

Taunton Deane Borough Council

Council Meeting – 10 December 2013

Part I

To deal with written questions to and receive recommendations to the Council from the Executive.

(i) Councillor John Williams

(a) Earmarked Reserves Review

As at 31 March 2013, the total of General Fund Revenue Earmarked Reserves was £6,517,000. This is equivalent to 48.8% of the Council's Net Revenue Budget, which is too high and needs to be reduced.

A fundamental review has therefore been undertaken of all General Fund Revenue Earmarked Reserves, with a view to all balances being returned to the General Fund Reserve unless:-

- A clear commitment / obligation exists to spend the money within a defined time period; or
- It is a "trading" reserve – which exists purely to support the requirement for certain trading services to break-even over a three year period.

To identify which General Fund Earmarked Reserves' balances could be returned to the General Fund Reserve, each Reserve holder was interviewed and asked to provide evidence of how the Reserve balance was planned to be used.

These interviews identified that, of the £6,517,000 balance held as at 31 March 2013, all but £3,000,000 of the General Fund Revenue Earmarked Reserves is expected to be spent by 31 March 2014.

Of the £3,000,000 projected balance, it has been agreed with Reserve Holders that £498,100 will be returned to the General Fund Reserve immediately following Council's approval. This £498,100 includes the following amounts over £10,000:-

- £250,000 – Self-Insurance Fund. It has been recommended by the independent broker that the Council only needs a balance of £500,000 rather than £750,000 in its Self-Insurance Fund;
- £117,000 – Core Council Review – Property Services. This Reserve was created to fund an additional £15,000 per annum of pension contributions that arose directly from the restructure of Property Services;
- £45,000 – Energy Efficiency Reserve – This is an historic reserve which

was created as part of an insulation scheme undertaken in 2005, but which has not been spent since;

- £25,000 – Stable Payroll Pension Reserve. Historically, this Reserve has been used to manage the risk on Pension Fund contributions, but it has been agreed that this risk should be managed within the General Fund Reserve;
- £24,000 – Welfare and Finance Reform. This Reserve was created to mitigate against the negative effects of Welfare Reform but is no longer required;
- £12,000 – Healthy Workplace. This Reserve, used to fund initiatives to reduce sickness absence, currently stands at £27,000. It is felt this could be reduced to £15,000.

In addition to the above Earmarked Reserves being returned, the Council has recently received the Council's share of the trading surplus of South West Audit Partnership (SWAP). This will increase the General Fund Reserve by £16,000.

In the circumstances, it is **recommended** that:-

- (1) A budget return of £498,100 to the General Fund Reserve of balances currently held in Earmarked Reserves be agreed; and
- (2) A budget return of £16,000 to the General Fund Reserve, relating to the South West Audit Partnership trading surplus, be also agreed.

(b) Revised Capital Programme Budget Estimates 2013/2014 – 2017/2018

The Executive has recently received updated information on the Council's capital investment priorities and funding position.

In February 2013, Full Council approved an interim capital programme pending a more fundamental review of Taunton Deane's capital spending priorities, including infrastructure requirements. This was felt appropriate to ensure the limited amount of funding available to the Council was targeted at the true priority areas. In order to do this, a different approach was needed.

A comprehensive review of the Council's capital spending needs has now been undertaken, taking into account growth agenda projects, the more traditional non growth capital projects and infrastructure needs that will not be met via the Community Infrastructure Levy regime. This has captured the scale of the spending "need" ahead and has provided clarity as to what projects should and should not be progressed in light of the limited amount of funding available.

In recognition of the challenges ahead, the Directors have reviewed and prioritised the entire list of capital schemes within the following categories:-

Table 1

Priority	
1	Business Continuity (corporate/organisational)
2	Statutory Service Investment (to get to statutory minimum/contractual/continuity)
3	Growth (Top 5)
4	Transformation
5	Others

This priority list reflects the issues flagged by Members as being important during the Corporate Business Plan review process. In addition to the above prioritisation, the Directors also propose the general principle that schemes will only be supported if they are “invest to save”. This reflects the need for the Council to invest in schemes that will improve the Council’s revenue position in light of the pressure on the General Fund Revenue Budget.

The results of the prioritisation review are shown in the tables below. Tables 2 and 3 show the costs of the continuing non-growth schemes for both general schemes and Deane DLO schemes. These schemes have traditionally been funded from Revenue Contributions to Capital Outlay or Government Grants. For 2013/2014 these schemes have already been approved but there have been no approvals beyond this financial year.

Table 2: Existing Continuing Non-Growth Schemes

	Annual £k	Priority				
		1	2	3	4	5
PC Refresh	60	30				
Members IT Equipment	4	4				
Waste Containers (3 years)	50		50			
Grants to Clubs	46					46
Play Equip Grants to Parishes	20					20
Play Equip - Replacement	20		20			
Disabled Facilities Grants	490		310			180
Enabling (affordable housing)	425					425
Taunton & Bridgwater Canal	10					10
Total	1,125	34	410	0	0	681

It is proposed that the Deane DLO schemes should be funded from DLO resources so they effectively become ‘self-financing’. The continuing DLO annual capital requirements are shown below. Funding has already been approved for 2013/2014 but there is currently no funding approved beyond this financial year.

Table 3: Existing Ongoing Non-Growth DLO Schemes

	Annu £k	Priority				
		1	2	3	4	5
DLO Vehicles	180		180			
DLO Plant and Equipment	23		23			
Total	203		203			

The following table shows the bids for new non-growth schemes. These span the next five years and include one off schemes and yearly schemes.

Table 4: New Non-Growth Schemes

	£k	Priority				
		1	2	3	4	5
Wellington Cemetery	50					50
Taunton Cemetery	100					100
Crematorium Cabinet	15					15
Chapel Roof	180		180			
Private Housing - Landlord Accreditation / Loans etc	1,735					1,735
Private Housing - Category 1 Hazards	130					130
Website Development	30				30	
Cycle Path (Hankridge)	50					50
ICT Infrastructure	?	?				
Customer Access / Accommodation	?				?	
Deane House Improvements	?				?	
B Plan – Trans & Restructuring	?				?	
Gypsy Provision	?					?
West Somerset Project*						
DLO Relocation – subject to BC						
DLO Refurb – subject to BC						
Deane Helpline – subject to BC						
	2,290	0	180	0	30	2,080

Based on the above prioritisation exercise it is suggested that schemes within either Priority 1 or 2 should be funded. This will mean that £180,000 of the £2,081,000 'general' available funding will be used leaving a remaining general funding balance of £1,901,000.

The Council receives funding through Section 106 Agreements that must be spent on Affordable Housing Schemes. Through the prioritisation, affordable housing has been allocated a Priority 5. Nevertheless, it is recommended that Members agree the principal that any funding received for affordable housing shall be approved to spend on affordable housing.

Noted that the growth schemes were overall allocated a Priority 3 – see Table 1 above. Within this priority group a number of potential investment needs have been considered and ranked in order to provide a steer on which schemes should be supported as funds become available. These schemes are set out in the following table:-

Table 5: Growth Schemes

Project	Rank	14/15 £k	15/16 £k	16/17 £k	17/18+ £k	Total £k
Firepool Access	1	1,500	0	0	0	1,500
Firepool Infrastructure and Planning	2	0	3,500	0	0	3,500
Toneway Corridor Improvements (incl Creech Castle)	3	23,120	0	0	0	23,120
J25 Improvements	4	0	0	9,240	0	9,240
Taunton Strategic Flood Alleviation Work	5	0	0	0	15,000	15,000
Total		24,620	3,500	9,240	15,000	52,360

The top Growth priority is Firepool Access as Members have previously expressed a wish to progress this.

Having funded Priority 1 and 2 non-growth schemes, a balance of unallocated general funding of £1,901,000 and £519,000 of Growth Reserve exists.

It is reasonable to assume that the top growth scheme identified above could be progressed within existing funding streams. This will reduce the unallocated general funding to £920,000 and the Growth Reserve to £0 (pending receipt of any 2014/2015 New Homes Bonus).

It is important that this sum is not fully allocated at this point, considering the potential capital investment requirements included in the Joint Management and Shared Services Business Case, and other Priority 1 and 2 Projects from the non-growth area.

If the prioritisation methodology is accepted, the Priority 1 and 2 schemes will be funded along with the Affordable Housing Schemes and the top Growth Scheme. The additions to the capital programme and funding of additions will therefore be as shown in the table below:-

Table 6: Planned additions to the capital programme

Project	14/15 £k	15/16 £k	Total £k
Chapel Roof	90	90	180
Affordable Housing (S106 / developer contributions)	450	174	624
Firepool Access	1,500	0	1,500
Total	2,040	264	2,304
Funded by:			
Capital Receipts	594	90	684
Growth Point Capital	157	0	157
Firepool Receipts	320	0	320
Growth and Regeneration Reserve (NHB)	519	0	519
Affordable Housing Receipts (S106/developer contributions)	450	174	624
Total	2,040	264	2,304

If the schemes proposed are approved, the remaining funding will be as shown in the table below:-

Table 7: Remaining Funding

General Fund	Total £k	Funding Used £k	Remaining Total £k
Affordable Housing			
Affordable Housing Receipts (S106 / developer contributions)	624	(624)	0
DLO			
DLO Vehicle Sales	7	0	7
Growth Funding			
Growth and Regeneration Reserve (NHB)	519	(519)	0
General Funding			
Capital Reserve	393	0	393
Growth Point Grant	157	(157)	0
Capital Receipts	1,014	(684)	330
General Fund "non additional" RTB	197		197
Firepool Receipts	320	(320)	0
Sub Total: General Funding	2,081	(1,161)	920
TOTAL Remaining Funding	3,231	(2,304)	927

Following the decision of Full Council on 12 November 2013 to proceed with the West Somerset Project, the above total will be reduced by £800,000 to fund the likely transition costs involved. The above balance will therefore be reduced to £127,000.

In the circumstances, it is therefore **recommended** that:-

- (1) The Prioritisation Framework set out in this report be supported;
- (2) The Supplementary Budget in the General Fund Capital Programme of £2,304,000 to fund Priority 1 and 2 Non-Growth Schemes, funded Affordable Housing Schemes and the highest ranked Growth Scheme as set out above be approved; and
- (3) The principle that future external funding received specifically for affordable housing should be allocated to affordable housing projects in line with funding conditions and automatically added to the Capital Programme be also approved.

(c) Fees and Charges 2014/2015

The Executive has given consideration to the proposed fees and charges for 2014/2015 for the following services:-

- Cemeteries and Crematorium – It is proposed to increase the main cremation fee by £19 (2.8%) to £627 and make minor increases for other charges within the service. This did not reflect the % increase assumed within the Medium

Term Financial Plan for fees and charges. A lower figure has been used to keep charges competitive in light of the new crematorium that has been constructed in Pawlett;

- Waste Services – The Somerset Waste Partnership proposes to increase only one of its charges - the Garden Waste Service Charge from £45 to £46.50. It is anticipated this would generate additional income of £13,160;
- Land Charges – It is proposed to keep Land Charges fees the same as the current year. The Regulations require local authorities to ensure that the price charged is an accurate reflection of the costs involved in providing the function and not for creating surpluses;
- Housing – The proposal is to increase charges by 3.2% (September Retail Price Index (RPI)) with the following exceptions:-
 - (1) Garage rents for private tenants and owner occupiers to be increased by 5%; and
 - (2) Hire charges for the sheltered scheme meeting halls and hire charges for sheltered scheme guest rooms to remain the same. This is again to increase take up of the facilities.
- Licensing – Fees for applications under the Licensing Act 2003 and Gambling Act 2005 were set by statute so increases under local arrangements were not possible. For those fees where local discretion exists they could not exceed the parameters set out within the appropriate statutes.

Guided by case law and through the results of the costs analysis detailed in the report, suggested fee levels were recommended to achieve, as far as possible, full recovery for the projected costs to the Council of unfettered administration and supervision of the various licensing regimes.

Noted that it would be unlawful for the Council to deliberately set fees to make a profit and any over (or under) recovery would need to be redressed in future fee levels.

In order to ensure fees levied were reasonable and lawful, consideration could only be given to setting fees at the level suggested or at a level lower than those set out within the report thereby subsidising those businesses regulated by the Council's Licensing Service.

- Planning – It was proposed to increase the discretionary pre-application advice and charges by 10%. The majority of authorities now charged for this service, with the income being reinvested in the service. In setting the charges there needed to be a balance set between recouping the full cost of the service provided and encouraging developers to engage with the Council as early as possible. The charges continued to represent a tiny fraction of the cost of carrying out any form of development.

- Environmental Health – It was proposed to increase the charges for Pest Control by 11% to better reflect the costs of providing the service – even though this would still not achieve cost recovery;
- Recovery of Court Costs – Reasonable costs could be added to debts if recovery was assisted through the Magistrate’s Court. The charge for a summons would remain at £63.50 and the charge for a liability order would remain at £10;
- Deane Helpline – It was proposed to increase the current charge for private customers by 10% - from £4.54 to £4.99 per week. The charge to Council Tenants would be frozen until a discount of £1 per week was achieved.
- Building Control - No changes to current charges were proposed for 2014/2015. This will ensure the provision of a price to customers for the Building Regulation Service which is a direct reflection of the Council’s costs.
- Charging for Housing Act Notices and Immigration Visits - The Somerset West Private Sector Housing Partnership currently charged £131.95 for the service of formal Housing Act 2004 Notices, namely Improvement and Prohibition Notices. The Partnership also charged £129 for Immigration visits to provide evidence that applicants had suitable housing accommodation within the United Kingdom.

No increase in these charges is proposed.

The results of previous public consultation events have clearly indicated that the public prefer to see increases in fees and charges, rather than in Council Tax, as a way for the Council to raise income.

Therefore, where possible, fees have been increased to take these views into account. The Corporate Scrutiny Committee also considered this matter at its meetings on 21 and 25 November 2013 and its comments have been taken into consideration.

It is therefore **recommended** that the fees and charges for 2014/2015 in respect of Cemeteries and Crematorium, Waste Services, Land Charges, Housing, Licensing, Planning, Environmental Health, Recovery of Court Costs, Deane Helpline, Building Control and Housing Act Notices/Immigration Visits be agreed.

(ii) Councillor Mark Edwards

(a) Local Development Scheme 2013

The Executive has recently considered a report concerning the Local Development Scheme (LDS) 2013.

The Planning and Compulsory Purchase Act 2004, as amended by the Localism Act

2011, requires Local Planning Authorities to prepare a LDS and keep it updated.

The LDS is a rolling project management plan for the preparation of planning policy documents – often referred to as Local Development Documents - that will direct future planning decisions in Taunton Deane.

Unlike previous versions of the LDS, the document is no longer required to be submitted to the Secretary of State for approval. It now has to be displayed on the Council's web site following a resolution by Full Council.

When the LDS was considered by the Local Development Framework, Members suggested that, if it is possible to do, any future revisions to the LDS should be agreed by the Portfolio Holder for Planning and Transportation following consideration by the Steering Group, rather than taken back each time to Full Council.

The LDS identifies the relevant Development Plan Documents for Taunton Deane, and other related documents such as the Community Infrastructure Levy and the Authorities Monitoring Report and the timescale for their delivery.

Resolved that Full Council be recommended to:-

- (a) Adopt the Local Development Scheme and timetable for the preparation of planning documents; and
- (b) Agree that any future changes to the Local Development Scheme be agreed through the Local Development Framework Steering Group and Portfolio Holder for Planning and Transportation.

(b) Introduction of the Community Infrastructure Levy in Taunton Deane – Examiner's Report and Adoption

Consideration has recently been given to the proposed adoption and subsequent introduction of the Community Infrastructure Levy (CIL).

Following consultation on the Preliminary Draft Charging Schedule, a Draft Charging Schedule was prepared and submitted for independent Examination on 24 July 2013. The draft Instalment Policy was also put forward for comments at the CIL Examination.

Subject to two suggested minor modifications, the Examiner has endorsed the Council's proposals for the levels of CIL within Taunton Deane and the zones within which they will apply. This includes the proposed zero rates for all development in Taunton and Wellington Town Centres and for the wider urban area of Wellington.

Overall, the Examiner concluded that the Council's proposed Charging Schedule provides an appropriate basis for the collection of the levy and the charges were set at a level which would not put the overall development of the area at risk.

It will be important that systems are in place and functioning ahead of CIL implementation. It is therefore proposed to appoint a CIL Administration Officer early in 2014. Members have previously agreed to fund this post for two years on the basis that the costs will be recouped from CIL receipts.

The process of preparing to introduce CIL will take some time – for example, owing to the need to install computer software to issue documents and process information and to train staff in its use. It is therefore proposed that CIL is introduced in Taunton Deane with effect from 1 April 2014. An announcement to this effect will also provide the development industry with time to adapt to this forthcoming change.

Resolved that Full Council be recommended to approve:-

- (1) The introduction of the Community Infrastructure Levy in Taunton Deane from 1 April 2014;
- (2) The Charging Schedule, set out in the report submitted to the Executive, which incorporates the modifications recommended by the Examiner; and
- (3) The proposed Instalment Policy which is also set out in the report.

(iii) Councillor Mrs Vivienne Stock-Williams

(a) Review of Council Tax Support Scheme for 2014/2015

On 1 April 2013 Council Tax Benefit (CTB) was abolished and replaced with a locally designed "Council Tax Support Scheme" (CTS). Each billing authority is responsible for designing and approving a CTS scheme for its area.

Only 90% of funding previously granted for CTB was given for localised CTS. However, those of pensionable age were protected from any reduction in support, so cuts could only apply to people of working age.

Last December, Full Council adopted the Local Council Tax Support Scheme for the 2013/2014 financial year. Consideration therefore has to be given to the scheme for the financial year 2014/2015 and that needs to be approved by 31 January 2014.

Central Government has stated that localised CTS funding will be unchanged in cash terms from its 2014/2015 total level. However funding for localised CTS is incorporated in the total Local Government Finance Settlement (LGFS) and is not separately identified.

This is the grant Taunton Deane receives from Central Government as a contribution towards the cost of services the Council provides. Indicative figures show that the LGFS will reduce not only in 2014/2015 but in future years too. Therefore, it is possible Councillors might wish to consider applying cuts to localised CTS spending.

A decision not to change the money paid out by CTS will leave a greater cut in the remaining LGFS. A decision to decrease the money paid out by CTS by the same proportion the LGFS is reduced could mean significant cuts in CTS available to working age recipients. For example, the indicative figures show the LGFS will be cut by 14.3% in

2015/2016. If Members decide to decrease the money paid out by the localised CTS at the same level, this will reduce CTS for working age recipients by £876,000.

Such a reduction should be considered against the cuts already applied to people of working age when CTB was replaced with CTS on 1 April 2013.

In 2012/2013, CTB of £3,540,000 was paid to working age recipients. From 1 April 2013, CTS for this group reduced to £2,710,000 - a cut of approximately 23%. Cutting CTS by £876,000 in 2015/2016 will reduce help available to working age recipients to £1,830,000. This equates to a cut of 48% in comparison to help previously available through CTB in 2012/2013.

Such a reduction in support will impact upon working age people already affected by significant cuts through Welfare Reform, for example the overall Benefit Cap and removal of the spare room subsidy ("bedroom tax").

If the Council is to amend localised CTS, public consultation has to be undertaken on any proposed amendments before the scheme can be adopted. No consultation is required if it is decided to retain the existing CTS scheme for 2014/2015.

The funding for CTS within the 2013/2014 LGFS includes a proportion relating to parishes and Special Expenses. The Council has previously decided to pass on a proportion of this funding to parishes to reflect their reduction in funding as a result of CTS. For 2013/2014, a grant was given to parishes based on the tax base reduction attributable to CTS in each parish multiplied by their 2012/2013 Band D Charge.

The Funding Settlement for 2014/2015 and beyond will not separately identify the proportion of funding for CTS for any preceptors. The Council therefore needs to determine the policy for providing any CTS Grant funding to parishes for 2014/2015, and it is recommended this is approved at this stage to give the Council and parishes some certainty for financial planning and budget setting purposes.

For 2014/2015 there are two proposed options, based on available information:-

Option 1: Use the same formula that was used for 2013/2014, so each parish grant for CTS will be calculated as CTS Tax Base Adjustment x 2012/2013 Parish Band D Tax rate; and

Option 2: Use the same formula that was used for 2013/2014, but apply the same reduction to parish grant funding as that experienced by Taunton Deane in the Funding Settlement. Provisional figures indicate a 14.3% cut in funding for 2014/2015, so each parish grant for CTS will be calculated as CTS Tax Base Adjustment x 2012/2013 Parish Band D Tax rate x [1-0.143].

Although Option 1 was recommended for approval by the Executive - as it would provide protection for parish budgets – it will mean that Taunton Deane will need to find savings from its own service budgets to subsidise CTS costs for parishes.

It is proposed the same funding principle agreed for parishes should be applied to the Council budget for the Unparished Area Fund.

Copies of the Council Tax Support 2014/2015 Policy Document have been placed on the Members' Portal and in the Members' Room for reference purposes.

In the circumstances, it is **recommended** that:-

- (a) The current Council Tax Support Scheme be continued from 1 April 2014;
- (b) Option 1 be the preferred route in providing and calculating Council Tax Support Grant funding for Parish Councils in 2014/2015; and
- (c) The Council continues to provide discretionary help through the Discretionary Council Tax Assistance (DCTA) Policy to give extra short-term help towards Council Tax costs for those in hardship.

(Funding of DCTA will be from Council Tax receipts and shared between the various local precepting bodies. The exact amount of the DCTA fund for 2014/2015 has not yet been agreed but is expected to be in the range of £30-£35,000).

(b) Customer Access Strategy

Considered report previously circulated, concerning the production of a new Customer Access Strategy for the Council. A copy of the draft strategy has been circulated to Members.

The existing Customer Access Strategy was prepared in 2005. It now needs to be updated in the light of social and technological changes and the Council's current financial position. The updated Strategy proposes a significant shift towards self service and the use of technology for the majority of enquiries, whilst focussing resources for face to face provision on those with the most complex requirements.

It is vital for the Council as it moves forward with less resource at its disposal that technology is used wherever possible to provide access to services. For many of our population this will be an improvement on the current situation as it will enable access to key services on a 24/7 basis. The Council also has to make suitable provision for those who do not have access to technology or have special needs and this was highlighted within the Strategy.

Clearly this change cannot be made without cost and there is a Business Case made within the Strategy for the investment that will be required which includes:-

- The provision of a new, fit for purpose web site to provide full authenticated access to end to end transactional services using mobile devices;
- The ability for staff to access and deliver services while visiting key sites within the community;
- The provision of access points enabling customers to either self serve or interact with a member of staff to receive Council services; and
- The provision of all applicable Council data sets in an open data format.

The total cost of these items is estimated as £320,000 one off investment plus a continuing charge of £40,000 per annum.

There is the requirement for each service, as part of its business re-engineering process, to implement a 'channel shift' process – moving its way of operating wherever possible to self service.

A further cost that needs to be included is to resource the continuing change required to implement the channel shift work. It is therefore suggested that £50,000 should be allocated as a corporate resource to help support this work. Examples of issues that might need to be resourced this way are expert help for services in setting up new systems and support for customers when they access services this way for the first time.

The total investment requirement is therefore £370,000. However, £190,000 of these costs will be covered within the joint services approach with West Somerset Council. Therefore, the Council will only need to find the balance of £180,000.

As approximately 20% of current customer contact costs for telephone and in person were currently funded from the Housing Revenue Account, it is proposed that 20% of the £180,000 (£36,000) should also be funded from the same source.

One of the main purposes of implementing channel shift is to make financial savings for the Council. With this in mind it is estimated that a shift of 25% of both footfall numbers and telephone access numbers to web access and using the Society of Information Technology Management (SOCITM) approximate costs per transaction would bring an indicative saving to the council of approximately £241,000 per annum.

These savings will be made by reduced officer time spent dealing with customers. To achieve these savings will require a rigorous implementation plan including new staffing structures reflecting the reduction in posts. For this reason it is recommended that the implementation occurs at the same time as the transforming of services as the Council moves forward into shared services. This Strategy would form a fundamental enabler to doing this differently in the future.

This 25% shift is conservative and a higher shift could be achieved dependant on how robust the Council wishes to be. In order to realise the savings as 'cashable', the Council will need to reduce staff costs as a result of the time saved and potentially seek to reduce its costs with Southwest One.

Noted that even with only a 25% shift, the payback on the one off investment of £180,000 will be made within one year with a continuing saving of over £200,000 in the years following if all the savings accrue to the Council or, based on a 50/50 split with Southwest One, one and a half years payback with a saving in the region of £80,000 per annum (taking into account the extra £40,000 continuing revenue cost).

In order for the Council to better meet the needs of its residents, to use its resources in a more focused way and to achieve the predicted savings, there was a need to adopt the strategy of moving to digital service delivery wherever possible.

If approved, a detailed Implementation Plan would be drawn up by the end of 2014 to:-

- Agree a joint Implementation Plan with Southwest One;
- Commission and go live with a new transactional web site;
- Draw up a detailed Channel Migration Plan with each service as part of their service transformation planning; and

- Increase the use of automated telephone lines.

And by the end of 2015 to:-

- Provide a postal option but in a limited form;
- Be proactively providing information in a wide range of new ways;
- Up-skill officers to be able to deliver multi-departmental services around Taunton Deane; and
- Ensure all officers know how to use and signpost customers to the simplest and most cost effective route.

At its meeting on 25 November 2013, the Corporate Scrutiny Committee recommended the adoption of the revised Customer Access Strategy to the Executive conditional on an extensive multi-media publicity exercise to enable public understanding and confidence in the new systems which must have provision for all disability needs.

When the Strategy was considered by the Executive on 4 December 2013, the importance of continuing to provide ways of assisting vulnerable residents and those with complex or urgent needs to access services whenever and however they need to was acknowledged.

In the circumstances, it is **recommended** that:-

- (1) The revised Customer Access Strategy, appended to the report considered by the Executive, be adopted; and
- (2) The release of £144,000 from General Fund Reserves and £36,000 from the Housing Revenue Account be agreed to enable the Strategy to be implemented. This would include £50,000 to be allocated to revenue costs and £130,000 to be added to the Capital Programme, funded from revenue resources.

(iv) Councillor Norman Cavill

Asset Strategy

In recent years Central Government has provided a clear direction to local authorities to make better use of property assets in order to minimise Council Tax increases and protect services.

The Peer Review undertaken during 2012 identified the need for the Council to make better use of its Property assets.

At the beginning of the year the Executive adopted a new Asset Management Plan (AMP) but this was subject to a more detailed and strategic review of the Council's approach to asset management being undertaken.

The approved Corporate Business Plan included an action to commission a review of

Taunton Deane's approach to managing its property assets to identify and implement a new Asset Strategy which would assist the Council in achieving financial sustainability. It was recognised that to achieve this objective specialist external expertise would be needed to assist in developing the new Asset Strategy.

Following a procurement exercise Bob Baber Associates were appointed in August 2013 to develop the new Asset Strategy and Decision Making Framework.

The objective of the review was to develop a new Asset Strategy, which maximised the return from Taunton Deane's assets and which provided a clear decision making framework for future property asset decisions.

Specifically the new Asset Strategy and decision making framework will:-

- i) Ensure the Council makes best use of property assets to deliver our corporate objectives and to help deliver financial sustainability;
- ii) Clearly articulate the balance between financial return and wider objectives;
- iii) Clearly reflect the Council's appetite for risk and reward; and
- iv) Provide a clear framework for future decisions about acquisitions and disposals, with appropriate levels of delegations regarding decisions.

The development of the Strategy by Bob Baber Associates has involved a two stage approach to collect and analyse information from documents and feedback obtained from key stakeholders and Members.

The research undertaken to inform the new Strategy identifies a number of key issues. These are outlined in detail in the draft Strategy document – a copy of which has been circulated to Members – and are summarised below:-

- The acute financial pressures on the Council to which the property portfolio will need to respond;
- The need for improvement in property data, especially financial data, to enable fact based decision making;
- A potential lack of capacity to implement the Asset Strategy;
- A need to re-organise the way property was strategically managed and strategic property recommendations and decisions were made in the Council;
- The need for a more rigorous analysis of the reasons for holding property;
- The need for a more rigorous analysis of the degree to which each property contributes to the Council's objectives;
- The need for a rapid and systematic review of all the Council's property to make the property portfolio more sustainable, to make it more focussed on the Council's priorities and to reduce net revenue expenditure. In particular:-
 - (a) To reduce the size of the operational portfolio, by undertaking service/property reviews of each property category;
 - (b) To dispose of property for which there is no clear reason for holding it or where its contribution to corporate objectives is insufficient; and

- (c) To increase income (or reduce costs) from income producing property.

The Council's gross spend on General Fund assets is in excess of £1,500,000 per annum. Consequently even a conservative savings target of 10% could yield minimum savings of £150,000 per annum.

The delivery of some of these savings are already being progressed through the implementation of projects such as the Customer Access and Accommodation Projects. However, to maximise the potential savings a rigorous and continuing review process across all of the Council's assets is required. These reviews need to be undertaken quickly to help plug the budget gap. However, to enable this to be done it is imperative that accurate and detailed data about costs per property are available in order to focus efforts to enable fact based decisions to be made.

The strategy development process, undertaken by Bob Baber Associates, has identified some fundamental areas where improvements are essential. Key amongst these are:-

- i) Council assets managed strategically and ideally by a single Property Team;
- ii) Adequate, appropriately skilled resource to implement the Strategy; and
- iii) Detailed cost and income data on an asset by asset basis to enable the prioritisation of assets for review and to facilitate accurate, fact based decision making.

The creation of a single Property Team is in progress following the decisions recently made at Full Council in connection with the West Somerset Project. However, it is important to understand that implementing the Strategy will require additional staff resource and expertise, compared with the current situation.

Additionally, it is vital that action is taken now to provide for the provision of accurate property cost and income data in the future. This is vital for identifying priorities and accurate, fact based decision making.

Consequently it is recommended that £90,000 from General Fund Reserves be set aside to fund an additional specialist Estates Surveyor for a period of two years. This funding will be on an 'invest to save' basis.

Additionally, it is anticipated that the Head of the Property Service will also need to be significantly involved in this project. This will need to be factored into the current restructure process.

There will also potentially be additional costs for legal support during the implementation of the review process should this result in a significant number of property disposals. However, it is not realistic to estimate these costs at this stage.

The Corporate Scrutiny Committee has considered this matter at its meeting on 25 November 2013 and endorsed the proposed new Strategy and the recommendation for funding.

When the Executive considered the Strategy at its meeting on 4 December 2013, it

was agreed that the wording of part of the Executive Summary and the sub-section titled 'Governance of the asset base' should be amended.

It is **recommended** that:-

- (a) Subject to the incorporation of the revised wording referred to above, the new Asset Strategy and Decision Making Framework be approved; and
- (b) £90,000 be allocated from General Fund Reserves to fund an additional specialist Estates Surveyor for a period of two years.