



EXECUTIVE

YOU ARE REQUESTED TO ATTEND A MEETING OF THE EXECUTIVE TO BE HELD IN PRINCIPAL COMMITTEE ROOM, THE DEANE HOUSE, BELVEDERE ROAD, TAUNTON ON TUESDAY 24TH MAY 2005 AT 18:15.

AGENDA

1. Apologies
2. Minutes
3. Public Question Time
4. Potential hire of Skating Rink
Report of Financial Services Manager (enclosed)
5. Joint Venture Arrangements for Corporate Services
Report of Chief Executive and Strategic Director (enclosed)
6. Annual Efficiency Statement
Report of Financial Services Manager (enclosed)
7. Formation of a Building Control Partnership
Report of Building Control Manager (enclosed)
8. Performance Monitoring of contracts supervised by Deane Building Design Group
Report of Chief Architect (enclosed)

The following item is likely to be considered after the exclusion of the press and public because of the likelihood that exempt information would otherwise be disclosed relating to the Clause set out below of Schedule 12A of the Local Government Act 1972.

9. Property Services Restructure
Report of Strategic Director (enclosed)

G P DYKE
Member Services Manager

The Deane House
Belvedere Road
TAUNTON
Somerset

TA1 1HE

17 May 2005



Members of the public are welcome to attend the meeting and listen to the discussion. Lift access to the main committee room on the first floor of the building is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available. There is a time set aside at the beginning of the meeting to allow the public to ask questions



An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, please contact Greg Dyke on:



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Executive – 6 April 2005

Present: Councillor Williams (Chairman)
Councillors Bishop, Mrs Bradley, Garner, Hall and Mrs Lewin-Harris

Officers: Mrs P James (Chief Executive), Ms S Adam (Strategic Director),
Mr P Carter (Financial Services Manager and Mr R Bryant (Review Support Manager)

Also Present: Councillors Croad and Lisgo

(The meeting commenced at 6.15 pm.)

29. Apologies

Councillors N Cavill and Leighton.

30. Minutes

The minutes of the meeting of the Executive held on 22 March 2005 were taken as read and were signed.

31. Public Question Time

The Chairman mentioned that, prior to the meeting commencing, a list of questions covering various issues Mr Robins had with the Council had been handed in by Miss D Robins and Mr P Harris.

32. Budget Monitoring 2004/2005 – Use of expected underspend

Considered report previously circulated, concerning the proposed use of the expected underspend which had arisen during the 2004/2005 financial year.

The Quarter 3 Performance Report to the Review Board in February had identified an underspend within the General Fund of £51,580. The report had also indicated the following service areas where the Executive wished to use this underspend:-

Service	Amount £	Comments
On Street Car Parking	5,000	To progress further locations where the residents parking scheme is in operation
Brewhouse Grant	25,000	A one off grant to assist the Brewhouse manage an agreed phased reduction in ongoing funding over the next 3 years
Economic Development	5,000	To assist with the development of a Business Improvement District

Various	16,580	To assist services with the "Crisp & Clean" agenda
Total	51,580	

Noted that the £5000 identified for residents parking would be used to create a new zone within the Haines Hill area of Taunton.

As far as the one off grant to the Brewhouse Theatre was concerned, this was proposed in connection with the phased reduction in the Council's annual grant to the theatre over the medium term.

Negotiations had been taking place over several months and the proposed level of grant for the next three years would be:-

2005/2006 - £168,000
2006/2007 - £152,000
2007/2008 - £137,000

As part of the negotiations, the Executive wished to provide the Brewhouse with a one off grant of £25,000 from the 2004/2005 underspend. This would be used to enable the theatre to both build up working capital and to finance a restructure.

RESOLVED that the 2004/2005 expected General Fund underspend be used as proposed above.

53. The Old Municipal Buildings, Corporation Street, Taunton – Proposed lease to Somerset County Council for use by the Registrar

Considered report previously circulated, concerning the proposed use of the Old Municipal Buildings (OMB) by the Registrar.

The OMB which was owned by Taunton Deane, was a grade 2* listed building within an area of the town identified for cultural development within the Vision for Taunton proposals.

Approximately half of the property, which was identified as a poor performing building in the Asset Management Plan, was let as office accommodation largely to voluntary sector organisations. The remainder of the building comprised the Municipal Hall, the Committee Room, the Mayor's Parlour and allied accommodation.

The building was very important in respect of Taunton's history in relation to civic use, and civic functions occasionally still took place at the OMB. More recently, despite the limited range of facilities available, the Committee Room and the Municipal Hall had been used for hire for a mix of social and business functions, including weddings.

Reported that the Somerset County Council had identified the ground floor and first floor of the OMB as a suitable location for the Registrar's offices, as

greater accommodation was now required than that currently offered at Flook House. Both the Hall and the Committee Room were considered as particularly good venues for wedding ceremonies.

The County Council's architects were currently in discussions with the Council regarding suitable adaptations to the buildings to provide suitable disabled access and satisfactory means of escape in case of fire for large numbers of people.

Noted that if the Registrar's service did relocate to the OMB, the Council would need to find alternative accommodation for the Council for Voluntary Services, the other voluntary sector tenants and the Town Centre Manager. The Registrar would also require some car parking spaces adjacent to the building.

With regard to this latter issue, members felt that if parking was provided this should not form part of any lease negotiated, but should be arranged separately to ensure that any proposed alternative use of the Castle Green Car Park was not affected.

A limited amount of second floor office accommodation would still be available and Taunton Deane would retain the use of the Mayor's Parlour. The building (including the Hall and the Committee Room) would still be available for certain civic functions by arrangement with the County Council.

It was proposed to grant the County Council an internal repairing lease of the building for a term of probably 21 years or thereabouts, retaining a sub-lease of the Mayor's Parlour, on terms and conditions to be agreed by the Chief Valuer. It was intended to commence the lease on 1 April 2006, if possible.

Further reported that considerable cost savings would arise if the lease was agreed, although Taunton Deane would continue to be responsible for expenses incurred in respect of the future maintenance of the main structure. There would also be a cost in respect of relocating the existing tenants.

Income for use of the OMB was derived from two sources; rental payments from the tenants which amounted to approximately £19,000 per annum, and Hall and Committee Room bookings which would normally amount to approximately £21,000 per annum.

However, against this the annual budget for normal maintenance and running costs was £30,000, with direct employee costs in the region of £20,000 with considerable internal recharges on top. Details of the staffing implications if the lease was eventually agreed were submitted.

Works costing £16,700 to address a number of serious defects identified following a Fire Risk Assessment had recently been completed. Also reported that possible future maintenance over the next 20 years could amount to £350,000. This figure included £50,000 of backlog maintenance and £83,000

which would need to be spent to bring the building in practical compliance with the Disability Discrimination Act.

Despite this continuing financial liability, it was felt that the proposal to lease the building to the Somerset County Council would help to enhance the development of the cultural quarter in relation to the Vision for Taunton proposals. This would make a significant contribution to the Council's Corporate Priorities.

RESOLVED that it be agreed in principal that the Somerset County Council be granted an internal repairing lease of the Old Municipal Buildings as proposed in the report, subject to the provision of additional financial information, on terms to be agreed by the Chief Valuer in consultation with the Leader of the Council, members of the Executive, the other Group Leaders and the Strategic Director.

(Councillor Garner arrived at the meeting at 6.26pm during the discussion of Minute No 33).

(The meeting ended at 7.56pm).

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE 24th MAY 2005

REPORT OF THE FINANCIAL SERVICES MANAGER

(This matter is the responsibility of Exec Cllrs Bradley and Cavill)

POTENTIAL HIRE OF SKATING RINK – WINTER 2005/06

Executive Summary

The Town Centre Manager has recently investigated the potential for the Council and the Town Centre Partnership (TCP) to jointly fund an ice rink in Taunton during the Christmas shopping period. A financial and risk appraisal has been carried out on this proposal. The Executive is requested to consider whether or not this is a venture which they wish to pursue further.

1 Background Information

- 1.1 In recent years the Town Centre Partnership has hired a small “artificial” skating rink in the run up to Christmas, the rink has been located at Goodlands Gardens and High Street, and has been used to boost the Christmas shopping experience within Taunton Town Centre.
- 1.2 The Town Centre Manager has recently investigated the potential for the Council and the Town Centre Partnership to jointly fund a real ice rink (20m x10m) in Taunton during the Christmas shopping period. A financial and risk appraisal of this potential scheme has been carried out and the results are shown below. The preferred supplier for the rink would be Cousins Entertainment Ltd.

2 Financial Appraisal

- 2.1 The proposal is to hire the facility for 4 weeks commencing 10 December. The expected hire and running costs are in the region of £77,000 for this period. The Town Centre Partnership would be required, via the preferred supplier, to provide staffing, fuel, security and marketing for the facility, this is included within the total costs quoted above. The costs above are reasonable given the expected staffing levels required and the amount of marketing necessary in order to properly promote the facility.
- 2.2 Income levels are dependant on 2 factors, price per person and expected usage. It is estimated that income (based on a £5 per 45 minute session charge for adults, and £4 for children) could be in the region of £41,000 for the 4 week period. This leaves a shortfall of around £36,000. However the Town Centre Partnership would wish to try and attract sponsorship and income from catering concessions which would lower the anticipated overall deficit. The level of the deficit is such that the TCP would require this Council to underwrite all or part of any loss on the venture.

2.3 With the costs of the rink being largely known a sensitivity analysis has been carried out based on the various customer take up scenarios. The impact on the overall deficit of the scheme is shown below (again this excludes any sponsorship income):

Expected Usage	No of Customers over 4 week period	Anticipated Deficit (before sponsorship/concession income) £*
60% of capacity	10,920	36,060
50% of capacity	9,100	42,870
40% of capacity	7,280	49,690
30% of capacity	5,460	56,500

* This assumes a 60/40 split of customers between children and adults.

A figure of 60% has been set as the upper limit for expected usage as this is in line with industry norms.

2.4 In order to review how robust the figures are for this proposal a meeting has been held with the potential supplier and discussions have taken place with other Councils who provide such a facility during the Winter. The success (or otherwise) of real skating rinks is dependant upon factors such as sufficient marketing, weather and competition from other rinks in nearby towns.

2.5 As shown above it is likely that this venture would require deficit funding, as no budget exists for such an arrangement it is suggested that, if Members wish to support such a scheme, funding is found during the year from underspends identified via the budget monitoring process. In addition Members may find it helpful to introduce an arrangement whereby a percentage of income is earmarked for reinvestment in town centre improvements.

2.6 If Members are minded to support this venture then looking to the future there is the potential for this to be a regular event for Taunton. It is important to remember that whilst the rink may not be financially self supporting there is an increase in profile for towns which have a temporary ice rink. In addition the Christmas shopping experience is enhanced and there is also anecdotal evidence that other factors such as youth crime reduces when such a facility is made available to the general public.

3 Risk Appraisal

3.1 The main risks associated with such a venture are largely centred around the financial viability of such a scheme, however it is important to look beyond the financial aspects and therefore attached at Appendix A is a simple risk register for this scheme. This includes both financial and non-financial risks.

3.2 In summary the risks, which have been assessed at above TDBC's "risk appetite", are:

Risk No	Risk	Why
1	Application for Planning Permission/PEL is refused	Facility cannot proceed
2	Adverse weather conditions	Poor weather would deter customers and reduce the quality of the ice
3	Competition from other rinks	Reduction in customers
11	Additional staffing resources required to adequately plan and manage the facility	A lack of staffing resources means that the event suffers from poor promotion and marketing
13	Usage levels of rink are poor	Increase in deficit
15	Sponsorship from local business is unforthcoming	Increase in deficit
16	Ticketing arrangements are poor	Reduction in customer numbers/bad PR for the event
17	Unexpected Cost increases	Increase in deficit

3.3 Clearly the impact of many of these potential risks can be reduced through proper planning of the event and ensuring that work has been carried out beforehand. It is suggested that a firm commitment, or otherwise, is required before the schools break up for the summer, this allows sufficient time for planning and publicising the event.

4 **Long Term Options**

4.1 Officers have had discussions with the preferred supplier regarding the viability of a long-term rental of such a facility ie 3 months +. In addition the potential purchase of a temporary rink has also been investigated. The supplier indicated that they were not aware of any location within the Country that had an outdoor rink for a period of more than a few weeks. This is due to their overall financial viability; storage issues and time limited appeal to the public of skating as a sport.

4.2 Modern municipal rinks now tend to be permanent features, located in purpose built facilities linked closely with ancillary activities such as a swimming pool. However the overall running costs are very high and skating has seen a downturn in national profile over recent years. These factors, together with Taunton's demographic make up lead officers to conclude that whilst a temporary rink could, at best, break even a more long term or permanent facility is not viable.

4.3 Should Councillors wish to further investigate a longer term solution then it is suggested that a far more thorough appraisal of costs/benefits is carried out.

5 Conclusions

- 5.1 Whilst there are uncertainties regarding the overall level of deficit it should be remembered that the existing artificial facility is very popular and therefore the attraction of a real ice-skating rink within Taunton could considerably enhance the Christmas shopping experience. If publicised widely this could bring in additional shoppers to Taunton in the run up to Christmas.

5 Recommendation

- 6.1 The Executive is requested to consider:-
- a. Whether or not they wish the TCP to pursue the hire of a real skating rink prior to Christmas; and
 - b. The arrangements for funding the potential deficit, including the potential to enter into an income sharing arrangement.

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Financial Services Manager

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RISK PROFILE: Potential Hire of Skating Rink – Winter 2005/06

Lucy Ball – Town Centre Manager

A		3	11	
B			15	
C			2, 13, 16, 17	
D		7, 8, 10, 12	14, 18	1
E	9		4, 5	
F				
	iv	iii	ii	i

TOWN CENTRE MANAGER (LUCY BALL) – SKATING RINK RISK REGISTER – MAY 2005



Risk Identification and Management						Risk Tracking		
Risk No.	Risk Rating	Description of Risk	Agreed Management Action	By When?	Action Owner	Risk Still Live?	Updated Risk Level	Actions/Comments
1	D1	Applications for Planning Permission and Public Entertainment Licence (P.E.L)						
2	C2	Adverse Weather Conditions (i.e. Wind etc)						
3	A3	Competition from Other Skate Rinks (i.e. Bristol and Plymouth)						
4	E2	Marketing of Ice Rink						
5	E2	Good or Bad Publicity for the Ice Rink						
6	-	Criticism for spending money on Ice Rink with current budget concerns (Not added to Risk Register but captured risk from workshop discussions)						

Risk Identification and Management						Risk Tracking		
Risk No.	Risk Rating	Description of Risk	Agreed Management Action	By When?	Action Owner	Risk Still Live?	Updated Risk Level	Actions/Comments
7	D3	Parking Facilities for Access to Ice Rink						
8	D3	Ice Rink Equipment Failure (Generator Failure as advised by Cousins Entertainment)						
9	E4	Noise Pollution from Use of Ice Rink (Minimal from General Use/PA System/Music/Generator)						
10	D3	Additional Costs in the event of Emergency Call Outs in the event of accident/injury						
11	A2	Additional Resources Required for running Ice Rink						
12	D3	Vandalism of Ice Rink						
13	C2	Usage Levels of Ice Rink						
14	D2	Pricing for use of Ice Rink (£5.00 Adults, £4.00 Children)						
15	B2	Sponsorship from Other Local Businesses						
16	C2	Sale and Availability for Ticketing the Ice Rink						

Risk Identification and Management						Risk Tracking		
Risk No.	Risk Rating	Description of Risk	Agreed Management Action	By When?	Action Owner	Risk Still Live?	Updated Risk Level	Actions/Comments
17	C2	Contingency in place in the event of unexpected costs occurring						
18	D2	Concessions						
19	-	Adequate Insurance Levels (Public Liability Insurance) (Not added to Risk Register but captured risk from workshop discussions)						

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE – 24 MAY 2005

Report of Chief Executive and Strategic Director

(This matter is the responsibility of Executive Councillor T Hall)

Joint Venture Arrangements for Corporate Services

1.0 Purpose of the Report

1.1 This report will promote discussion on the future direction of this Council with respect to two inter-linked business areas:-

- Customer Access to Services and Service Improvement.
- Corporate Services (including Revenues and Housing Benefits).

2.0 Decisions Required

The Executive are asked to agree in principle to this Council exploring Joint Venture options for the future delivery of Corporate Services.

3.0 Background

3.1 This is an ambitious Council with clearly defined priorities. There is an understanding across the Council and amongst its partners as to what it wants to achieve.

3.2 We have ambitions with respect to the national and regional role of Taunton, infrastructure investment, the delivery of high quality development, the creation of new jobs and housing and cultural development all delivered whilst protecting the inherent asset that is our environment.

3.3 We have ambitions with respect to customer access and continued service improvement. We need to develop these into a 'Vision for Customer Access' to ensure common ownership of this agenda. We know that we want to improve our services at the front line for the benefit of our customers without placing additional burden on taxpayers.

3.4 We know that the national context is driving forward the efficiency and effectiveness agenda through initiatives such as Gershon. Gershon represents central Government's growing concerns that resources meant for front-line services are being diverted into administrative or bureaucratic functions.

3.5 We know that the necessary growth in funding required to deliver against our ambitions will not come from significant increases in Government Grant or Council Tax. We want more investment in training, service process re-engineering and best of breed technologies. These are key to transforming Customer Access, Corporate Services and overall service quality. We know

from experience that radical new ways of providing services will not come from marginal adjustments to the way we have always done things. We need to think more radically about what the Council needs to look and feel like to deliver excellence in the future.

3.6 We are moving in the right direction. It is my view though that we need to move much more quickly with vision and clear leadership if we are to deliver our ambitions on behalf of our community and customers.

3.7 We have many strengths and it is important to recognise and value these. However, we do not have all the resources and skills we need to deliver a radical change agenda. It is likely that we need to look to external partners for support and to this end I have been discussing with colleagues and other local authorities how we might work with an external strategic partner to help us transform our services and improve our customer access capabilities.

4.0 Customer Access and Service Improvement

4.1 With respect to customer access, we have made significant progress in implementing Somerset Direct and developing Customer Services. At present, Taunton Deane is in the top quartile of all English District Councils for service satisfaction. We have remained at a consistent level at a time when the average performance of District Councils across the country fell by 12%.

However, we now need to position this performance within a wider Vision for Customer Access to Services. This will ensure we are clear on:-

- What we want our service delivery to look like in the future.
- How and when customers want services delivered.
- The technology requirements for enhanced customer access and service delivery.

4.2 With such a Vision we will have a clearer picture of where we want to be. All of our decisions can then be made with long-term outcomes clearly in mind.

4.3 We have yet to take full advantage of the technology we currently have to transform services, improve service quality and release resources for re-investment.

4.4 I propose that the Council debates further the Vision for Customer Access to Services to create a clear way forward on these issues.

5.0 Joint Venture Options for Corporate Services

5.1 I do not believe that we have the capacity, skills or resources to take full advantage of the technology available now let alone that which will become available in the future to transform customer access and other Corporate Services ourselves.

5.2 It is for that reason that I believe a joint venture/strategic partnering arrangement for corporate services is an appropriate way forward. There are various models being implemented across the country and our research has shown that the following common benefits appear to accrue to the Councils involved.

- Improved access, to and delivery of, services.
- Services configured in a way which best meets the needs of customers.
- Streamlined and improved support services.
- Maximised resources being directed to fund the customer access strategy and front line service delivery.
- Creation of investment in staff and their working environment.
- Creation of new employment and development opportunities.

5.3 It is these sorts of benefits that would enable this Council to deliver against its ambitions and it is my belief that we should explore further these models to determine their suitability for this Council.

6.0 Current Position

6.1 These issues have been informally debated by all of the Somerset Council Chief Executives and Leaders. We have been using the Joint Venture between Suffolk County Council, Mid-Suffolk District Council, British Telecom and CGTI as a reference point.

6.2 The County Council approved a paper in April 2005 which paves the way for the County to enter into a comprehensive procurement process for the appointment of an external strategic partner to help them establish a Joint Venture (JV). This JV will make provision for the inclusion of District Councils either now or at some point in the future. Generally, District Councils have expressed an interest in joining this procurement process. I suggest that this Council should be seeking to be part of these JV arrangements now.

7.0 The Joint Venture Model

7.1 We have a 'Profile of Services' for front-line services that has established a priority for investment. We stated that we would review all support services before setting the 06/07 budget. The shape and form of support services needs to be led by the requirements of the front-line services and the Vision for Customer Access.

7.2 It is my view that we need to provide these services as efficiently as possible. To do so requires levels of investment in technology and business process re-engineering that we simply cannot afford ourselves. So what are our options?

7.3 The status quo simply cannot be acceptable.

- 7.4 If the agenda is to purely reduce costs then traditional externalisation presents a way forward. However experience has taught us that this model holds significant risks compared to limited benefits and will not necessarily drive up quality.
- 7.5 We have therefore been exploring Joint Venture models as an alternative to traditional externalisation.
- 7.6 Very simply any external partner(s) would bring the upfront capital investment and business process re-engineering skills needed to transform our services and deliver specified service improvements. In the Suffolk model County, Mid-Suffolk and BT formed a Joint Venture Company (CSD – ‘Customer Service Direct’) in which they all had a proportionate share. Staff from the Local Authorities were seconded to the JV therefore protecting their employment status. BT provided upfront capital investment of circa £50 million. The agreement was for 10 years. During that period agreed access and service improvements will be delivered through technological investment, cultural change, process re-engineering and training and development of existing staff. The efficiency savings delivered create a return on the external partners initial involvement.
- 7.7 What is distinctive about strategic partnerships (such as the one we have with the Leisure Trust) is that they are real partnerships with a significant element of Local Authority involvement and control.
- 7.8 It is important to emphasize that I am only using the Suffolk model for illustrative purposes. Thoughts about the model for the future and any potential partners will be shaped by further research and negotiations.
- 8.0 The Way Forward
- 8.1 I believe that we need to make decisions about the future on the basis of the little we know now or can reasonably predict.
- 8.2 We do know we have high ambitions in terms of developing our Borough. We do know what front-line services are our priorities. We have high ambitions for front-line service quality. We know we can't fund our ambitions alone. We know despite our considerable strengths that re-engineering services is not one of our 'core competencies' and that we do not have the capacity and space to move at the pace we need to. We know very little of the technologies and processes upon which we will depend in ten years' time. More worryingly, we don't have a clear vision of how we will develop those that we do know something about or where the capital is coming from to fund them.
- 8.3 I believe we should develop a clear Vision for Customer Access to Services (para 4.4) and that we should seize the opportunity provided by the work initiated by the Somerset Councils and agree in principle to work with them to explore a Joint Venture model and to procure a preferred partner to advise on this. I am suggesting the Council sign up in principle to a conceptual model with some business case principles but without a firm business case. If the business case developed by further research and 'soft market' testing for a potential partner does not work for this Council then we would pull out.

8.4 The County Council are already committed to this way forward and their timetable is ambitious. I am simply saying at this stage that we should agree in principle to work alongside the County. There will be many more opportunities to discuss the business case as it unfolds and a formal consultation and a series of decisions will need to be made by the Council. However, if we want to take this opportunity to work with the County on developing a JV with an external partner we need to act now.

8.5 There is another option which is to take a 'watching brief' and allow the County to set up a JV which we may then choose to join later. However, there are several benefits to being a founder partner. These include:-

- A stake in the Joint Venture proportionate to our participation;
- Influence and control over the shape and direction of the JV;
- Influence and control over the selection of the preferred partner;
- Strategic positioning for District Council services such as revenues and benefits.

8.6 I would suggest that these benefits far outweigh the risks of agreeing in principle to work as a founder partner on any Joint Venture arrangement for Somerset.

8.7 Corporate Management Team has already agreed to the setting up of a Joint Venture Project team. Shirlene Adam is the Project Director and Jill Sillifant the Project Manager. Other arrangements have been made to support input from Finance, Human Resources, Communications, all of Corporate Services, Unison and Staff Side.

9.0 Timescale

9.1 If an in principle decision is taken now, then an outline business case will be presented to the Executive in June. A firm business case will be presented in July and a final decision will be required in August.

9.2 At the same time, the Vision for Customer Access to Services will be developed through the scrutiny process for final adoption in August.

10.0 Conclusion

10.1 This is an ambitious Council. I believe that whilst we need to sharpen our Access Vision, we know that we want to achieve improvements in this area to front line services. I believe our ambitions could be frustrated by our capacity, skills and resource availability.

10.2 Sharpening our Access Vision and exploring a Joint Venture model for delivery of that Vision, for re-shaping corporate services and for unlocking resources to fund transformational change in service quality is, I suggest, the way forward. It makes sense to work with our Somerset colleagues.

10.3 The contingent opportunity provided by the County Council's decision does mean that we need to make a decision in principle based on limited business information but I believe this is the right thing for this Council to do if it is really serious about delivering transformational change.

11.0 Recommendations

11.1 That the Vision for Customer Access to Services is developed and adopted through debate and engagement of Members, partners and customers.

11.2 That the Executive agree in principle to this Council joining the County Council (and any other interested District Council) in exploring a Joint Venture solution for the future delivery of Corporate Services.

Contact Officers

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TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE - 24 MAY 2005

REPORT OF THE FINANCIAL SERVICES MANAGER

This Matter Is The Responsibility of Executive Cllr Williams (Leader of the Council)

ANNUAL EFFICIENCY STATEMENTS

EXECUTIVE SUMMARY

The ODPM have recently issued their guidance on the reporting requirements for Annual Efficiency Statements (AES). The AES is a summary of efficiencies achieved by the Council in each year. The Council has met all the targets set for 2004/05 and 2005/06. The forward looking 2005/06 AES has recently been sent off to the ODPM, the 2004/05 backward looking AES will be submitted in June.

1 Introduction

1.1 The Government's 2004 Spending Review set out targets for local government to make efficiency gains in the services which they provide. Each authority is required to demonstrate 2.5% per annum efficiency gains in each of the next three years when compared to the 2004/05 budget position. Efficiency gains are measured against set financial targets and include both capital and revenue spending.

2 Reporting

2.1 The ODPM have issued guidance on how progress against these targets is to be measured. In 2005/06 the primary source for reporting will be through a self assessed Annual Efficiency Statement (AES). The AES has to be signed by the Leader of the Council, the Chief Executive and the Chief Finance Officer. There will be 2 documents required:

- Firstly, a forward looking AES which outlines the authority's strategy for securing efficiency gains and the key actions that will be taken during 2005/06. This had to be returned to ODPM by 15 April 2005.
- The second AES looks back to efficiency gains achieved in 2004/05 which will continue into future years. This has to be returned to ODPM by 16 June 2005.

2.2 Authorities which have not been rated as excellent under CPA will have to submit a mid year update on progress. Excellent authorities are invited to volunteer information on mid year progress. This information must be returned by 17 November 2005.

- 2.3 From 2006 onwards the backward looking AES will be assessed as part of the “Use of Resources” section within CPA and will therefore be subject to external audit.

3 What counts as efficiency gains?

- 3.1 The ODPM have specific definitions on what counts as an efficiency gain:

Can be Counted in the AES	Cannot be counted in the AES
Reducing inputs (money, people, assets etc) for the same outputs	Re-labelling of activity
Reducing prices for the same outputs	Cuts that result in a poorer service to the public
Getting greater outputs or improved quality for the same inputs	Increased income purely from higher prices in fees and charges to the public
Getting more outputs or improved quality in return for an increase in resources that is proportionately less than the increase in output or quality	

- 3.2 At least half of stated efficiency gains should be cashable. Cashable gains represent the potential to release resources for allocation elsewhere. Non cashable gains are achieved through improved quality or additional outputs for the same level of resources.
- 3.3 The ODPM have issued guidance on how securing efficiencies can be achieved within each major service area ie Transport, Environmental services etc. In addition regional champions have been nominated to assist authorities with this work.

4 Target Efficiency Gains for TDBC

- 4.1 The ODPM have recently issued the target efficiencies for each Authority. For TDBC the targets are:

2005/06	£400,000
2006/07	£700,000
2007/08	£1,100,000

- 4.2 The work which the Authority has done during both the 2004/05 and 2005/06 budget setting cycles, has put it in a good position for meeting these targets. In summary progress against the targets outlined above is as follows, and shows that the 2005/06, 2006/07 and 2007/08 targets have all been met:

Year	Target £	Ongoing Efficiencies Identified £	(Surplus)/Deficit against Target £
2005/06	400,000	1,275,215	(875,215)
2006/07	700,000	1,275,215	(575,215)
2007/08	1,100,000	1,275,215	(175,215)

- 4.3 The efficiencies identified by the Authority have been achieved within the following service areas:

Service Area	2004/05	2005/06	Total
Culture & Sport	109,540	122,685	232,225
Environmental Services	0	31,400	31,400
Local Transport	20,000	12,000	32,000
Social Housing	150,000	62,398	212,398
Corporate Services	157,890	134,349	292,239
Procurement	59,850	72,000	131,850
Transactional Services (ie Benefits)	45,000	168,714	213,714
Miscellaneous	100,000	29,389	129,389
Total	642,280	632,935	1,275,215

- 4.4 The forward looking 2005/06 AES which was recently submitted to the ODPM is attached at Appendix A. The draft backward looking AES (in spreadsheet form only) is attached at Appendix B. In addition to the efficiencies shown in these statements the Authority is actively engaged in other projects which will contribute to the efficiency targets, for example Waste Contract Integration and improved procurement practices.

5 Conclusion and Recommendations

- 5.1 It is clear that the efficiency agenda is continuing to gain momentum within Central Government. The targets set for the Council have not proved particularly challenging to meet, however it is necessary to ensure that the Council continues to monitor its progress against its planned efficiencies. It is suggested that the monitoring of the AES is a function of the Review Board.

- 5.2 The Executive is **recommended** to:

- 1) note the contents of the forward and backward looking AES submissions, and
- 2) to agree that monitoring of the AES should be carried out by the Review Board.

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Appendix A

Annual Efficiency Statement - Forward Look

Local authority

Taunton Deane Borough Council

Contact name

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Job title

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Submitted date

13/04/2005 11:14 AM

Strategy for securing efficiency gains

Taunton Deane Borough Council's strategy for securing efficiency gains is based on a number of key projects which are bearing fruit in 2005/06. Many of the efficiencies stated below are as a result of the "Profile of Services" review which was carried out in the Autumn of 2004. This review ensured that resources were focussed towards high priority services and that lower priorities saw either a reduction or standstill position in their 2005/06 budget. Budgetary pressures in both the 2004/05 and 2005/06 budget rounds have produced significant efficiencies which have enabled the Council to produce a balanced budget (ie without the use of significant reserves) in both years. This Annual Efficiency Statement is consistent with those items identified within our most recent IEG return.

Overall the Council has identified ongoing efficiencies of over £670,000 in 2004/05 and when you add these to the new efficiencies detailed below which arise in 2005/06 the Council will achieve ongoing efficiencies of over £1.3m in total.

Key actions to be taken during the year

The Council will expand the Leisure Trust which was set up in 2004 to incorporate one of our major leisure sites thereby releasing significant tax based savings which will be used to improve the maintenance position of these key assets.

In addition there has been a significant programme of restructuring services, reviewing vacant posts and not filling those where changes in working practices can lead to the same service being delivered for reduced cost.

There is also a programme of transferring a number of day to day enquiries to the Council's Customer Services Team thereby freeing up staff in front office services from routine enquiries from the public. This has had a significant impact on front facing services such as Housing Benefits and Council Tax Collection.

There have also been a number of changes to procurement procedures which have led to efficiencies across the Council, for example through e-procurement and through improved access to services via the web.

	Expected annual efficiency gains (£)	...of which related to capital spend (£)	...of which related to other spend (£)	...of which cashable (£)
Adult social services	0			0
	Strategy: N/A			
	Key actions: N/A			
Children's services	0			0
	Strategy: N/A			
	Key actions: N/A			
Culture and sport	122,685			48,288
	Strategy: The Strategy within this Service Group has been to maximise the efficiencies to be gained from the tax based savings arising from the Leisure Trust (which will be redirected towards increased maintenance) and to revisit working practices within our parks service whereby costs are reduced through less labour intensive methods			
	Key actions: Parks - More efficient work practices will allow new sites to be taken on without the need for additional cost			
	Parks - A reduction in Nursery overtime through adjusted working patterns			
	Parks - Re-instate peripheral flower beds with annuals, grasses or shrubs			
	Leisure Centres - Creation of Leisure Trust has freed up NNDR & VAT savings which has been used to increase maintenance budgets this builds on the efficiencies already gained in 2004/05			
Environmental services	31,400			21,200
	Strategy: The Strategy within this Service Group has been to rationalise the number of public conveniences which the Council operates whilst ensuring that only those facilities which show continued usage by the public remain open. In addition the customer facing nature of environmental services are now seeing the benefits of increased interaction with the public via the internet and through our Customer Services Team.			

	<p>Key actions: Environmental Protection - Improved contract terms for water sampling</p> <p>Environmental Protection - Introduction of Multi-skilling training programme</p> <p>Public Conveniences - Review of the number of public conveniences has led to a rationalisation of the number of facilities leading to better utilisation of existing resources in terms of maintenance & ensuring that facilities are in areas where usage warrants the service</p> <p>Licensing - Streamlined consultation procedures with public/license holders</p> <p>Licensing - Licensing officers time has been freed up by training our Customer services team to deal with routine telephone enquiries</p> <p>Licensing - Website to enable customers to download forms thereby freeing up staff time from routine requests for forms etc</p> <p>Environmental Health - Customer Services staff have been trained in dealing with routine enquiries thereby freeing up professional staff from routine enquiries</p>			
Local transport	12,000	0	12,000	12,000
	<p>Strategy: The Strategy within this Service Group is based around ensuring that staff are appropriately deployed so that their training and skills are being used to the best advantage of the service. For example Parking Inspectors no longer deal with CCTV monitoring, they concentrate on parking enforcement. Conversely specialist CCTV operators deal with CCTV monitoring only.</p> <p>Key actions: Car Parking - The Council now employees specialist CCTV operators thereby allowing Parking Inspectors to concentrate on parking enforcement, rather than having to combine the CCTV monitoring task with their main duties of enforcement</p>			
LA social housing	62,398	0	62,398	62,398
<p>Strategy: The Strategy within this Service Group is to ensure that external income opportunities are maximised and that budgets are scrutinised so that only definite commitments are budgeted for.</p>				

	<p>Key actions: Private Sector Housing -Supporting People funding secured for Home Improvement Agency thereby releasing revenue resources for other purposes</p> <p>Private Sector Housing - Houses in Multiple Occupation registration budget no longer required due to legislative changes</p>		
Non-school educational services	0		0
	Strategy: N/A		
	Key actions: N/A		
Supporting people	0		0
	Strategy: N/A		
	Key actions: N/A		
Homelessness	0		0
	Strategy: N/A		
	Key actions: N/A		
Other cross-cutting efficiencies not covered above			
Corporate services	134,349		132,849
	<p>Strategy: The Strategy within this Service Group is to review back office services and restructure where necessary - this has led to the deletion of posts which are no longer required thereby making the majority of efficiencies within this Group. In addition more efficient back office processes and the greater utilisation of electronic communication methods has contributed greatly. Finally the Council has set up an Internal Audit partnership with other Somerset Local Authorities which will develop throughout 2005/06 and will enable greater specialist resources to be targeted within each Authority.</p>		

	<p>Key actions: Deane Building Design Group - Deletion of vacant posts and absorption of work within remaining staff</p> <p>E Government - Deletion of E-Govt Manager post and workload now taken on by existing IS staff</p> <p>Financial Services - Increased use of BACS to pay creditors, thereby lowering bank charges</p> <p>Financial Services - Restructure of external/internal debt has reduced the Council's overall cost of borrowing</p> <p>Central Services - Deletion of vacant posts and absorption of work by remaining staff</p> <p>Central Services - Reduction in overtime for caretaking staff through revised working practices</p> <p>Personnel - Reduction in staff numbers via more efficient IT system</p> <p>Personnel - Change in BACS processing has lead to process efficiencies</p> <p>Personnel - E-Recruitment via website will reduced printing, postage and advertising costs</p> <p>Internal Audit - The creation of an Audit Partnership with South Somerset DC will ensure costs remain constant but the level of service in particular specialisms, such as computer audit, will increase</p>		
Procurement	72,000		72,000
	<p>Strategy: The Strategy within this Service Group is to review this services and restructure where necessary - this has led to the deletion of posts which are no longer required. In addition more efficient electronic processes and the renegotiation of purchasing contracts has contributed greatly</p>		

	<p>Key actions: Mobile Phones -Reduced number of Service Unit based mobile phones and the setting up of "pool" phones will reduce overall costs</p> <p>E-Procurement - This represents both reductions in prices and more efficient invoice handling such as the introduction of call off orders for key suppliers</p> <p>E-Procurement - Deletion of posts within Purchasing section and absorption of duties by remaining members of staff</p> <p>Central Telephone costs - Telephone tariff has been renegotiated</p>		
Productive time	0		0
	Strategy: N/A		
	Key actions: N/A		
Transactions	168,714		103,714
	<p>Strategy: The strategy within this Service group is based around three strands, firstly restructuring the Housing benefits service which has enabled the same service to be provided for reduced cost. Secondly by using the Council's Customer Services Team to deal with the majority of day to day telephone enquiries for transactional services and finally by the implementation of electronic processing and payment methods.</p>		

	<p>Key actions: Housing Benefits -Restructure of Benefits service and absorption of work by remaining staff - no impact on Customers</p> <p>Housing Benefits - Tendering exercise of solicitors costs undertaken which will come into force in 2005/06 has reduced costs for the same service level</p> <p>Housing Benefits - Introduction of document imaging, EDRM and workflow has led to more efficient processes and a largely paperless office</p> <p>Council Tax Collection - Implementation of e-payment methods thereby reducing bank charges and the need for face to face cashiering</p> <p>Council Tax Collection - Council Tax leaflet produced for reduced cost yet quality increased</p> <p>Housing Benefits & Council Tax Collection - Implementation of Customer Services Centre has freed up staff time within these services as they no longer have to deal with routine phone calls, form requests etc</p>			
Miscellaneous efficiencies	29,389			9,389
	<p>Strategy: The strategy within other services has been to restructure our planning service which has produced a reduction in staffing levels and also to publish increased amounts of information on all services on the Council's website thereby allowing the public to download information as and when required without having to refer to a Council Officer first.</p>			
	<p>Key actions: Planning - Reduction in Forward Planning Technician Post from 1 FTE to 0.6 FTE and absorption of duties by remaining staff</p> <p>Economic Development - Transfer Industrial Estates Directory to web thereby saving on printing costs</p> <p>Various Services - Publishing information on web site ie planning applications, agendas, listed buildings, local plan information has reduced the cost of sending out hard copy information</p>			
Total	632,935	0	74,398	461,838

2004/05 Backward Looking Annual Efficiency Statement

Appendix B

Expected Efficiency Gains					
Service Block	Service	Specific actions	Expected Annual Efficiency Gains	Cashable	Non-cashable
Culture & Sport	Leisure Centres	Creation of Leisure Trust has freed up NNDR & VAT savings which has been used to increase maintenance budgets	109,540		109,540
Environmental Services					
Local Transport	Concessionary Travel	Change of operator has allowed budget to be reduced	20,000	20,000	
Social Housing (inc HRA)	Housing	Contract Partnering on reactive, voids and gas works	150,000	150,000	
Other cross cutting efficiencies not covered above:					
Corporate Services	Financial Services	A change in Council Tax collection dates has improved cashflow at no additional cost to the public this has enabled the Authority to generate additional interest income	121,000	121,000	
	Financial Services	DLO system changes has resulted in the deletion of processing post	12,090	12,090	
	Personnel	E-Recruitment will reduce printing, postage and advertising costs	1,000	1,000	
	Printing	Reduction in printing costs for publications now available on our web site	10,000	10,000	
	IS Unit	Various system procurement changes (payroll, cash receipting etc) results in overall budget reductions	13,800	13,800	
Procurement	Advertising	A switch of advertising from existing suppliers to cheaper providers will generate savings whilst maintaining coverage	13,000	13,000	
	Postage	A switch of policy so that 80% of post is sent second class	7,000	7,000	
	E-Procurement	Through the corporate purchasing function - this represents both reductions in prices and more efficient invoice handling	9,000	9,000	
	E-Procurement	Following the deletion of the Strategic Procurement Officer post 30% of these duties have been absorbed by remaining staff	12,600	12,600	
	Central Telephone Costs	Purchase of Switch and a reduction in call charges	18,250	18,250	
Productive Time					
Transactional Services	Housing Benefits	Re-structuring exercise (see above) has resulted in improvements to all Best Value Performance Indicators (2004/2005 in comparison with 2003/2004)	10,000		10,000
	Housing Benefits	Through technology, can now produce claim form for completion on tablet PC thus eliminating the need for paper copy or scanning to DIPs	2,000	2,000	
	Housing Benefits	Produced 2 new "shortened" claim forms (back to work & change of address) reducing printing costs and focusing just on information required.	1,000	1,000	
	Housing Benefits	Use StyleWriter software to ensure most written communication is sent in Plain English this reducing enquiries from members of the public.	1,000		1,000
	Housing Benefits	Have added a "Trial Claim Calculator" to Benefits Website so customers can see for themselves if they are likely to qualify for benefit - freeing up resource within Customer Service Unit	1,000		1,000
	Housing Benefits	Now use cameras to photograph supporting documentation, this eliminating requirement to manually record details of information seen during visits	3,000		3,000
	Council Tax Collection	Implimentation of e- payment methods	17,000	17,000	
	Council Tax Collection	Change in software has led to a reduction in the number of electronic payment cards being issued	10,000	10,000	
Miscellaneous	Various	Publishing information on web site ie planning applications, agendas, listed buildings, local plan information	100,000		100,000
Total			642,280	417,740	224,540

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE 24TH May 2005

FORMATION OF A BUILDING CONTROL PARTNERSHIP

(This matter is the responsibility of Executive Councillor Bishop)

Report of Building Control Manager

EXECUTIVE SUMMARY

Agreement is sought to the principle of providing the Building Control service in partnership with neighbour local authorities. Firm interest in participating in such an arrangement has been expressed by West Somerset District Council. Expressions of interest have also been received from Sedgemoor District Council.

The Executive is asked to formally endorse a Memorandum of Understanding to establish a Building Control Partnership in Somerset, and to authorise the appropriate officers to progress the work required to set up a partnership.

The partnership is sought for reasons of service improvement and increased efficiency.

1 Purpose of Report

- 1.1 To seek "in principle" support from Councillors to work with other local authorities to develop a Partnership for the Building Control service.

2 Background information

- 2.1 The core Building Regulations activity is provided in competition with private Approved Inspectors, and is required to be self-financing through fee income (The Building (Local Authority Charges) Regulations 1998). This activity accounts for approximately 80% of the Building Control Section's work. The remaining 20% is funded by the Council and comprises various enforcement and public safety duties prescribed by the Building Act 1984. The Building Control team also provides specialist surveying and access advice to other departments. The Statutory and "added value" services are provided economically on the back of a successful fee-earning service.
- 2.2 As a result of the 2004 Spending Review local authorities are charged with making efficiency savings, and the Gershon Review of Public Sector Efficiency proposes improved staff productivity and the sharing of "back office" functions as a means of securing efficiencies, along with reviewing the way services are procured and the establishment of strategic partnerships in service delivery.

- 2.3 The challenge in Building Control is to promote and grow the service in the face of commercial competition while achieving efficiencies through productivity and innovation in service delivery.

3 Motivation for Change

3.1 STAFFING

- 3.1.1 Loss of staff to private Approved Inspectors, coupled with a resurgent construction industry and increased demand for Surveyors, has made recruitment to the local authority service extremely difficult for a number of years. There is estimated to be a national shortfall of 30% in qualified Building Control Surveyors. The maintenance of acceptable levels of service is not possible if establishments are incomplete.

3.2 LOSS OF BUSINESS

- 3.2.1 Approved Inspectors have marketed their services aggressively since their introduction in 1999, and now account for 4% of all contracts in the Taunton Deane area. Since Approved Inspectors “cherry pick” their clients, the business which has been lost has been taken exclusively from the profitable commercial and industrial market segments – the top 20% in terms of profitability. The true impact of Approved Inspectors is therefore the loss of 25% of the most profitable contracts awarded in the TDBC area.
- 3.2.2 The effect of loss of business volume is diminished profitability. If fees have to be raised to maintain the break-even trading position there is the danger of further loss of business volume and the creation of a downward spiral.

3.3 THE VALUE OF AN IN-HOUSE SERVICE

- 3.3.1 Enforcement of Building Regulations is a local authority duty. The Council is also the “inspector of last resort”. These and other Building Act public safety duties make it necessary for the Council to maintain a Building Control capability. It is very difficult to recruit professional staff to small, narrowly focussed services. Training and support service costs become disproportionately large.
- 3.3.2 The existence of a healthy fee-earning service, offering career progression and a broad range of experience to professionally qualified staff, enables the Statutory duties to be provided economically. The Council also benefits from the creation of an expert resource enabling “added-value” services to be provided, notably Access advice, fire risk assessments and advice on entertainment licensed premises.
- 3.3.3 Diminution or effective loss of the service would also leave the Council with residual costs to absorb, while services available to the public would be fewer or more expensive to source.

4 Benefits of Partnering

4.1 SERVICE IMPROVEMENT

- 4.1.1 Greater customer convenience through standard forms and fees. Improved customer access to the service through any office within the partnership area. More consistent interpretation of requirements. The establishment of a uniform level of service.

4.2 STAFF RECRUITMENT

- 4.2.1 The current national shortage of qualified personnel will be worsened in 2007 when Home Condition Reports become part of the house-selling requirement, creating new job opportunities for qualified Surveyors. A larger Section offering a progressive structure, wider task diversity and greater opportunity for specialisation will be more attractive to recruits.

4.3 STRENGTH IN DEPTH

- 4.3.1 Larger establishments are more able to absorb peaks in workflow and provide cover in times of staff absence or shortage. The ability to provide specialist areas of expertise is also enhanced.

4.4 STAFF TRAINING AND DEVELOPMENT

- 4.4.1 The long term solution to the personnel shortage is the creation of trainee posts. An adequate core of qualified staff and suitable training budgets are required to support trainees through the extensive and expensive training to post-graduate standard which is required. The increasing rate of change and addition to the Building Regulations makes normal continuing professional development very demanding on training resources. Pooled budgets within a partnership would create a more significant resource and the larger establishment would facilitate the absorption of trainees.

4.5 REDUCED DUPLICATION

- 4.5.1 Rationalisation of “bought-in” services, single subscriptions to professional associations, a common E-government approach, more effective use of support services, all point to improved efficiency in service delivery.

4.6 STRUCTURAL EFFICIENCY

- 4.6.1 Slimmed-down management releasing resources to the “front line”. More effective use of new technology to develop flexible working methods and improve productivity – remote working, home working. More efficient service provision and staff utilisation without artificial “boundary” restrictions. Economies of scale.

4.7 BUSINESS DEVELOPMENT

- 4.7.1 A larger customer base would provide greater business stability, while a larger establishment would allow further marketing and the development of existing successful initiatives – local “partnerships” with major customers (market retention); active service marketing (market

growth); the promotion of the Service through training events for local businesses.

5 The Partnership Proposal

- 5.1 West Somerset District Council have agreed to the principle of a jointly commissioned Building Control Service. Sedgemoor District Council wish to be involved in discussions short of a positive commitment at this stage. South Somerset and Mendip District Councils have expressed interest in a future arrangement.
- 5.2 The current proposal is therefore to jointly commission the Building Control Service with West Somerset District Council, on the understanding that other authorities may wish to join the arrangement either during the formation process or at a later date.
- 5.3 The initial objectives of the Partnership would be:
- (a) to continue to provide an effective Building Control service which encompasses a full range of “added value” services;
 - (b) to improve customer convenience and access to the service;
 - (c) to improve the service within existing resources through the more efficient use of those resources;
 - (d) to obtain efficiencies in service delivery through rationalisation and increased productivity through innovation;
 - (e) to develop the service through marketing and promotion;
 - (f) in the longer term, to secure overall efficiencies in service provision for the benefit of the Partner authorities.

6 Recommendation

- 6.1 The Executive is requested:
- (1) to agree in principle to the partnering of the Building Control Service, initially with West Somerset District Council but allowing for the inclusion of other authorities expressing an interest;
 - (2) to authorise the progress of work necessary to the setting-up of a partnership arrangement, and
 - (3) to endorse the Memorandum of Understanding attached at Appendix 1.

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APPENDIX 1

The following Memorandum of Understanding comes from West Somerset District Council, and has been forwarded for approval by Andrew Jeffery, the Director charged with “championing” the Partnership initiative.

Somerset Building Control Partnership

Memorandum of Understanding

A. Introduction

The District Councils in Somerset all provide a building control and ancillary services to their respective communities under the provisions of the Building Act 1984.

The District Councils wish to provide the most efficient and effective building control service to their communities and believe that a key way in which this can be achieved is through working in partnership with each other.

The purpose of this memorandum is to formally recognise the commitment to work closely with each other to deliver our common objectives to our respective communities.

B. Objectives

To put in place a mechanism for the District Councils to work in partnership to undertake the building control service in our communities. The mechanism will include provision for achieving these objectives:

- Creating a joint approach to identifying the quality and standards of service
- Creating a joint approach to the training and development of those delivering the service
- Providing mutual assistance to each other in delivering the service
- Implementing joint service delivery where it benefits the District Council and the community it serves
- Providing a single point of contact for the service in Somerset (for example in Government consultation)
- The sharing of resources and assets
- The sharing of best practice and information
- Etc

C. Delivering the Objectives

A joint group of officer representatives from each of the District Councils will champion the partnership and provide strategic leadership through a Steering Group.

As the partnership proceeds and the objectives become realisable, the respective District Councils will need to receive reports from and consider any recommendations from the Steering Group.

An initial function of the steering group will be to create a project plan with a realistic timetable to achieve the objectives of the partnership.

D. Agreement

This Memorandum of Understanding has been agreed by the District Councils set out below as providing a basis for developing more effective and efficient building control services in the County of Somerset.

We commit to pursuing the aims and objectives as set out in this memorandum.

TAUNTON DEANE BOROUGH COUNCIL

CORPORATE MANAGEMENT TEAM

REPORT TO THE EXECUTIVE 24 MAY 2005

REPORT OF THE CHIEF ARCHITECT

This matter is the responsibility of Executive Councillor Garner.

PERFORMANCE MONITORING OF CONTRACTS SUPERVISED BY DEANE BUILDING DESIGN GROUP.

EXECUTIVE SUMMARY

Standing order No 38 required details to be published to CMT and the Executive as to the progress of all works contracts in excess of threshold 2 (£50,000) on a quarterly basis for all those contracts supervised by Deane Building Design Group.

1. INTRODUCTION

- 1.1 This is the third report to CMT and the Executive on the current performance of all Deane Building Design contracts. The first report was submitted in May 2004.
- 1.2 As in the last report, this report shows whether individual projects are on programme and their financial position at the time of reporting. Reports are based on the relevant last Financial Statement(s) and most recent valuation(s).
- 1.3 Only those projects "on-site" are reported. Any financial alterations that take place after Practical Completion will be reported in the Completion Statement as required under the "General Contract Conditions". This is reported to the Executive on a yearly basis.
- 1.4 As a result of the Housing Restructure this is likely to be the last report of the Chief Architect concerning contracts supervised by the Deane Building Design Group since the relevant contracts are all "housing" contracts.

Subject to approval to the report on the Property Services Restructure (to be submitted to the Executive on 24 May 2005), Deane Building Design will now form part of the new property group. In future, therefore, any works contracts let by the new group in excess of threshold 2 will be reported by the Council's Corporate Property Manager to CMT and The Executive.

2. PERFORMANCE REPORTS

Contract Update – 6 May 2005

- 2.1 Project – Refurbishment of kitchens and Rewiring, Phase 1, Bishops Hull and Taunton.

Contractor – C W Duke and Sons Ltd.

This contract was completed on the 19 November 2004.

C W Duke and Sons Ltd have performed very well on the above project, therefore an interim partnering agreement, as detailed below, has been implemented. The Contract will run for an initial 2 years and 5 months, with an annual review for a further 3 years. The anticipated spend for the 5 years and 5 months is £4,658,333.

Contract designation – Phase 1A

Commencement date – 25 October 2004

Completion date – 31 March 2007

Approximate Number of Properties (200) Annually

2.2 Project – Refurbishment of Kitchens, Phase 2, Taunton

Contractor – Midas Property Services

This contract was completed on 10 September 2004.

Midas Property Services have performed very well on the above project; therefore an interim partnering agreement, as detailed below, has been implemented. The Contract will run for an initial 2 years and six months, with an annual review for a further 3 years. The anticipated spend for the 5 years and six months is £4,730,000.

Contract designation – Phase 2A

Commencement date – 10 September 2004

Completion date – 31 March 2007

Approximate Number of Properties (200) Annually.

2.3 Project – Refurbishment of kitchens, Phase 3, Wellington

Contractor – Mowlem Building

Provisional completion date – 27 May 2005 (subject to access)

Mowlem Building have performed very well on the above project, therefore a partnering arrangement is being prepared with a projected start date of 1 June 2005. The issue of properties will mirror the other two partnering projects. The Contract will run for an initial 1 year and 10 months, with an annual review for a further 3 years. The anticipated spend for the 4 years and 10 months is £4,156,666.

2.4 Project – Refurbishment of Kitchens and Fire Safety Works, Phase 4, Taunton

Contractor – C.L.C. Group Ltd.

This project was completed on 7 January 2005.

2.5 Project – Refurbishment of Kitchens and Heating Installations, Phase 5 at Wellington, Churchinford and Oake.

Contractor – Bluestone Plc.

Number of dwellings – 84 no Kitchen Refurbishments, 11 no Heating Installations,
(Note – Actual properties worked on will be dependent on Tenant’s requirements,
rent situation, Tenant alterations etc.)

Commencement – 22 November 2004

Completion date – 12 May 2005

Contract Sum – £392,848.00

Originally all the above Contracts were procured on a fully competitive tender basis.

3) RECOMMENDATION

3.1) Members of the Executive are recommended to note the contents of the report.

Contact Officer

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