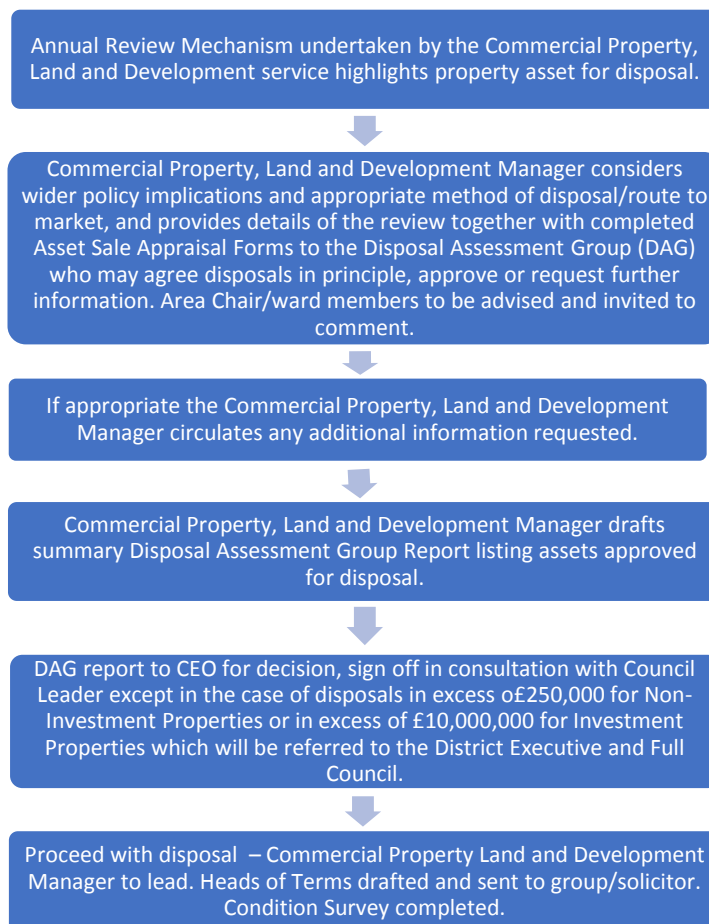
General Disposal Governance

The Commercial Strategy recommends streamlining of governance structures to enable faster decision making. In terms of investment decisions this has been translated into a level of delegation that avoids the need for every potential transaction to be referred through long decision-making chains. The body overseeing the process is the Investment Assessment group (IAG).

The ambition is to bring the asset disposal policies in line with the same governance that is applied to investment acquisitions. To this end, a Disposal Assessment Group (DAG) will be established which will work in parallel with the Investment Assessment Group (IAG). The group will mirror the composition of the IAG and comprise the Executive Portfolio Holder for Property, Climate Change and Income Generation, Director of Commercial Services and Income Generation, the Monitoring Officer, the Section 151 Officer and the Commercial Property, Land and Development Manager. The group will meet monthly or as required and a majority approval for recommendations to CEO must be agreed by the group for it to proceed. It will recommend the disposal of land and property to the CEO for approval in consultation with the Council Leader.

The approval procedure for identifying property for disposal is set out in the process chart below and the rules laid out within Section 13.2 of the Council's Financial Procedure Rules.

In summary the DAG procedure will allow the CEO, in consultation with the Leader, to have delegated powers to agree disposals up to an individual value of £250,000 for Non-Investment Properties or up to £10,000,000 for Investment. Disposals expected to achieve a value in excess of £250,000 for Non-Investment Properties or in excess of £10,000,000 for Investment would be referred to the District Executive and Full Council. The DAG procedure will also permit transfers to RSLs (for social housing or associated parking) up to £250,000 per unit. Transfers above this value or outside of policy will require District Executive proposal. All delegated disposal decisions will be reported to the first available District Executive and Full Council after both approval and the subsequent Disposal Approval Procedure.



In assessing the particular approach to be adopted for each disposal, regard will be given to the **DCLG Local Authority Disposal Guidance**, March 16 edition (or as updated from time to time). This sets out the disposal methods to be considered, including:

- Formal Tender
- Informal or Negotiated Tender
- Public Auction
- Private Sale
- Exchange of Land

The guidance also highlights the need to consider the benefits of outright disposal in comparison to other delivery models, including partnership arrangements, direct investment and delivery, and working with other public-sector bodies. Particular consideration will be given to the One Public Estate initiative, and other wider national policy priorities.

Conclusion

Combining General Asset Disposals with Community Asset Transfers into one document provides a succinct guide for SSDC and interested parties to understand the differing approaches to the types of disposals, how they are processed, governed and completed. It acts not only as a policy but as a procedure note for reference.

Disposals are a necessity in order to ensure SSDC retain quality assets that are not a financial, resource or liability drain. By routinely assessing the performance and viability of assets, SSDC lower spending and secure operational efficiencies, which facilitates investment into future assets that generate an income.

References

ODPM, 2003. Circular 06/03: Local Government Act 1972 General Disposal Consent (England) 2003 disposal of land for less than the best consideration that can reasonably be obtained. See www.communities.gov.uk

Communities and Local Government, 2006. *Strong and Prosperous Communities: the Local Government White Paper*. See www.communities.gov.uk

Department of Trade and Industry, 2002. *Social Enterprise: a strategy for success*. See www.dti.gov.uk

Office of the Deputy Prime Minister and Home Office, 2006. *Communities Taking Control: Final report of the Cross-sector Work Group on Community Ownership and Management of assets*. See www.communities.gov.uk

Thake, S., 2006. *Community Assets: The Benefits and Costs of Community Management and Ownership*, London, Communities and Local Government. See www.communities.gov.uk

Communities & Local Government, 2007. *Making Assets Work – the Quirk Review of Community Management and ownership of public assets*

Big Lottery. *Community Assets Fund Consultation Document (2007), guidance notes (2007) and evaluation (2009)* see www.biglottery.org

Teignbridge District Council *Teignbridge Asset Disposal Programme MJ Awards 2009*

APPENDIX 1 BUSINESS PLAN TEMPLATE

Business Plan

The following should be completed by organisations in support of their CAT application. The level of detail provided in each section will vary according to the type and scale of the project.

Please expand boxes as required.

Project Name:	
Organisation:	
<p>Executive Summary</p> <p>This should provide a concise summary of the overall project business plan which highlights the most important features of the project including:</p> <ul style="list-style-type: none"> • A short description of the scope of the project including what it will do, what it will achieve and who will benefit from it. • A summary of how the project will be delivered including timetable, budget and resource considerations. • A Summary of the key stakeholders and partners for the project. 	
<p>Organisation and Management</p> <p>Provide an outline of the Organisation's aims, objectives and legal status. Provide details of other similar projects delivered by the organisation including how successful they were.</p> <p>Describe:</p> <ul style="list-style-type: none"> • The services and/or activities the organisation currently provides, how these are delivered and who benefits from them. • The Organisation's management structure, decision making process and key lines of communication or reporting. • Roles and responsibilities of the board members or trustees and senior management team including skills, experience and knowledge. • How the community is involved in the management of the Organisation. • Catchment area for the Organisation. <p>List the policies, systems and procedures in place, i.e.</p> <ul style="list-style-type: none"> • Health and Safety • Equal Opportunities • Environmental principles • Financial policy and agreements • Booking and hiring procedures (if appropriate) 	

<p>Project Background</p> <p>Describe how the project has been developed to date with reference to any relevant studies or research that has been carried out.</p> <p>Describe the options that were considered for delivering the proposed outcomes and the reasons for choosing the option proposed.</p>
<p>Proposal</p> <p>Describe the aims and objectives and targets for the project including the outcomes and benefits the project aims to achieve Describe how the project will support the Council's local priorities or supports national objectives as set out in the Local Outcome Agreement.</p>
<p>Community Needs</p> <p>Provide evidence of need. Consider:</p> <ul style="list-style-type: none"> • Where the project will be delivered. • Current gaps in service provision. • The target users or visitors – make reference to relevant market research and needs analysis. • The total number of people that experience the need that this project will address. • How barriers to participation will be addressed. • Links to any other projects locally, regionally or nationally.
<p>Project Resources</p> <p>Detail the resources required to deliver the project, i.e.:</p> <ul style="list-style-type: none"> • Staffing resources – include a staffing structure diagram and any training plans that need to be put in place; • Management and Supervision Resources- set out how staff, volunteers, partners etc will be managed, who will manage project finances, etc; • Volunteer resources – describe their role in the delivery of the project. <p>Also describe how the community will be involved in influencing what happens and taking part in decisions regarding the project.</p>

<p>Partnerships</p> <p>Identify other organisations and stakeholders involved with the Organisation including details of any partnership arrangements that might be in place to deliver the proposal. With partners describe their role, why they need to be involved, how the partnership will be managed, etc.</p>
<p>Asset</p> <p>Identify the asset required Outline proposals the Organisation has for the asset, i.e. building/ refurbishment. Describe the transfer arrangements required, i.e.:</p> <ul style="list-style-type: none"> • If lease what length of lease is required. • If transfer of ownership – how will this be done? Does this have any funding implications for the organisation/the Council?. <p>Highlight any planning issues the Organisation may be aware of. How will these be resolved?</p>
<p>Risk Assessment</p> <p>The project business plan should include an assessment of the risks associated with the project to see if there are any weaknesses and if there are any threats to the viability of the project. The business plan should detail each risk, assess the likelihood of it happening and its potential impact and the plan for dealing with the event should it occur.</p>
<p>Project Plan</p> <p>Provide a project plan or timetable for the non-capital elements of the project. This should include all the relevant activities or services of the project, stating when they are due to happen and how long they are likely to take. Include any planning and development work that may take place before the asset becomes operational.</p>

<p>Management Plan Provide a basic plan for the long-term sustainability of the asset once it is operational.</p>
<p>Project Costs A detailed cost plan for acquiring the asset should be provided with details of how this cost was to be funded.</p>
<p>Financial Appraisal The financial implications of running the project need to be considered including the expected income and expenditure. An indicative 3 year (or longer if appropriate) capital and revenue budget plan should be provided showing all anticipated grant funding, identifying whether this has already been secured and any other income expected, sources etc. The capital budget will cover the projected costs for developing the asset. The revenue budget must include staff costs and the costs of managing the asset as well as overheads and other specific items of expenditure. Include a cash flow projection to show the actual cash position of the Organisation for the current year and a projection for a further 2 years.</p>
<p>Marketing and Communications Strategy Explain what methods of communication will be used to market the asset and promote the activities of the Organisation.</p>
<p>Monitoring and Evaluation Describe how the project will be monitored and evaluated. Describe how this monitoring will be used to improve service delivery. Describe how the long term impact of the project will be evaluated.</p>

APPENDIX 2 – PERFORMANCE MANAGEMENT INDICATORS

PMI1a	Measure of Operational and Community Property These are properties used for the delivery of direct or indirect Council services.	This measures and compares the Opportunity Cost of the asset by area. The Opportunity Cost is the amount of capital tied up in the asset, and can be based on its current Asset Value as used for accounting purposes.
PMI1b	Measure of Operational and Community Property Measure of investment need per M2/hectare/space (adjusted as above)	This measure looks at what needs to be spent on the property going forward, so a high figure above the average indicates a significant expense compared to other properties within the portfolio.
PMI1c	Measure of Operational and Community Property Measure of revenue opportunity cost per M2/ha/space.	This looks at the market rental that could be secured, if the property were let, against the current income, to identify any hidden cost in terms of revenue foregone, so that this hidden cost can be compared between assets.
PMI1d	Measure of Operational and Community Property Measure of running cost per M2/ha/space.	This provides an indication of the efficiency of the building from an operational point of view. If a building displays high running costs, but is otherwise effective, then this can inform investment decisions to seek to improve its overall efficiency, such as investment in better windows, new boilers etc.
Together PMI's 1 a-d provide an overview of the financial performance of the operational and community asset portfolios, with poor performers identified against each measure. This will enable those performing poorly across all measures to be identified, and for an informed view to be taken where performance is only poor, say, against one of the 4 indicators.		
PMI1e	Measure of Operational and Community Property Measure of occupancy of operational and community property.	This aims to look at whether the property is a suitable size for its current use, and to identify property that is underutilised. To develop a comprehensive baseline will require resources to undertake an assessment of use appropriate to the individual sub-categories of property within the wider operational and community portfolios. This will then enable measurement and comparison to take place.
PMI2a	Measure of investment property Net revenue as a return on investment.	This looks at the % return on investment secured from a property held primarily for investment purposes, and aligns performance with the criteria applied for acquisition and investment.
PMI2b	Measure of investment property Change in capital value over previous year.	This looks at the capital value of the investment year on year against market conditions to see if this is going up or down. The baseline asset values and

		purchase prices are known, but the assessment cannot be made against the baseline until the next asset valuation is carried out.
PMI3a	Measure of strategically held property Years held, and anticipated time until strategic objectives are achieved	Strategic property is held for a purpose, usually associated with enabling regeneration or wider policy objectives. If nothing is happening, its benefit is not being delivered, therefore the time to achieving the benefit is a reasonable measure of performance. Clearly this may be influenced by wider matters, but will help to highlight areas of activity so interventions can be made, or strategies reconsidered to secure the desired outcomes.
PMI3b	Measure of strategically held property Net holding cost per annum per M2/ha/space.	This can be assessed by dividing the annual revenue costs of the asset by the M2/ha/space as appropriate. This identifies those strategic properties which are costing the most to continue to hold on a comparative basis and coupled with the timescale for delivery of objectives will inform which strategic properties should be prioritised or reconsidered to improve financial efficiency.

APPENDIX 3 – VALUE FOR MONEY MAINTENANCE POLICY

The objective of the Value for Money Maintenance Policy is to recognise the need for proper maintenance and the role this plays in protecting the suitability and value of the Council's portfolio, but also to ensure that money is not spent where it will not enhance value or benefit to the community and SSDC. The approach outlined can be used flexibly to allow for matters such as economies of scale, e.g. where a larger contract for works including a wider range of buildings can represent better value for money rather than applying the policy on a strict asset by asset basis.

South Somerset District Council		
Value for Money Maintenance Policy - Operational Property		
Maintenance Standard	Definition	Property anticipated useful life to the authority
Gold standard	Full Planned maintenance programme to address all wants of repair, meet service need and improve service delivery, and maintain the value of the asset	10+ years, and/or where Council has legal obligations to maintain to a good standard
Silver standard	Essential repairs, and desirable repairs where these have a direct impact on service delivery or the reputation of the authority. Reduced preventative maintenance for the longer term unless it is covered by an evidenced increase in value of the asset.	5-10 years
Bronze standard	Essential repairs and Health and Safety/statutory requirements only. Presumption against desirable repairs and long term preventative maintenance, except where these have a direct immediate impact on service delivery or the reputation of the authority.	0-5 years,
Value for Money Maintenance Policy - Other Property		
Commercial Property	Maintenance liability should wherever possible be passed to the occupier, and obligations actively enforced. Where direct maintenance is required, this should be to a standard to maximise value for money.	
Community Property	Wherever possible maintenance liability should be transferred as part of Community Asset Transfer. If retained, then the property is categorised as for Operational Property above, and the appropriate standard applied.	
Strategic Property	As this is intended for short term strategic intervention the Bronze Standard of maintenance will be applied	

SSDC Equality Analysis Template (2017)

Page 1: What is Equality Analysis?

Q1. Q1.1 Please describe the change that is the subject of this EqA i.e. the introduction of a new, or significant change to an existing, policy strategy, service or function .

SSDC have revised the Asset Transfer Policy to incorporate general disposals of council assets as well as community asset transfers.

Page 2: EQUALITY ANALYSIS (EA)

Q2. Q2.1 What information have you used to analyse the effects on equality, particularly in relation to protected groups?

We reviewed the existing policy and could find no issue that might be considered to be discriminatory.

We instructed external consultants with experience in similar local government policy to review our policy and make recommended revisions in their professional view to enhance inclusiveness and accommodate further flexibility, where/if possible in the consideration of asset disposals and the parties to which community asset transfers should be addressed.

During the revision of the policy we also referred to the Department of Communities and Local Government Guidance on disposing of Local Authority Assets (2016) for best practice.

Q3. Q2.2 What has this information told you about the potential effect on equality, particularly in relation to the protected groups?

Our existing policy was already considerate in terms of equality in relation to protected groups.

However, a wider definition of groups has now been considered, in particular for community asset transfers, to ensure that no specific community member, group or organisation is inadvertently excluded under the policy, to ensure equality of opportunity and foster good relations.

Q4. Q2.3 The Equality Act Aims to: Eliminate unlawful discrimination, harassment and victimisation Advance equality of opportunity Foster good relations With these three aims in mind, what is your assessment of the likely impact of the policy, strategy, service or function on the following?:

	Likely to benefit (Positive Impact)	Likely to disadvantage (Negative Impact)	No specific impact
People from different age groups			X
Men or women			X
Women who are pregnant or have recently given birth			X
People who have undergone, are proposing or are undergoing gender reassignment			X
People with disabilities or carers			X
People from different religions, belief or faith (including those with no belief)			X
People of different race or ethnicity			X
People who are lesbian, gay or bisexual			X
Marriage/Civil Partnership			X
People who are serving or have served in the armed forces and their families* (* this group is not protected by the Equality Act but are still potentially vulnerable or at risk of exclusion)			X

Q5. Q2.4 Where you have indicated a Positive or Negative Impact in Q2.3, please describe in more detail what the specific Impacts are.

N/A

Q6. Q2.5 What actions will be, or have been taken to either mitigate any negative impacts or create a positive impact as identified in Q4?

N/A

Q7. Q2.6 If there is a need to review the EqA, when do you propose to do this?

* 01/03/2022

Q8. Q2.7 How will you monitor the impact that the decision or policy has had on protected groups?

We will ensure community asset transfer decisions do not discriminate against protected groups, this will be monitored by the Disposals Assessment Group before granting permission to transfer/dispose of the asset.

Q9. Q3.1 Date and name of Officer Completing the EqA

* 20/03/2018

Name of Officer Completing the EqA and Date Completed
Caroline White

Q10. Q3.2 Date and name of the Line Manager/Senior Manager approving the EqA

* 21/03/2018

Name of the Line Manager approving the EqA
Clare Pestell

Q11. Q3.3 Date and Name of the Equality Coordinator signing off the EA

* 21/03/2018

Name of the Equality Coordinator
David Crisfield

Q12. Q3.4 Any Comments

The governance of this policy ensures that the proposal for any asset disposal is considered by the Disposals Assessment Group (DAG) prior to recommendation to proceed with disposal to the Chief Executive.

A formal report is prepared for each asset disposal, which is taken on a case by case merits approach. Equality considerations would be one of the matters to be considered in each report.

Agenda Item 8

District Executive Forward Plan

Executive Portfolio Holder: Ric Pallister, Leader, Strategy and Policy

Lead Officer: Angela Cox, Democratic Services Specialist

Contact Details: angela.cox@southsomerset.gov.uk or (01935) 462148

1. Purpose of the Report

1.1 This report informs Members of the current Executive Forward Plan, provides information on Portfolio Holder decisions and on consultation documents received by the Council that have been logged on the consultation database.

2. Public Interest

2.1 The District Executive Forward Plan lists the reports due to be discussed and decisions due to be made by the Committee within the next few months. The Consultation Database is a list of topics which the Council's view is currently being consulted upon by various outside organisations.

3. Recommendations

3.1 The District Executive is asked to:-

- I. approve the updated Executive Forward Plan for publication as attached at Appendix A;
- II. note the contents of the Consultation Database as shown at Appendix B.

4. Executive Forward Plan

4.1 The latest Forward Plan is attached at Appendix A. The timings given for reports to come forward are indicative only, and occasionally may be re scheduled and new items added as new circumstances arise.

5. Consultation Database

5.1 The Council has agreed a protocol for processing consultation documents received by the Council. This requires consultation documents received to be logged and the current consultation documents are attached at Appendix B.

6. Background Papers

6.1 None.

APPENDIX A - SSDC Executive Forward Plan

Date of Decision	Decision	Portfolio	Service Director	Contact	Committee(s)
May 2018	Private Sector Housing Enforcement and Charging Policy	Portfolio Holder for Area West	Director Service Delivery	Alasdair Bell, Environmental Health Manager	District Executive
May 2018	County Wide Homeless Strategy	Portfolio Holder for Strategy and Policy	Director Strategy and Commissioning	Alice Knight, Welfare & Careline Manager	District Executive
May 2018	South Petherton Neighbourhood Plan	Portfolio Holder for Strategic Planning (Place Making)	Director Service Delivery	David Clews, Policy Planner (Spatial Policy)	District Executive
May 2018	Council Tax and Housing Benefit fraud report	Portfolio Holder for Finance and Legal Services	Director Support Services	Ian Potter, Lead Specialist (Vulnerable Customers)	District Executive
May 2018	Community Right to Bid Half Year Report - October 2017 to March 2018	Portfolio Holder for Strategic Planning (Place Making)	Director Strategy and Commissioning	David Crisfield, Third Sector and Equalities Co-ordinator	District Executive
June 2018	SSDC Annual Performance Report 2017/18	Portfolio Holder for Strategy and Policy	Director Strategy and Commissioning	Anna-Maria Lenz, Performance Officer	District Executive
June 2018	Capital & Revenue Budget out-turn reports 2017/18	Portfolio Holder for Finance and Legal Services	Director Support Services	Paul Fitzgerald, Section 151 Officer	District Executive

Date of Decision	Decision	Portfolio	Service Director	Contact	Committee(s)
August 2018	Capital & Revenue Budget monitoring reports for Quarter 1	Portfolio Holder for Finance and Legal Services	Director Support Services	Nicola Hix, Lead Specialist (Finance)	District Executive
August 2018	Quarterly Performance and Complaints Monitoring Report	Portfolio Holder for Strategy and Policy	Director Strategy and Commissioning	Anna-Maria Lenz, Performance Officer	District Executive
October 2018 October 2018	South Somerset Local Plan Review, approval of Preferred Options for consultation	Portfolio Holder for Strategic Planning (Place Making)	Director Service Delivery	Jo Wilkins, Acting Principal Spatial Planner	District Executive South Somerset District Council
October 2018	Transformation Project Progress Report	Portfolio Holder for Strategy and Policy	Chief Executive	Caron Starkey, Strategic Lead for Transformation	District Executive
October 2018	Community Right to Bid Half Year Report - April 2018 to September 2018	Portfolio Holder for Strategic Planning (Place Making)	Director Strategy and Commissioning	David Crisfield, Third Sector and Equalities Co-ordinator	District Executive
November 2018	Capital & Revenue Budget monitoring reports for Quarter 2	Portfolio Holder for Finance and Legal Services	Director Support Services	Nicola Hix, Lead Specialist (Finance)	District Executive
November 2018	Quarterly Performance and Complaints Monitoring Report	Portfolio Holder for Strategy and Policy	Director Strategy and Commissioning	Anna-Maria Lenz, Performance Officer	District Executive

Date of Decision	Decision	Portfolio	Service Director	Contact	Committee(s)
December 2018	Annual review of the Regulation of Investigatory Powers Act 2000 (RIPA)	Portfolio Holder for Finance and Legal Services	Director Strategy and Commissioning	Paula Goddard, Legal Specialist	District Executive
February 2019	Capital & Revenue Budget monitoring reports for Quarter 3	Portfolio Holder for Finance and Legal Services	Director Support Services	Nicola Hix, Lead Specialist (Finance)	District Executive
February 2019	Quarterly Performance and Complaints Monitoring Report	Portfolio Holder for Strategy and Policy	Director Strategy and Commissioning	Anna-Maria Lenz, Performance Officer	District Executive

APPENDIX B - Current Consultations – April 2018

Purpose of Document	Portfolio	Director	Response to be agreed by	Contact	Deadline for response
<p>Strengthening consumer redress in the housing market</p> <p>This consultation seeks views on the redress landscape in housing, including exploring the option of a single housing ombudsman. It looks at improvements to existing services, filling gaps in redress, and the potential to reconfigure services in the future to better serve consumers.</p> <p>https://www.gov.uk/government/consultations/strengthening-consumer-redress-in-housing</p>	Strategy & Policy	Director – Service Delivery	Officers in consultation with Portfolio Holder	Colin McDonald	16 April 2018
<p>SCC Library Services Consultation</p> <p>In summary, under the proposals, 15 of our 34 library buildings would be seeking community involvement to remain open. Where this is not possible, services would instead be provided either through outreach in community venues or through additional mobile library stops.</p> <p>For 7 of our libraries, the County Council is consulting on two alternative options – either to seek community involvement to maintain library buildings or to keep existing library services as they currently are.</p> <p>www.somerset.gov.uk/librariesconsultation.</p>	Leisure and Culture	Service Manager – Communications SSC	No official SSDC response	Councillors to make their own individual responses	22 April 2018
<p>Local government ethical standards: stakeholder consultation</p> <p>The Committee on Standards in Public Life invites responses to its consultation to inform its review of local government ethical standards.</p> <p>https://www.gov.uk/government/consultations/local-</p>	Democratic Services, Member Development, Equalities and Diversity	Director – Support Services	Officers in consultation with Portfolio Holder	Angela Watson	18 May 2018

Purpose of Document	Portfolio	Director	Response to be agreed by	Contact	Deadline for response
government-ethical-standards-stakeholder-consultation					
<p>Civil society strategy: have your say</p> <p>Have your say on how government can work with and for civil society to tackle challenges and unlock opportunities to build a stronger society now and in the future.</p> <p>From supporting the most vulnerable and disadvantaged people in society to the work of charities, community groups and businesses helping good causes, civil society is part of the fabric of our society.</p> <p>We want to have an open conversation about civil society, what is working well, and what government can do to strengthen it further. If you want to help create a stronger civil society, we want you to share your ideas on how government can work with and support civil society to:</p> <ul style="list-style-type: none"> • support people - including young people - to play an active role in building a stronger society • unlock the full potential of the private and public sectors to support social good • help improve communities to make them better places to live and work in • build stronger public services <p>https://www.gov.uk/government/consultations/civil-society-strategy-have-your-say</p>	Leisure and Culture	Communities Lead	Officers in consultation with Portfolio Holder	David Crisfield Third Sector and Equalities Co-ordinator	22 May 2018
<p>Draft revised National Planning Policy Framework</p> <p>The draft revised National Planning Policy Framework incorporates policy proposals previously consulted on in the Housing White Paper and the Planning for the right homes in the right places consultation - the government responses to these are available at the respective consultation pages.</p>	Strategic Planning (Place Making)	Director – Service Delivery	Officers in consultation with Portfolio Holder	Jo Wilkins & Colin McDonald	10 May 2018

Purpose of Document	Portfolio	Director	Response to be agreed by	Contact	Deadline for response
<p>The Budget 2017 included additional proposals to change planning policy and legislation to bring forward more land in the right places.</p> <p>https://www.gov.uk/government/consultations/draft-revised-national-planning-policy-framework</p>					
<p>Supporting housing delivery through developer contributions</p> <p>Following the announcements at Autumn Budget 2017, the government is seeking views on a series of reforms to the existing system of developer contributions in the short term. These reforms will benefit the local authorities who administer them, developers who pay them and the communities in which development takes place.</p> <p>https://www.gov.uk/government/consultations/supporting-housing-delivery-through-developer-contributions</p>	Strategy and Policy	Director – Service Delivery	Officers in consultation with Portfolio Holder	Jo Wilkins, Colin McDonald, Simon Fox	10 May 2018

Agenda Item 9

Date of Next Meeting

Members are asked to note that the next scheduled meeting of the District Executive will take place on **Thursday, 3rd May 2018** in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m.