

Minutes of a Meeting of the Scrutiny Committee - Corporate and Resources held in the Sedgemoor Room, Bridgwater House, King Square, Bridgwater, TA6 3AR, on Thursday, 7 September 2023 at 10.00 am

Present:

Cllr Bob Filmer (Chair)
Cllr Richard Wilkins (Vice-Chair)

Cllr Shane Collins
Cllr Martin Lovell
Cllr Andy Soughton
Cllr Peter Seib
Cllr Henry Hobhouse (as substitute)

Cllr Tony Lock
Cllr Diogo Rodrigues
Cllr Lucy Trimnell
Cllr Kathy Pearce (as substitute)

In attendance:

Cllr Liz Leyshon

Cllr Ros Wyke

Other Members present remotely:

Cllr Steve Ashton
Cllr Mandy Chilcott
Cllr Andrew Govier
Cllr Sue Osborne
Cllr Bill Revans
Cllr Sarah Wakefield

Cllr Norman Cavill
Cllr Simon Coles
Cllr Dave Mansell
Cllr Oliver Patrick
Cllr Jo Roundell Greene
Cllr David Woan

Officers in attendance:

Jason Vaughan	Executive Director Resources & Corporate Services/S151 Officer
Jamie Jackson	Governance Manager, Scrutiny
Sara Kelly	Programme Manager, Property Rationalisation
Paul Harding	Specialist Policy
Ollie Woodhams	Service Manager, Strategic Asset Management

Alistair Higon	Acting Strategic Manager Business Change
Sally Starks	Assets Manager, Strategic Asset Management
Stephanie Gold	Democratic Services Officer

23 Apologies for Absence - Agenda Item 1

Apologies for absence were received from Cllr Brian Smedley (Cllr Kathy Pearce as sub), Cllr Nick Cottle (Cllr Henry Hobhouse as sub) Cllr Emily Pearlstone and Cllr Philip Ham.

24 Minutes from the Previous Meeting - Agenda Item 2

Resolved that the minutes of the Scrutiny Committee - Corporate and Resources held on 6 July 2023 be confirmed as a correct record.

Under this item the Chair advised members that following the previous meeting, committee members had volunteered for the task and finish groups as follows -

Assets and Disposal of Assets:

Cllr Philip Ham, Cllr Brian Smedley, Cllr Dawn Johnson, Cllr Bob Filmer

Commercial Asset and Realisation:

Cllr Martin Lovell, Cllr Nick Cottle, Cllr Peter Sieb, and Cllr Lucy Trimnell.

The Chair thanked those members who had come forward to progress these task and finish groups.

25 Declarations of Interest - Agenda Item 3

There were no additional declarations of interest from members.

26 Public Question Time - Agenda Item 4

There were no members of the public present or registered to speak at the meeting.

27 Draft Assets Disposal Policy - Agenda Item 5 - Agenda Item 5

The Chair welcomed Cllr Ros Wyke, Lead Member for Economic Development,

Planning and Assets to introduce the item. Cllr Wyke began by reminding members of the context of the policy (how and why the policy has been written) before introducing Sally Stark, Assets Manager from the Strategic Asset Management Team to talk members through the presentation slides.

The following comments and questions were received and discussed with members:

Regarding property sold under value - Who values the assets, how, and what percentage of assets are sold under value? - *Members were advised that valuations may be done in house, or by external valuers. Some assets, such as community interest asset transfers may be sold under value, and in those cases a full justification for this would be given. i.e., need for social housing.*

Is there a missing action in this policy in terms of ensuring that the Council are improving the value of its assets for sale.

Regarding disposal of assets, we need an effective triage system to sift the disposals dependent on many factors I.e., social value, community impact, commercial gain etc... Different markers have different needs.

Regarding assets that have been in public ownership for some time, are we safeguarding these assets. I.e., assets with important environmental features (trees) or assets that have a significant community benefit that ought to be protected? - *Members were reassured that The Council employs specialists, both in house and from external agencies to ensure that the due diligence is given to all of the factors above, and that it is imperative that members feel that they can trust the professionals. This process will be transparent, members will be kept informed, and any significant decisions will be taken by the Asset Management Group.*

How many properties (and what is their value) are sold under market value, particularly farms that are occupied by tenants? - *The Asset Manager advised that this detail would need to be brought back to this committee outside of the meeting.*

Would the ward councillor be notified of any assets that are being considered for sale? - *The Asset Manager advised that this would be the case, apart from small sites where there has been no significant community impact or political sensitivities identified.*

Regarding smallholdings and community gardens used for food production and community resilience, would these be available at below market value? - *The Asset Manager advised that The Council certainly consider these sorts of proposals on a case-by-case basis. Cllr Wyke added that any disposal of County Farms would be*

dealt with under a separate policy, and that it is the priority of this council to keep farmers safe.

Regarding disposal of small sites, who is overseeing the decision-making process on these? - *The Asset Manager assured members that proposals for the disposal of small sites are circulated amongst the Asset Management Group members for their consideration before a decision is made and that the local ward member would be notified also.*

Regarding the full list of Council assets that are being considered for disposal, could this be shared with members and/or this committee? - *The Head of Property informed that a pipeline document of disposal considerations does exist and is shared with the Asset Management Group. It is important to remember that disposal of assets can take years in some instances, and assets can sit on this pipeline document for a very long time. In addition, the list of assets that are being considered for disposals is very commercially sensitive and should therefore be treated as private and confidential.*

Regarding Somerset Council's total estate (land and property previously owned by the five legacy councils) can a full list be shared with this committee? - *The Head of Property advised that this detail sits within HM Land Registry (public records), adding that he is happy to share the links to this data with the committee.*

Regarding the most recent budget gap identified in the last MTFP monitoring, are we at risk of being forced to sell assets under value? - *The Asset Manager advised that asset would always be sold at 'best value', and although 'best value' can change over time due to market conditions, there is no risk that assets would be significantly undervalued due to budget pressures.*

Regarding the climate emergency and decarbonisation of the Councils estate, are we going to be disposing of assets that are not energy efficiency, or that have been deemed as the more costly to decarbonise? - *The Asset Manager reassured members that this is indeed another factor that would be considered in any decisions made regarding asset disposal.*

A non-committee member online asked about County Farms disposals and protecting tenants - *The Head of Property reassured members that any valuations of County Farms would take into consideration the terms and conditions of the tenancy.*

A non-committee member online asked how many properties on the pipeline disposals document have a community asset value attached to them? - *The Asset*

Manager informed members that she could share this detail with the committee outside of the meeting.

In summary the Chair reiterated that the draft Asset Disposals Policy demonstrates how decision making is based on many contributing factors including but not limited to strategic need, commercial gain, capital receipts and a fine balance of corporate and community benefit. He thanked officers and members for attending to scrutinise the draft policy, concluding that the committee had considered the report and noted the information provided.

28 Property Rationalisation - Agenda Item 6 - Agenda Item 6

The Chair welcomed Cllr Rose Wyke, Lead member for Economic Development, Planning and Assets back to introduce the item to the committee. She informed members that this item is essentially about 'where people work' and that this update shows that the programme is in its infancy, adding that this is a very big piece of work with lots to consider. She then welcomed back Ollie Woodhams, Head of Property and introduced Sara Kelly, Programme Manager for Property Rationalisation. The Programme Manager began by highlighting the following: -

- Post Covid working is very different to pre Covid working.
- There is an oversupply of office spaces due to Local Government Reorganisation in Somerset.
- The programme focuses on office space, and customer service access points.
- The programme is broken down into phases.
- The programme will be based on evidence-based decision-making.

The Programme Manager talked members through the presentation slides and the following comments and questions were received and discussed with members: -

Regarding Petters Way in Yeovil, why is this being considered for sale? Having an office space in the town centre would bring multiple benefits i.e ease of access for members of the public already using the town centre, more transport links available, and increased footfall to the town centre businesses. - *The Head of Property advised that although a decision has not been made on this yet, it is looking quite likely that Petters Way will be sold due to several factors including less office capacity compared to Brympton Way, ongoing maintenance costs, and poor energy efficiency*

of the building.

Regarding the decision to sell Petters Way, will members be involved in this? - *The Head of Property advised that members would be involved.*

Regarding both Petters Way and Brympton Way in Yeovil, both properties are seriously lacking in terms of carbon neutrality. We must make decisions with the net zero pledge and the Climate Emergency at the forefront of our minds.

Regarding Yeovil and the ongoing Yeovil refresh regeneration programme work, we must consider the needs of the town in the future, not just in the here and now.

A non-committee member online emphasised the importance of libraries as valuable customer access points, adding that Minehead library has now been fully decarbonised. - *The Head of Property agreed that libraries should be at the heart of customer access to council services.*

A non-committee member online felt that decarbonisation of Council owned buildings that are rented out should be a priority, to increase the rentable value of those buildings.

The Chair gave thanks to the officers in attendance and concluded that the committee had considered the report and noted the information provided.

[Break 11.40-11.50]

29 Council Business Plan - Agenda Item 7 - Agenda Item 7

The Chair welcomed Cllr Theo Butt Philip, the Lead Member for Transformation and Human Resources to introduce the item. Cllr Philip advised that the Council Business Plan is about bringing the aspirations and priorities of Somerset Council to life in a strategic document that sits within the overarching Council Plan, which sets out the vision for Somerset. He then introduced Paul Harding, Specialist Policy Officer and Alastair Higton, Acting Strategic Manager for Business Change to give a presentation on the Emerging Council Business Plan to members.

The following comments and questions were received and discussed with members:

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- Regarding feedback already received on the emerging business plan, who

gave this? - *The Specialist advised that early feedback had been received from the Executive members and Senior Leadership Team, but that staff feedback had also been received and would be fed into the plan.*

- Regarding content and deliverability, are we foreseeing any problems with this, considering the current social and economic challenges faced by all Councils such as budget pressures, cost of living and energy crisis's etc...? - *The Specialist advised that the final document would be very clear about the wider context of the plan.*
- Regarding financial sustainability, it would be useful for this committee to monitor the milestones as set out in this document.
- A non-committee member online felt that the Emerging Council Business Plan did not appear to have had much involvement with members so far, felt that more detailed Service Improvement Plans were required, and that The Council does not appear to be actioning the Climate Emergency pledges as quickly as it should be, which is particularly evident in this document. The Council should be writing an Energy Planning document and a Climate Adaption Policy which should be stated within this Business Plan - *The Strategic Manager for Business Change assured members that service plans are being worked on currently, and that the Councils Climate Emergency would be at the forefront of thinking in these service plans.*
- A non-committee member online queried why the 4 visions of the Council Plan do not seem to align with the 'clusters' identified within the business plan?
- A non-committee member online felt that the emerging business plan is weak on climate and biodiversity.

The Chair thanked the officers for attending with the update for Scrutiny Committee Corporate and Resources and concluded that the committee had considered the report and noted the information provided.

30 Budget Update - Agenda Item 8 - Agenda Item 8

The Chair welcomed Jason Vaughan, Executive Director for Resources and Corporate Services and S151 Officer to present the budget update.

Members were advised that: -

- All outstanding audits the five legacy councils are now complete.
- The Somerset Council statement of Accounts for 22/23 has now been published.

The following comments and questions were received and discussed with members:

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Regarding the current financial challenges being faced by this Council, how likely is a Section 114 notice? - *The S151 Officer reassured the committee that the Council is taking all the appropriate actions to ensure that this does not happen I.e., monthly MTFP board meetings but if the Council were to take no action, a Section 114 notice would likely be 18 months away. The Lead member for Resources and Performance added that at a recent LGA conference she had noted that councils that fail usually have not taken appropriate action to address problems, have had overly ambitious leadership, or have experienced overcommercialisation.*

One member felt that more MTFP briefings and bitesize training sessions for members would be extremely useful.

Will the Council be pausing any new policy development? - *In response Cllr Liz Leyshon asked members to consider that there does still need to be a balance between being very aware of financial risk and future revenue opportunities.*

A non-committee member online felt that given the concerning current financial situation, there needs to be massive change to ensure this Council does not become unsustainable. - *In response Cllr Leyshon assured members that the Council is dealing with the financial challenges with a realistic approach, not an optimistic one.*

The Chair thanked all for attending with the update for Scrutiny Committee Corporate and Resources and concluded that the committee had considered the update and noted the information provided.

31 Consolidated 2022/2023 Outturn - Agenda Item 9 - Agenda Item 9

The Chair and the S151 Officer advised the committee that much of the discussion under agenda item 8 was relevant and interlinked to this item, and for this reason there were no further comments or questions raised by members of the committee.

32 Kitchen Installation Contracts - Agenda Item 10 - Agenda Item 10

This item was withdrawn from the agenda and will be deferred to a future meeting.

(The meeting ended at 1.20 pm)

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CHAIR