

# Public Document Pack

Mid Devon District Council

## Scrutiny Committee

Monday, 9 November 2020 at 2.15 pm  
Virtual Meeting

Next ordinary meeting  
Monday, 14 December 2020 at 2.15 pm

**Important** - this meeting will be conducted and recorded by Zoom only. Please do not attend Phoenix House. The attached Protocol for Remote Meetings explains how this will work.

Join Zoom Meeting

<https://zoom.us/j/98472835992?pwd=aHp0V2VTN3VPb0wwMUhITkw5S09sdz09>

Meeting ID: 984 7283 5992

Passcode: 816663

One tap mobile

08000315717,,98472835992#,,,,,0#,,816663# United Kingdom Toll-free

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Dial by your location

0 800 031 5717 United Kingdom Toll-free

0 800 260 5801 United Kingdom Toll-free

0 800 358 2817 United Kingdom Toll-free

Meeting ID: 984 7283 5992

Passcode: 816663

Those attending are advised that this meeting will be recorded

## Membership

Cllr F W Letch

Cllr G Barnell

Cllr W Burke

Cllr L J Cruwys

Cllr Mrs C P Daw

Cllr J M Downes

Cllr R L Stanley

Cllr B G J Warren

Cllr E J Berry

Cllr Mrs S Griggs

Cllr S J Penny

Cllr A Wilce

# **A G E N D A**

*Members are reminded of the need to make declarations of interest prior to any discussion which may take place*

- 1       **APOLOGIES AND SUBSTITUTE MEMBERS**  
To receive any apologies for absence and notices of appointment of substitute Members (if any).
- 2       **VIRTUAL MEETING PROTOCOL** *(Pages 5 - 10)*  
Members to note the Virtual Meeting Protocol.
- 3       **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT**  
Councillors are reminded of the requirement to declare any interest, including the type of interest, and reason for that interest, either at this stage of the meeting or as soon as they become aware of that interest.
- 4       **PUBLIC QUESTION TIME**  
To receive any questions relating to items on the Agenda from members of the public and replies thereto.  
  
Note: A maximum of 30 minutes is allowed for this item.
- 5       **MEMBER FORUM**  
An opportunity for non-Cabinet Members to raise issues.
- 6       **MINUTES OF THE PREVIOUS MEETING** *(Pages 11 - 18)*  
Members to consider whether to approve the minutes as a correct record of the meeting held on 12<sup>th</sup> October 2020.  
  
The Committee is reminded that only those members of the Committee present at the previous meeting should vote and, in doing so, should be influenced only by seeking to ensure that the minutes are an accurate record.
- 7       **DECISIONS OF THE CABINET**  
To consider any decisions made by the Cabinet at its last meeting that have been called-in.
- 8       **CHAIRMAN'S ANNOUNCEMENTS**  
To receive any announcements that the Chairman of Scrutiny Committee may wish to make.
- 9       **CABINET MEMBER FOR COMMUNITY WELLBEING** *(Pages 19 - 30)*  
To receive an update from the Cabinet Member for Community Well Being on his portfolio.
- 10      **3RDL - CABINET REPORT OF 29TH OCTOBER**  
Members to discuss the 3 Rivers Development report presented to Cabinet on 29th October 2020.

11 **FORWARD PLAN**

Members are asked to consider any items within the Forward Plan that they may wish to bring forward for discussion at the next meeting.

12 **SCRUTINY OFFICER UPDATE**

13 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING**

Members are asked to note that the following items are already identified in the work programme for the next meeting:

- Cabinet Member for Planning and Economic Regeneration
- Update on the Customer Experience Working Group Recommendations
- Annual Report of Complaints and Compliments
- RIPA
- Performance and Risk

Note: - this item is limited to 10 minutes. There should be no discussion on items raised.

14 **ACCESS TO INFORMATION - EXCLUSION OF PRESS AND PUBLIC**

It may be necessary to pass the following resolution to exclude the press and public having reflected on Article 12 12.02(d) (a presumption in favour of openness) of the Constitution. This decision may be required because consideration of this matter in public may disclose information falling within one of the descriptions of exempt information in Schedule 12A to the Local Government Act 1972. The Scrutiny Committee will need to decide whether, in all the circumstances of the case, the public interest in maintaining the exemption, outweighs the public interest in disclosing the information.

To consider passing the following resolution so that financial information may be discussed.

**Recommended** that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the next item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 respectively of Part 1 of Schedule 12A of the Act, namely information relating to the financial or business affairs of any particular person (including the authority holding that information)

15 **VIABILITY OF COUNCIL OWNED COMMERCIAL PROPERTY** (*Pages 31 - 98*)

To receive a briefing from the Group Manager for Property Services and Commercial Assets on the viability of council owned commercial property

**Stephen Walford**  
Chief Executive  
Friday, 30 October 2020

### **Covid-19 and meetings**

The Council will be holding some meetings in the next few weeks, but these will not be in person at Phoenix House until the Covid-19 crisis eases. Instead, the meetings will be held remotely via Zoom and you will be able to join these meetings via the internet. Please see the instructions on each agenda and read the Protocol on Remote Meetings before you join.

If you want to ask a question or speak, email your full name to [Committee@middevon.gov.uk](mailto:Committee@middevon.gov.uk) by **no later than 4pm on the day before the meeting**. This will ensure that your name is on the list to speak and will help us ensure that you are not missed – as you can imagine, it is easier to see and manage public speaking when everyone is physically present in the same room. Notification in this way will ensure the meeting runs as smoothly as possible.

If you require any further information please contact Carole Oliphant on:  
E-Mail: [sgabriel@middevon.gov.uk](mailto:sgabriel@middevon.gov.uk)

## **Mid Devon District Council - Remote Meetings Protocol**

### **1. Introduction**

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations permit remote attendance in Local Authority meetings.

Remote attendance is permitted as long as certain conditions are satisfied. These include that the Member is able to hear and be heard by the other Members in attendance. Also, being able to hear and be heard by any members of the public entitled to attend the meeting (in line with the public participation scheme). A visual solution is preferred, but audio is sufficient.

This also relates to members of the public attending the meeting also being heard. The regulations are clear that a meeting is not limited to those present in the same place, but includes electronic, digital or virtual locations (internet locations, web addresses or conference call telephone numbers).

### **2. Zoom**

Zoom is the system the Council will be using for the time-being to host remote / virtual meetings. It has functionality for audio, video, and screen sharing and you do not need to be a member of the Council or have a Zoom account to join a Zoom meeting.

### **3. Access to documents**

Member Services will publish the agenda and reports for committee meetings on the Council's website in line with usual practice. Paper copies of agendas will only be made available to those who have previously requested this and also the Chair of a virtual meeting.

If any other Member wishes to have a paper copy, they must notify the Member Services before the agenda is published, so they can arrange to post directly – it may take longer to organise printing, so as much notice as possible is appreciated. Printed copies will not be available for inspection at the Council's offices and this requirement was removed by the Regulations.

### **4. Setting up the Meeting**

This will be done by Member Services. They will send a meeting request via Outlook which will appear in Members' Outlook calendar. Members will receive a URL link to click on to join the meeting.

### **5. Public Access**

Members of the public will be able to use a weblink and standard internet browser. This will be displayed on the front of the agenda.

## 6. Joining the Meeting

Councillors must join the meeting early (i.e. at least five minutes before the scheduled start time) in order to avoid disrupting or delaying the meeting. Councillors should remember that they may be visible and heard by others, including the public, during this time.

## 7. Starting the Meeting

At the start of the meeting, the Member Services Officer will check all required attendees are present (viewing the participant list) and that there is a quorum. If there is no quorum, the meeting will be adjourned. This applies if, during the meeting, it becomes inquorate for whatever reason.

The Chair will remind all Members, Officers and the Public that **all microphones will be automatically muted**, unless and until they are speaking. This prevents background noise, coughing etc. which is intrusive and disruptive during the meeting. The Hosting Officer will enforce this and will be able to turn off participant mics when they are not in use. Members would then need to turn their microphones back on when they wish to speak.

## 8. Public Participation

Participation by members of the public will continue in line with the Council's current arrangements as far as is practicable. However, to ensure that the meeting runs smoothly and that no member of the public is missed, all those who wish to speak must register **by 4pm on the day before the meeting**. They should email their full name to [Committee@middevon.gov.uk](mailto:Committee@middevon.gov.uk). If they wish to circulate their question in advance, that would be helpful.

At public question time, the Chair will invite the public by name to speak at the appropriate time. At that point, all public microphones will be enabled. This means that, to avoid private conversations being overheard, no member of the public should speak until it is their turn and they should then refrain from speaking until the end of public question time, when all microphones will be muted again. In the normal way, the public should state their full name, the agenda item they wish to speak to **before** they proceed with their question.

Unless they have registered, a member of the public will not be called to speak.

If a member of the public wishes to ask a question but cannot attend the meeting for whatever reason, there is nothing to prevent them from emailing members of the Committee with their question, views or concern in advance. However, if they do so, it would be helpful if a copy could be sent to [Committee@middevon.gov.uk](mailto:Committee@middevon.gov.uk) as well.

## 9. Declaration of Interests

Councillors should declare their interests in the usual way. A councillor with a disclosable pecuniary interest is required to leave the room. For remote meetings, this means that they will be moved to a break-out room for the duration

of this item and will only be invited back into the meeting when discussion on the relevant item has finished.

## **10. The Meeting and Debate**

The Council will not be using the Chat function.

The Chair will call each member of the Committee to speak - the Chair can choose to do this either by calling (i) each member in turn and continuing in this way until no member has anything more to add, or (ii) only those members who indicate a wish to speak using the 'raise hand' function within Zoom. This choice will be left entirely to the Chair's discretion depending on how they wish to manage the meeting and how comfortable they are using the one or the other approach.

Members are discouraged from physically raising their hand in the video to indicate a wish to speak – it can be distracting and easily missed/misinterpreted. No decision or outcome will be invalidated by a failure of the Chair to call a member to speak – the remote management of meetings is intensive and it is reasonable to expect that some requests will be inadvertently missed from time to time.

When referring to reports or making specific comments, Councillors should refer to the report and page number, so that all Members of the Committee have a clear understanding of what is being discussed at all times.

## **11. Voting**

On a recommendation or motion being put to the vote, the Chair will go round the virtual room and ask each member entitled to vote to say whether they are for or against or whether they abstain. The Member Services Officer will announce the numerical result of the vote.

## **12. Meeting Etiquette Reminder**

- Mute your microphone – you will still be able to hear what is being said.
- Only speak when invited to do so by the Chair.
- Speak clearly and please state your name each time you speak
- If you're referring to a specific page, mention the page number.

## **13. Part 2 Reports and Debate**

There are times when council meetings are not open to the public, when confidential, or "exempt" issues – as defined in Schedule 12A of the Local Government Act 1972 – are under consideration. It is important to ensure that there are no members of the public at remote locations able to hear or see the proceedings during such meetings.

Any Councillor in remote attendance must ensure that there is no other person present – a failure to do so could be in breach of the Council's Code of Conduct.

If there are members of the public and press listening to the open part of the meeting, then the Member Services Officer will, at the appropriate time, remove them to a break-out room for the duration of that item. They can then be invited back in when the business returns to Part 1.

Please turn off smart speakers such as Amazon Echo (Alexa), Google Home or smart music devices. These could inadvertently record phone or video conversations, which would not be appropriate during the consideration of confidential items.

#### **14. Interpretation of standing orders**

Where the Chair is required to interpret the Council's Constitution and procedural rules in light of the requirements of remote participation, they may take advice from the Member Services Officer or Monitoring Officer prior to making a ruling. However, the Chair's decision shall be final.

#### **15. Disorderly Conduct by Members**

If a Member behaves in the manner as outlined in the Constitution (persistently ignoring or disobeying the ruling of the Chair or behaving irregularly, improperly or offensively or deliberately obstructs the business of the meeting), any other Member may move 'That the member named be not further heard' which, if seconded, must be put to the vote without discussion.

If the same behaviour persists and a Motion is approved 'that the member named do leave the meeting', then they will be removed as a participant by the Member Services Officer.

#### **16. Disturbance from Members of the Public**

If any member of the public interrupts a meeting the Chair will warn them accordingly. If that person continues to interrupt or disrupt proceedings the Chair will ask the Member Services Officer to remove them as a participant from the meeting.

#### **17. After the meeting**

Please ensure you leave the meeting promptly by clicking on the red phone button to hang up.

#### **18. Technical issues – meeting management**

If the Chair, the Hosting Officer or the Member Services Officer identifies a problem with the systems from the Council's side, the Chair should either declare a recess while the fault is addressed or, if the fault is minor (e.g. unable to bring up a presentation), it may be appropriate to move onto the next item of business in order to progress through the agenda. If it is not possible to address the fault and the meeting becomes inquorate through this fault, the meeting will be adjourned until such time as it can be reconvened.



If the meeting was due to determine an urgent matter or one which is time-limited and it has not been possible to continue because of technical difficulties, the Chief Executive, Leader and relevant Cabinet Member, in consultation with the Monitoring Officer, shall explore such other means of taking the decision as may be permitted by the Council's constitution.

For members of the public and press who experience problems during the course of a meeting e.g. through internet connectivity or otherwise, the meeting will not be suspended or adjourned.

### **19. Technical issues – Individual Responsibility (Members and Officers)**

Many members and officers live in places where broadband speeds are poor, but technical issues can arise at any time for a number of reasons. The following guidelines, if followed, should help reduce disruption. Separate guidance will be issued on how to manage connectivity – this paragraph focusses on the procedural steps. Joining early will help identify problems – see paragraph 6.

- Join public Zoom meetings by telephone if there is a problem with the internet. Before all meetings, note down or take a photograph of the front page of the agenda which has the necessary telephone numbers. Annex 1 to this protocol contains a brief step-by-step guide to what to expect
- Consider an alternative location from which to join the meeting, but staying safe and keeping confidential information secure. For officers, this may mean considering whether to come into the office, subject to this being safe and practicable (childcare etc.)
- If hosting a meeting via Zoom (briefings etc.), consider creating an additional host when setting up the meeting. The additional host can step in if the main host has problems – remember that without a host, the meeting cannot close and any information on the screens will remain on view
- Have to hand the telephone number of another member or officer expected in the meeting – and contact them if necessary to explain the problem in connecting
- Officers should have an 'understudy' or deputy briefed and on standby to attend and present as needed (and their telephone numbers to hand)
- For informal meetings and as a last resort, members and officers may be able to call another member or officer in the meeting who can put the 'phone on loudspeaker for all to hear – not ideal, but it ensures some degree of participation and continuity
- Member Services will hold a list of contact details for all senior officers

## Phone only access to zoom meetings

(Before you start **make sure you know the Meeting ID and the Meeting Password**) – Both of these are available on the agenda for the meeting

**Call the toll free number** either on the meeting agenda or on the Outlook appointment (this will start with 0800 --- ----)

(Ensure your phone is on 'speaker' if you can)

A message will sound saying *“Welcome to Zoom, enter your meeting ID followed by the hash button”*

- **Enter Meeting ID followed by #**

Wait for next message which will say *“If you are a participant, please press hash to continue”*

- **Press #**

Wait for next message which will say *“Enter Meeting Password followed by hash”*

- **Enter 6 digit Meeting Password followed by #**

Wait for the following two messages:

*“You are currently being held in a waiting room, the Host will release you from 'hold' in a minute”*

**Wait.....**

*“You have now entered the meeting”*

### Important notes for participating in meetings

Press **\*6** to toggle between **'mute' and 'unmute'** (you should always ensure you are muted until you are called upon to speak)

If you wish to speak you can **'raise your hand'** by pressing **\*9**. Wait for the Chairman to call you to speak. The Host will lower your hand after you have spoken. Make sure you mute yourself afterwards.

## MID DEVON DISTRICT COUNCIL

**MINUTES** of a **MEETING** of the **SCRUTINY COMMITTEE** held on 12 October 2020 at 2.15 pm

### **Present**

#### **Councillors**

F W Letch (Chairman)  
G Barnell, W Burke, L J Cruwys,  
Mrs C P Daw, J M Downes, R L Stanley,  
B G J Warren, E J Berry, Mrs S Griggs and  
S J Penny

### **Also Present**

#### **Councillor(s)**

R J Chesterton, S J Clist, R M Deed, R J Dolley, R Evans,  
B A Moore and C R Slade

### **Also Present**

#### **Officer(s):**

Stephen Walford (Chief Executive), Jenny Clifford (Head of Planning, Economy and Regeneration), Andrew Jarrett (Deputy Chief Executive (S151)), Jill May (Director of Corporate Affairs and Business Transformation), Kathryn Tebbey (Head of Legal (Monitoring Officer)), Darren Beer (Operations Manager), Simon Newcombe (Group Manager for Public Health and Regulatory Services), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Vicky Lowman (Environment and Enforcement Manager), Clare Robathan (Scrutiny Officer) and Carole Oliphant (Member Services Officer)

## 88 **APOLOGIES AND SUBSTITUTE MEMBERS (0.04.19)**

There were no apologies.

## 89 **REMOTE MEETINGS PROTOCOL (0.04.39)**

The Committee had before it, and **NOTED**, the \*Remote Meetings Protocol

Notes: \*Remote Meetings Protocol previously circulated and attached to the minutes

## 90 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (0.04.43)**

Members were reminded to make declarations of interest when appropriate.

## 91 **PUBLIC QUESTION TIME (0.05.12)**

The Chairman read out the following from Nick Quinn, a local resident:

'My questions concern Cemetery Lodge, Tiverton which appears in information covered by both Agenda Items 9 and 12.

I refer to the Asset Management and Capital Strategy Plan 2016-2020, attached to the report by the Cabinet Member for Housing, at Agenda item 9. Within Section 8 (Income Generation) – Cemetery Lodge is listed as a Council Asset, providing an income to the Council of £8,400 per annum.

However, at paragraph 2.2, in each of the recent 3 Rivers Update reports (which are being considered under Agenda Item 12), Cemetery Lodge is now shown as being a Rental Property of 3 Rivers.

My questions are:

**Has Cemetery Lodge been sold, or transferred to 3 Rivers?**

If it has:

**When did this happen? and for how much?**

If it has not:

**Why was this property included in the 3 Rivers update reports?’**

In response the Monitoring Officer explained that Cemetery Lodge had not been sold to but had been leased to 3 Rivers who in turn had leased the property to a private tenant. The reason for this was that under sole Council ownership the property could be subject to the right to buy regulations and the arrangement ensured that the property could not be sold.

**92 MEMBER FORUM (0.08.39)**

There were no issues raised under this item.

**93 MINUTES OF THE PREVIOUS MEETING (0.09.03)**

The minutes of the last meeting were approved as a correct record

**94 DECISIONS OF THE CABINET (0.09.32)**

The Committee **NOTED** that none of the decisions made by the Cabinet on 1<sup>st</sup> October had been called in.

**95 CHAIRMAN'S ANNOUNCEMENTS (0.09.42)**

The Chairman had no announcements to make.

**96 CABINET MEMBER FOR HOUSING AND PROPERTY SERVICES (0.10.26)**

The Cabinet Member for Housing and Property Services explained that his \*report provided details of all aspects of the service and how it had coped during the pandemic to keep both the public and staff safe. He stated he wanted to acknowledge the tremendous work being done by the teams and gave thanks to Cllr Clist for his previous work with the portfolio.

In response to a question asked about the number of empty homes currently not in use in the District he stated that the exact number varied month on month. He explained that the full effect of the pandemic and the number of evictions which may

occur were not known at this time but on average 500 properties were currently empty and unoccupied. He stated that the average cost of bringing a property back into use would be provided to Members.

He confirmed to Members that the strategy for garage repairs would be provided separately.

In response to various questions about the current housing stock and the shortage of 3 bedroom houses, he explained that the Council was currently working on a new housing strategy which would identify what type of housing was required and where the need was. He confirmed that the timeline for the strategy would be June 2021 at which time it would be presented to Members.

Consideration was given to:

- The amount of time it took to rehome homeless people and that this was dependant on the type of accommodation required and the individual circumstances
- The Council was working with private landlords in Cullompton to increase the supply of quality housing above shops in the town centre. This strategy may be replicated in the other towns if successful, subject to funding
- The number and value of Home Improvement Loans (Wessex Scheme) delivered in 2019/2020
- The number of empty units in Market Walk, Tiverton and the negative appearance of the empty shop fronts
- The number of businesses closing due to high rents charged by private landlords for commercial properties in the towns and the limited assistance that the Council could provide
- The Asset Management Plan included policies on biodiversity and climate change to align with the Council's corporate aims
- The effect the pandemic would have on homeless figures and how the Council would deal with this

Note: \*Reports previously circulated and attached to the minutes

## 97 **STREET SCENE ENFORCEMENT UPDATE (0.50.23)**

The Committee had before it, and **NOTED**, a \* report giving an update on the Street Scene Education and Enforcement Service presented by the Interim Group Manager for Street Scene and Open Spaces.

The officer outlined the content of the report and explained that the amount of fixed penalty notices had increased to £400 and that all fixed penalty notices had been paid. He explained that from March until June the District Officers had been utilised within the Waste and Recycling service to assist with the effects of the pandemic.

In response to a question asked about the amount of hours the district officers dedicated to dog fouling the officer explained that the number of hours allocated had been previously agreed by Members via the discretionary scheme. He explained that the issue with prosecuting offenders was catching them in the act and the lack of evidence provided by members of the public who reported it.

Consideration was given to:

- A coordinated response was required with DCC highways to tackle the removal of litter from the A361
- Why there was a need for district officers to inspect streets
- The ongoing discussions with external enforcement companies
- The possible use of body cams by District Officers to catch offenders
- The need for education supported by strong enforcement fines to get the message across
- The amount of face masks and disposable gloves being discarded in the District
- That Members should set an example and tackle people they saw allowing their dogs to foul or littering in public spaces

Note: \*report previously circulated and attached to the minutes

#### 98 **PLANNING ENFORCEMENT WORKING GROUP (1.10.46)**

The Committee had before it a \*scrutiny proposal form for the creation of a Scrutiny Working Group to review planning enforcement in the Council.

The Committee **AGREED** to set up the Working Group.

(Proposed by the Chairman)

The Membership of the Working Group was agreed as: Cllrs G Barnell, B G J Warren, R J Stanley, L Cruwys and W Burke.

**Reason for the Decision** – Given the adoption of the Local Plan the Local Enforcement Plan is due to be refreshed and a working group would enable full Member involvement on the issue

Note: \*Scrutiny proposal form previously circulated and attached to the minutes

#### 99 **3RDL - ST GEORGE'S SITE (TO INCLUDE SCRUTINY OF THE UPDATE PROVIDED AT CABINET ON 1ST OCTOBER) (01.17.47)**

The Committee considered the information contained within Cabinet reports of 3rd September and 1st October.

In response to questions asked, the Cabinet Members for Housing and Property Services and Finance responded:

- 1) What is the revised completion date for the St George's site?

A – The developer had provided a revised timeframe of March 2022 and a further update would be presented to Cabinet on 29<sup>th</sup> October 2020

- 2) What are the forecast losses on the St George's site? Does this include any contingency for settling the dispute with the main contractor?

A – There was no dispute with the main contractor and the forecast losses were the same as presented to the Cabinet on 1<sup>st</sup> October 2020

3) How will these losses be met?

A – Should there be any losses they would be offset by profits against future developments

4) How much has MDDC lent 3Rs?

A – Principal amount = £9.95M, Repayments received = £1.19M, Outstanding amount = £8.76M

5) How will this be repaid and by when?

A – As and when developments were finished and the properties sold

6) Do you intend to lend any more money to 3Rs? If so why?

A – Yes as the recommendations from the Cabinet, Scrutiny and Audit Committees for the company to go forward with future developments

7) When do you intend replacing the current directors - as per recommendations made in various reports and committee advice?

A – The process was in hand and a specialist external employment agency was being used for recruitment. Names of candidates would be announced in early December for the Cabinet to consider

In response to further questions asked the Cabinet Member responded:

- 1) A paper on the future of 3 Rivers Developments Ltd would be presented to Cabinet on 29<sup>th</sup> October 2020 and the Scrutiny Committee were welcome to scrutinise the report
- 2) The calculations for the potential losses at the St Georges site would be provided to Members
- 3) The reasons that contaminated earth was transported to Bristol from the St Georges site would be provided to Members
- 4) The overall profit from the sale of properties at Threwstones would be provided to Members
- 5) 1 Director was to be replaced and another employed to compliment the existing Directors

Notes:

- i.) Cllr R J Stanley declared a personal interest as a Director of 3 Rivers Developments Ltd and left the meeting at the start of the debate and took no part in the discussions;
- ii.) Cllr S J Penny left the meeting at 4.01pm and took not further part in the debate.

## 100 **PERFORMANCE AND RISK (01.48.44)**

The Committee had before it, and **NOTED**, the \*Performance and Risk report presented by the Group Manager for Performance, Governance and Data Security.

She outlined the contents of the report and explained that this was the second round of reporting which had been previously discussed by the Cabinet, Policy Development Groups and the Audit Committee.

Members requested further information on the following:

- The current empty shop count
- An explanation of the number of unresolved complaints
- Further detail of long term staff sickness
- Further detail of why staff sickness had reduced during the pandemic and if this was linked to working from home and furloughed staff

Note: \*Performance and Risk report previously circulated and attached to the minutes

## 101 **FORWARD PLAN (02.07.13)**

The Committee had before it, and **NOTED**, the \*Forward Plan.

Note: \*Forward Plan previously circulated and attached to the minutes

## 102 **SCRUTINY OFFICER UPDATE (02.07.48)**

The Scrutiny officer provided Members with the following information:

- A work programming session had been arranged for 16/11/2020
- An update from Connecting Devon and Somerset had been provided to Members and a special of the Scrutiny Committee would be arranged to discuss the issue
- A training session had been provided to Members
- The Scrutiny officer would be providing a quarterly update on recommendations made by the Scrutiny Committee

The officer then provided Members with actions which had been taken from the last meeting:

- The Monitoring officer had provided further detail on informal Cabinet meetings and this advice had been attached the minutes of the meeting of 14<sup>th</sup> September 2020
- The number of responses to the Cullompton public consultation had been circulated to Members
- The customer survey, recommended by the Customer Experience Working Group, had gone live and a copy of the survey would be circulated to Members



- The business case for a new CRM system was underway and an update would be provided at the December meeting

### 103 IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (02.10.51)

The following items were identified:

- Members requested that the 6 month Establishment report due to come to the February meeting included a comparison of sickness rates compared to last year and details of short and chronic absences over the past 18 months
- Members would discuss the 3 Rivers report due to be presented to Cabinet on 29<sup>th</sup> October
- Members requested that an update on the Post Hill site be brought to the Committee for the November meeting

(The meeting ended at 4.31 pm)

**CHAIRMAN**

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## **Cabinet Member for Community Wellbeing Annual Report to Scrutiny 2 November 2020**

### **PUBLIC HEALTH AND REGULATORY SERVICES**

Positive developments working across all our services and functions during 2019/20 and into 20/21 include:

- Embedded new triaging and coordination approaches to all Public Health customer service requests enabling us to build more effective business support functions and free up front-line enforcement resources. Included roll-out of new 'Noise' and 'Reportable' Apps for customers.
- Two lead Environmental Health Officers have gained Chartered Environmental Health Practitioner Status and two others officers are currently working towards that status.
- Reviewed, updated and refreshed the corporate Enforcement Policy covering all aspects of the regulatory work undertaken across the service and more widely to include Housing and Street Scene enforcement activities.
- Responded strongly to Covid-19, taking a lead local response, including:
  - Providing trained EHO resources – for example we have three members of the MDDC Public Health Team supporting the Health Protection Board (HPB) and local contact test and tracing and workplace standard operating procedures
  - Supporting the expansion of the HPB Workplace and Housing group to include Covid enforcement activities. This provides multi-agency liaison and ensures consistency of approach
  - Undertaking non-Covid infectious disease work on behalf of Public Health England to free up PHE capacity
  - Engaging with local businesses over Covid compliance and providing advice alongside our wider Public Health and Health inequalities work. We also enforce H&S legislation where required and have rolled out multi-contact Covid-secure checklists to support businesses
  - Mandating adequate Covid risk assessments for (permitted) planned events through the multi-agency Mid Devon Safety Advisory Group (SAG)
  - Supporting internal MDDC communications and function/workplace specific Covid risk assessments and leading on response information into the internal Incident Management Team (IMT)

- Briefings and updates to Members, Leadership Team and Corporate Management Team on a regular basis
- Supported MDDC Shielding Hub and supporting vulnerable persons
- Currently coordinating with Devon LA peers on proposals to utilise limited national Compliance and Enforcement Grant funding to district and unitary Councils.
- The service lead has been widely engaged with Covid-19 and emergency planning since February 2020 as well as taking on wider Corporate Management Team and Housing responsibilities. Also currently acts in the Chair role for East and Mid Community Safety Partnership and the Devon Strategic Environmental Health Managers Group.
- 93% of service requests were responded to within 5-working days in 19/20, just below target of 95%. However, this has improved to 98% to date in 20/21 despite Covid pressures. In respect of Covid, cases and intelligence service requests are being prioritised for a same day response where possible and Covid business advice requests being delivered with 2-days where possible.

In respect of specific functions:

#### Licensing

- Key performance:
  - *Issue of licenses:* 19/20 - 99% and 20/21 – 100% (to date) against target of 97%
  - *Issue of Temporary Event Notices (TENs):* 19/20 – 100% and 20/21 – 100% (to date) against a target of 99%
  - *Taxi vehicle inspections:* 19/20 – 45 against a target of 48 – Covid impact in March 2020 and lockdown meant no inspections could be completed that month and target will be revised for 20/21 due to extended impact of the pandemic. These are additional vehicle condition, safety and policy compliance checks by the team and all licensed taxis have continued to meet formal taxi testing requirements at approved garages.
- Licensing and other Public Health officers have worked closely in a multi-agency (Police, Border and DVSA) operation targeting a range of issues connected with migrant workers and the 2 Sisters site in Cullompton. In particular (for this portfolio) it included targeting modern slavery issues as well as unlicensed/illegal taxi's being used for worker transport.
- In policy terms, the team have successfully rolled-out new mandatory safeguarding provisions and training for taxi-drivers following key updates taxi licencing policy in 2019. The scheme of delegations for officers and the Licensing/Regulatory Committees have also been fully reviewed and updated.

- Adopted a new Key Performance Indicator to monitor and report performance of safeguarding standards for drivers to support the delivery of Community priorities within the new Corporate Plan 20-24.
- The team continue to bring forward a number of enforcement and licence decisions to both Licensing and Regulatory Sub-Committees as required. After a relatively quiet year for hearings in 19/20, numbers have increased in 20/21 to date:
  - 19/20: 1 Licensing Sub-Committee and 1 Regulatory Sub-Committee hearing
  - 20/21 (to October 2020): 3 Licensing Sub-Committee and 3 Regulatory Sub-Committee hearings.
- Successfully licensed 100% of relevant premises under new legislation for animal licensing in October (The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018). This introduced new law and conditions for dog breeding, dog boarding, cat boarding, pet shops and riding establishments. It also introduced a 'star rating' system for these premises. We continue to proactively identify and regulate any business operating without a licence.
- Learning from the application of the new animal licensing regime has been reflected in the Council adopting a new, specific Animal Welfare Licensing Policy in 2020 setting how we meet regulatory and best-practice requirements in this area. We are one of first Local Authorities regionally to do so.
- Seen the impact of Covid on licence numbers and income for 20/21 to date (up to 30% down). Licensing officers were re-deployed to front-line Covid duties during the first-wave lockdown including enforcing licenced premises business closure regulations.
- Successfully introduced new (temporary) Pavement Licensing regime.

### Environmental Health (EH)

- Details of local Covid-19 response role set out above.
- Key performance:
  - *Private Water Supplies income*: 19/20 - £34.7k against target of £35k. Income during 20/21 hugely impacted by Covid as unable to complete water sampling work during lockdown and wider downturn with relevant business – income therefore only £6k to date for year and projected at just £12k overall. Recovery into 21/22 likely to be slow and uncertain
  - *% of premises compliant with Food Safety Legislation*: 19/20 – 92% against a target of 90%. Despite Covid redeploying resources, performance is currently 87% to date for 20/21 against the same target – a remarkable

result given the impact of Covid on the team priorities and on the hospitality sector as a whole

- *Food hygiene 'Scores on Doors'* continues to be effective with over 500 premises in the scheme with 97% rated 4 or 5 (of 5) – 'good' or 'very good' which is exceptional and on par with the previous year – however, the long-term impact of Covid on this sector is not fully realised or understood.
- The Food Standards Agency have temporarily relaxed all Local Authority inspection requirements on lower risk premises due to Covid which has helped us to redeploy same staff (infectious disease competent) into Covid front-line.
- Currently reviewing our charges for food export certificates and revised charges for private water supplies, other food safety work and exhumations.
- New fees for request re-inspections under the Food Hygiene Rating Scheme (Scores on doors) are also currently under review with adoption planned for 21/22. However, the current charges were suspended in 20/21 to support hospitality sector during Covid.
- Environmental Health staff formally responded to nearly 400 planning applications and a similar number of licensing applications during 2019/20 - providing professional opinion on matters ranging from air and land quality constraints, drainage, nuisances, water quality and health and safety.
- Successfully completed a major H&S prosecution of a haulage/warehousing business within MDCC with the company pleading guilty to a number of offences in October 2020. Court proceedings centred on the argument over the level of culpability and harm as defined by the sentencing guidelines and Court now adjourned for a written judgement, possibly in December.
- Adopted a new Key Performance Indicator to monitor and report performance around actively engaging and promoting a number of national and regional public health and safety communications initiatives to support the delivery of Community priorities within the new Corporate Plan 20-24.

#### Corporate Risk work

- Corporate risk team carried out 100% of required asbestos surveys, communal fire risk assessments, legionella sampling and leisure pool monitoring across our housing and corporate property portfolio during 19/20. Covid impacted on delivery in Q1 and Q2 20/21 due to lockdown, especially regarding our Council Houses and challenges of going into homes etc. This work has recommenced and we're currently on track to delivery against revised targets for this year with inspections and sampling recommencing in July.

## Emergency Planning

- Updated our Emergency Plan procedures following lessons learned from previous severe weather events.
- Updated Rest Centre and Recovery Plans during 2019/20.
- Launched updated Recovery Plan and delivered internal training at all levels.
- Emergency Planning lead (Service Lead) undertook formal tactical management training which is currently being cascaded to the wider Corporate Management Team to broaden response resilience within the organisation. Service lead also stepped up at strategic response level in support of Leadership Team during Covid as required.
- Overall, Covid response mode has dominated emergency planning activity during 20/21 to date and significant time has been put to this function within the service. Expected to continue for remainder of 20/21 and into 21/22 as we see a second wave of the pandemic and an extended pandemic response.
- Nonetheless, limited work on has recommenced on planning for a potential no-deal EU Exit through both the Local Resilience Forum and Devon Emergency Planning Partnership.

## Community Safety

- Delivered strongly against the planned activity in the East and Mid Devon Community Safety Partnership Action Plan for 19/20 (note separate report to Scrutiny in July 2020).
- Provided an in-depth update to Community PDG in respect of refreshed Action Plan and Priorities for 20/21 and onwards (note CPDG report July 2020). In particular, this focussed a 'trauma informed approach' which takes into account adverse childhood experiences. This approach encourages practitioners and staff to recognise that many service users had experienced some form of traumatic event which may impact on their life choices, activities and activities. The report also set out extra support during the pandemic where there had been an increase in domestic violence and anti-social behaviour during the lockdown.
- Following departure of Police chair of the CSP in September, MDCC have stepped in to chair this statutory group and provide steer going forward working closely with all statutory partners across East Devon DC, Police/Police and Crime Commissioner, Fire and Social Services.
- Adopted a new Key Performance Indicator to monitor and report performance of the CSP action plan programme going forward to support the delivery of Community priorities within the new Corporate Plan 20-24.

## **ICT**

- ICT is currently carrying a number of vacancies due to resignations/ retirements. We were unable to recruit at the last round of interviews for the ICT Operations Manager and therefore are changing our recruitment approach and hope to recruit to the vacant posts soon.
- The team are working hard and continuing to support the organisation and ensure that ICT services and systems are secure and up to date. Prioritisation of support issues and systems uptime is being prioritised to minimise impact to our internal customers.
- The teams(s) are either permanently home working or in small work 'bubbles' to try and ensure resilience over the pandemic. We have also established a relationship with a local Exeter company for retained technical services to ensure we have additional assistance for any urgent infrastructure issues and to provide additional support to the team.
- In the short term once the team are back up to capacity we will be moving forward with a comprehensive review of telephony for the authority, including MS Teams as well as progressing the project for a CRM business case. On the latter we have started to receive informal expressions of interest from the market prior to any official procurement exercise.
- The decision has been taken to use Zoom for virtual committee meetings at MDDC as we currently do not have a platform that will work comfortably for both members and officers.
- To that end, the GM for Business Transformation and Member Services have been testing and the Monitoring Officer has been confirming the appropriate meeting protocols. Members are urged to ensure that they have read the additional meeting protocols before they enter a virtual meeting.

## **STRATEGIC GRANTS REVIEWS**

- The Community Policy Development Group has set up a Working Group to review the Strategic Grants Programme. The working group has met twice over the summer, and has recognised the extraordinary nature of this year, and the importance of maintaining vital voluntary sector services for the benefit of residents at this time. The Working Group will be reporting back to the committee in January, once the overall level of the grants budget for 2021-22 is known.

## **LAND CHARGES**

- The team is very busy with income (as a result of the number of searches) up considerably. Unofficial figures from monitoring carried out, reveal net income (but before expenses) in excess of £14k for September. It is suggested that this would have been c£9k in previous years for that month.



- Some of this increase will be down to people having to delay their house searches from earlier in the year, some will be a desire to move to Devon/work remotely as a result of the pandemic and some will be down to the stamp duty holiday which runs until April next year. On the latter, the team is anticipating a very busy March as people try to get their purchases through before the Stamp Duty holiday comes to an end.
- All targets are being met by the Land Charges Team.

## **LEISURE SERVICES**

### **Overview**

Overview of the current position and key points on the reopening strategy to ensure a continued Covid-19 safe service offering:

- Membership subscriptions (Adult) recommenced from 14/08/2020 and 28/08/2020. Memberships subscriptions (Juniors) recommenced from 14/09/2020 and 28/09/2020, with members having the opportunity to request a further suspension, on a rolling monthly basis, should they feel the time is not right for them to return.
- Any activity on site will be bookable and payable in advance, or per course enrolment. Walk in bookings will not be possible a strategy for engaging new members and customers will continue to be developed, with regular review of participation and operational capacity.
- Call centre – This continues to provide a successful initiative removing customer interaction in the reception areas at the Leisure sites, whilst maintaining a supportive customer experience. The Call Centre team utilises the experience of the existing front of house team members, whilst retaining a lesser extent of team members at the reception of each site to assist with customer flow and on site needs.
- Resources from poolside and casual workers have been utilised to manage customer flow prior to building entry and through the facility during all operational hours. Staff will manage customer flow from pre entry to post to exit the facility.
- Cash payments will not be re-established, payments can still be made on site for future items such as membership subscription upon joining, although payments for activities will be made over the phone at the time of booking for pay and play members.
- External coverings are going to be provided shortly to enable customers to shelter when collecting family members outside following swimming lessons considering the change in season.

- Sports that we are currently unable to welcome back without comprising our covid-19 secure risk assessment includes; Vending, Retail, indoor sports such as 5aside, martial arts and Squash, sauna and unstructured public swimming.
- Communications have been achieved via Video, member letters, social media and library images so customers are aware in advance of the changes to the facilities and the expectations upon them in order to participate safely.
- Staffing- The Leisure Service was key in supporting other colleagues in the Council across other services for delivery during the lockdown and recovery period. Thanks to all leisure staff for their continued support.

## **Health & Fitness Operations**

### **Adult Membership Recovery**

- Following the reopening of health and fitness facilities in Phase 2, participation and membership recovery has been progressive and encouraging. The current position from a comparison to October 2019 shows a percentage of recovery for each leisure site as shown in Table 2.

Facility	% Recovery
Culm Valley	58%
Lords Meadow	61%
Exe Valley	58%
<b>TOTAL</b>	<b>59%</b>

Table 1 - % Recovery of adult memberships

### **Fitness Participation**

- Following the reopening of the facilities in Phase 2, fitness classes and fitness studios have been operational Monday to Sunday and are fully supervised to ensure support and guidance is available to participants at all times. Sanitisation routines are in place to at the end of each session and the Covid safe measures have been well received by the members. Participation has steadily grown from reopening in August 2020, with Monday continuing to be the most well attended day of the week.

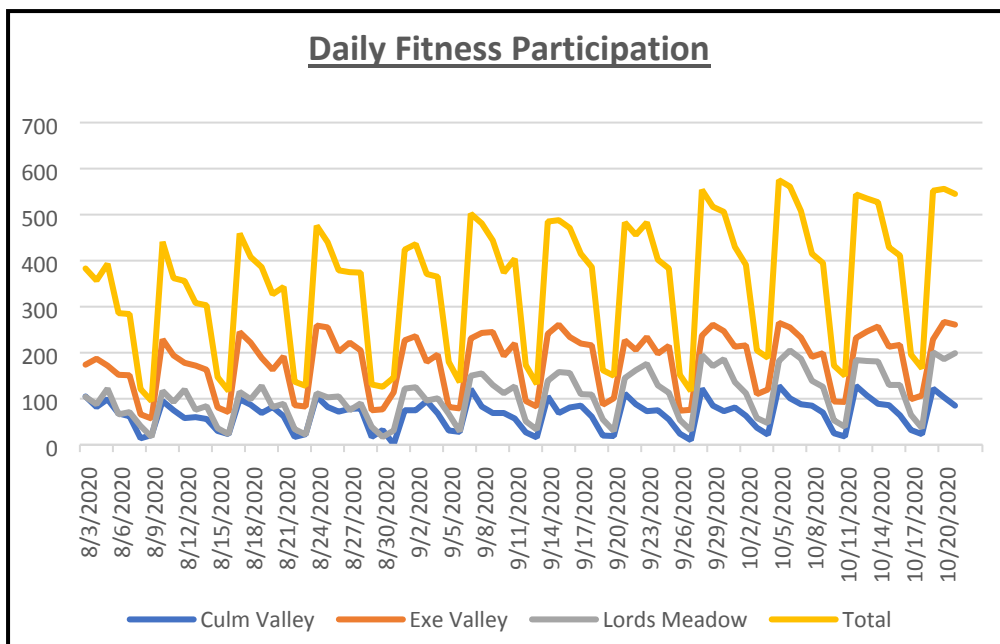


Chart 2 – Daily Fitness Participation

- A strategy for the reintroduction of selected NHS referrals is currently being developed, in conjunction with local GP surgeries and specialists such as Cancer and Cardiac Rehabilitation.

### Wetside Operations

- Phase 4 and 5 focussed on the reopening of firstly the junior lesson programme and club usage of the swimming pools at Exe Valley and Lords Meadow. Covid safe systems have been implemented and returning participation demonstrates positive consumer confidence.
- The measures implemented have required for the lesson programme to occupy a greater amount of pool time to ensure safe access to the facilities and customer flow. Changeover between lessons is managed and structured to ensure social distancing of children parents and employees, allowing sufficient scheduling for and sanitisation measures.

### Junior Service recovery percentages- Pre Covid-19 v October 2020

- Exe Valley Leisure Centre – 62% recovered pre Covid-19 enrolment
- Lords Meadow Leisure Centre – 74% recovered from pre Covid-19 enrolment
- Overall 66% recovered on the junior swimming programme.

### Swimming Participation

- The reintroduction of the structured lane swimming has proven successful with a steady increase in participation notwithstanding the reduced operational capacity.

- The table below shows the customer flow on a daily basis from the implementation of phase 5. Note that the operation hours at the weekend allow less time for lane swimming and are reflected in the trend. Monday continues to be the most popular day for participation.

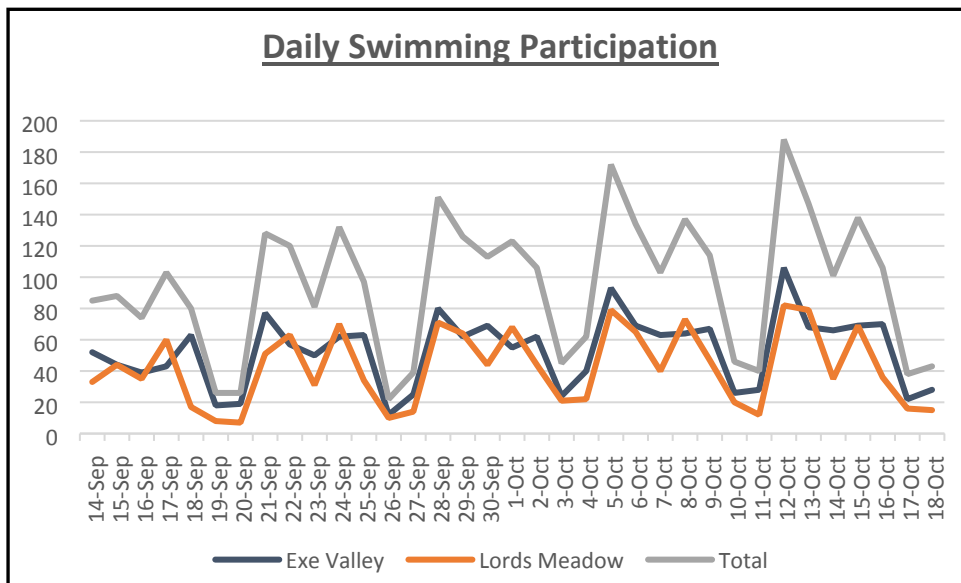


Chart 1 – Daily Lane Swimming Participation

### Dryside Operations

- Elements of sports club activity have recommenced for outdoor sports such as Tennis, hockey and football. Mid Devon Leisure holds overall accountability for Covid safe control measures, whilst clubs are responsible for the Covid risk assessment, controls and operational management of the sessions taking place. Table 2 shows the comparison of club pitch booking against October 2019.

Facility	% Recovery of Pitch bookings
Culm Valley	71%
Exe Valley	89%
Lords Meadow	70%
Total	77%

Table 2 - % Recovery of outdoor pitches

- A strategy for the reintroduction of selected indoor activities, such as martial arts clubs, and gymnastics is currently being developed.

### Play Areas

- Westexe Recreation Ground Tiverton playground refurbishment is being completed now with Glebelands, Cheriton Bishop to be undertaken in November 2020 and additional equipment being installed at Everett Place Tiverton in December 2020.

- Further planned works to play areas are proposed for Barnfield, Crediton; Linear park Cullompton; Puddington, Amory Park, Tiverton; Peoples Park, Tiverton; Wembworthy; Chestnut Drive, Willand and more significant spend in Crediton for play and recreation subject to decision on project after Town Council and other stakehold engagement.
- The Property Services team will keep Ward Members informed.

### **Market Square**

- The Town Square in Crediton is being resurfaced to improve appearance and drainage in November 2020.

### **Former Youth Drop In Centre – Centre Space**

- Linked to the Property portfolio and the recent press release new space to inspire freelancers, small business and community groups has opened in the former youth centre building.
- Local Community Enterprise awards winner Caro Bushnell has launched the new space in the centre, Centre-Space aims to rejuvenate the venue, offering a place for community groups to grow.

Councillor Dennis Knowles, Cabinet Member for Community Wellbeing

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## SCRUTINY COMMITTEE 9 NOVEMBER 2020

### VIABILITY OF COUNCIL OWNED COMMERCIAL PROPERTY

**Cabinet Member(s):** Cllr Bob Evans, Deputy Leader & Cabinet Member for Housing and Property Services.

**Responsible Officer:** Andrew Busby, Group Manager for Corporate Property and Commercial Assets.

**Reason for Report and Recommendation:** To provide the scrutiny committee an update on the viability of Council owned commercial property and for the report to be noted.

**Financial Implications:** There are ongoing finance implications with owning Commercial Property. Please refer to para 4.0.

*Approved by Finance: [yes/no – include name/post title, eg Group Manager for Financial Services]*

**Budget and Policy Framework:** As stated on the Capital Strategy Asset Management Plan 2016-2020 the tenanted non-residential property (TNRP - commercial estate) provides rental income to support expenditure and also fulfil socio-economic policy objectives. TNRP also has a cost. The relative pro's and con's need to be challenged and reviewed.

*Approved by Finance: [yes/no – include name/post title, eg Group Manager for Financial Services]*

**Legal Implications:** Assets may have been acquired or developed under particular legislative control and change of use of disposal may not be readily achieved and this must be part of any review. Any new lease or a renewal is checked by our internal legal services.

*Approved by Legal: [yes/no – include name/post title, eg Group Manager for Legal Services]*

**Risk Assessment:** The Council has legislative duty to ensure compliance with physical and operational elements of the estate. Non-compliance carries risk. Reliance of income to support budget is also a risk as it is not guaranteed.

*Approved by Performance/Governance: [yes/no – include name/post title, eg Group Manager for Performance, Governance and Data Security]*

**Equality Impact Assessment:** There is no negative impact to equality with this report.

**Relationship to Corporate Plan:** Property assets are linked to the delivery, vision and priorities of the Council. The way that the Council manages its land and property assets has a direct impact on the quality of services delivered, as well as maximising the value derived from our property holdings for the on-going contribution in balancing the Councils budget. To maximise the value derived from all Council property for its stakeholders, by delivering an efficient and fit for purpose corporate property solutions service.

**Impact on Climate Change:** When the council re-let a property the council carries out checks to ensure it is re-let at the appropriate energy rating. And this features in our ongoing work programme. This approach also supports our climate agenda.

## 1.0 Overview

- 1.1 The Corporate Property and Commercial Assets (CPCA) service provides corporate and commercial accommodation/premises for the services within the Council, its business and acts as the Client on construction elements of the property capital programme. The CPCA are responsible for ensuring statutory compliance of the estate and undertake a broad range of estates management, strategic asset management, business and energy management activities.
- 1.2 The overall objective of the Council in the management of its property portfolio is to utilise and manage its commercial property in accordance with the principles of Best Value; so as to enable high quality services to be provided to our tenants.
- 1.3 Our commercial portfolio is varied and assets have been made available for a range of uses, such as; the potential to contribute to future regeneration schemes, provide employment, or to retain control over property use. In addition, some properties in the portfolio provide valuable revenue income such as the Market Walk and Fore Street Tiverton properties.
- 1.4 The latest plan in relation to commercial assets is the Asset Management and Capital Strategy Asset Management Plan 2016-2020 which reflects current corporate priorities and business objectives. There are sound governance arrangements with involvement of senior officers and members of the Council who sit on the Capital Asset Management Group (CSAG) and the overall monitoring of the asset management initiative is the responsibility of Cabinet. The Asset Management Plan (AMP) seeks to ensure that assets are used in the most effective and efficient way to support the delivery of the Corporate Plan.
- 1.5 MDDC has a robust Asset Management Framework in place. Although the current Capital Strategy Asset Management 2016 -2020 is in the process of an update (the 2021-2024 issue is currently in preparation), this does not detract from the existing overarching principles. Governance arrangements and monitoring processes are clearly defined within the current Capital Strategy Asset Management. The Strategy also demonstrates links to Corporate Plan, the Medium-term Financial Plan, the Council's approved Capital Programme and the Business plan for Corporate Property and Commercial Assets, and a high level of assurance can be placed on the framework in place to ensure that assets are managed effectively.

## 2.0 Introduction

- 2.1 The Council own commercial property in the form of shops, offices and industrial units in Tiverton and Cullompton.



- Ground floor units with HRA residential over, local convenience stores and a launderette in HRA residential areas in Tiverton.
- Market Walk shopping precinct with offices over in Tiverton town centre.
- Shops and residential units in Fore Street Tiverton.
- Offices in Tiverton town centre
- Restaurant/ cafés in Tiverton Town Centre.
- Industrial unit site in Tiverton (long established use as pre-mix concrete plant)
- Industrial units in estate in Cullompton.

Annex 1 (A B and C) provides a list of our commercial property. Please refer to the restricted Annex 4 for further details.

2.2 Much of the estate is understood to be held historically for socio-economic purpose. More recently acquisitions have been established with a more overt commercial intention to generate income and to influence and enable redevelopment and regeneration.

2.3 Income from the estate is now more an essential source of funds to support delivery of statutory services.

### **3.0 Occupation and income**

3.1 At the time of reporting this report occupation levels are generally good with only a single vacant retail unit outside of Market Walk with interest to have that unit re-occupied.

3.2 Market Walk has its challenges being a town centre location with corresponding higher rental expectations. At the time of this report there will be a single large vacant unit with unfortunately another closing down and its future unknown.

3.3 Occupations levels are holding up during COVID-19. Many tenants have received grants and some have rent holidays with agreed payback terms. Income levels remains as projected.

### **4.0 Value of estate and income**

4.1 Please refer to the restricted paper for this detail

### **5.0 Internal Audit Report – Commercial Rents February 2020**

5.1 An extract from the external audit of the management is attached as part 2.

5.2 Our Asset Management Strategy Audit had reviewed the Capital Asset Strategy Plan and found that the controls in place to ensure that asset management is managed and monitored effectively in line with the strategy, operate to a high standard.

5.2 The performance of the Commercial assets is reviewed by the councils Capital Asset Management Group (CSAG) and is comprised of Members,

Leadership Team (including the Deputy Chief Executive, S151 Officer), Senior Management in Service areas, Legal Services, and representative from the Finance Department. This group of representatives is responsible for ensuring effective liaison on asset management issues across the Council, and to also ensure that assets are being managed efficiently. A review of the meeting minutes found that regular progress updates were provided by the Group Manager for Corporate Property and Commercial Assets (CPCA), and other officers, at each meeting; actions were allocated to named officers and outcomes were reported. These procedures comply with the AMP&CSP and give a high level of assurance of a corporate approach to proposals effecting the Council's land and buildings.

- 5.4 The Corporate Property and Commercial Assets (CPCA) service is responsible for managing a wide range of Council assets, which have a net value of approximately £40 million. These assets include land, property, car parks, industrial units, shops, sports centres, public conveniences, and listed buildings.
- 5.5 The Council's portfolio can be split into three main areas and in focus here is:  
- tenanted non-residential property. This part of the portfolio is varied and assets have been made available for a range of uses; such as the potential to contribute to future regeneration schemes, provide employment, or to retain control over property use. In addition, some properties in the portfolio provide valuable revenue income such as the Market Walk and Fore Street Tiverton properties. 2019/20– Income forecast £709,150 at budget setting (includes property, bereavement and parks and open spaces).
- 5.6 Please refer to the restricted paper for this detail
- 5.7 The CSAG regularly reviews asset ownership through an assessment of efficiency, effectiveness and affordability. This has given assurance that this part of the estate is fit for purpose. Assets that do not fulfil the Council's strategic priorities and/or do not provide a positive rate of return, could be sold or transferred to Town and Parish Councils. Officers confirmed no commercial properties sold/ transferred to Community ownership during this fiscal year.

## **6.0 Understanding Viability**

- 6.1 Measuring the viability of the estate can relatively simply be calculated on the basis of Internal Rate of Return. This measure has previously been used when the the Council was required to submit a suite of property performance indicators (pPI) to the former Audit Commission. It is recommended, in-line with proposals for performance indicators generally, that this is reintroduced. Detail of previous pPI in Annex 3.
- 6.2 Other things to consider with TNRP.
- To understand why the asset is held
  - Who is the asset owner
  - What is expected of the asset
  - Who is accountable for performance
  - How is performance measured

## 7.0 Performance measurement

7.1 With no clear basis for ownership in many cases, other than assumptions of historic decisions, performance could be a measurement of or a selection/ combination of

7.1.1 For wider economy:

- Jobs created
- Economic output
- Number of small businesses supported
- Number of businesses relocating
- Local people employed
- Numbers re-employed
- Tenants moving on to larger premises
- Length of time as tenants
- Inward investment
- Rising property value

7.1.2 For small business

- Number of tenants moving on to larger premises
- Business sustainability/ longevity
- Growth in employed staff
- Growth in profits

7.1.3 For town centre

- Economic output
- Voids
- Retail taking
- Longevity
- Rent buoyancy
- Condition assessment

## 8.0 Challenge and Review

8.1 An appraisal will compare outcomes to a baseline and to enable a judgement to be made on value and inform decision on future TNRP strategy.

8.2 It is recommended that as an integral part of the Capital Asset Management Plan that CSAG with the Growth, Economy and Delivery Team undertake regular reviews of those properties identified as TNRP to understand and introduce a KPIs for measuring the on going performance of the estate.

**Contact for more Information:** Andrew Busby Group Manager for Corporate Property and Commercial Assets [abusby@middevon.gov.uk](mailto:abusby@middevon.gov.uk)

**Circulation of the Report:** Cabinet Member seen and approved [yes/no – name of Cabinet Member], Cabinet, Leadership Team seen and approved [yes/no]

**List of Background Papers: Capital Asset Strategy Management Plan 2016-2020, Audit Report – Commercial Rents February 2020 (as Annex 2)**

<b>Unit address</b>	<b>Type of Business / Business Name</b>
Unit 1 Kings Mill	Total Safety Training and Consultancy
Unit 2 Kings Mill	Independent Business
Unit 3 Kings Mill	<b>VACANT PREMISES - LEASE PENDING</b>
Unit 4 Kings Mill	Independent Business
Unit 5 Kings Mill	Renown Leisure Ltd T/as Big Bites Units 5-6 Kings Mill Industrial Estate & Unit 6 Simmons Place
Unit 6 Kings Mill	<b>SEE LEASE DETAILS FOR UNIT 5 KINGS MILL - TENANT OCCUPYING UNITS 5 &amp; 6 KINGS MILL &amp; UNIT 6 SIMMONS UNDER SAME LEASE</b>
Unit 7 Kings Mill	Metcalfe Allen Ltd Registered office: Old Emporium, Bow Steet, Langport, Somerset, TA10 9PQ
Unit 8 Kings Mill	Devon Valley Fabrications Unit 8 Kings Mill, Saunders Way, Cullompton, Devon, EX15 1BS
Unit 9 Kings Mill	South West Laundry Solutions Ltd Meadow Bank, Stoneyford, Cullompton EX15 1NU
Unit 10 Kings Mill	Independent Business
Unit 11 Kings Mill	Mask Control Systems
Unit 1 Simmons Place	Industrial Coating Supplies Units 1 & 2 Simmons Place, Cullompton, Devon, EX15 1BS
Unit 2 Simmons Place	<b>SEE LEASE DETAILS FOR UNIT 1 SIMMONS PLACE - TENANT OCCUPYING 1 AND 2 SIMMONS PLACE UNDER SAME LEASE</b>
Unit 3 Simmons Place	Independent Business
Unit 4 Simmons Place	T.K. Clothing
Unit 5 Simmons Place	Custom Joinery
Unit 6 Simmons Place	<b>SEE LEASE DETAILS FOR UNITS 5 KINGS MILL - TENANT OCCUPYING UNITS 5 &amp; 6 KINGS MILL &amp; UNIT 6 SIMMONS UNDER SAME LEASE</b>
Land at Howden Industrial Estate, Tiverton	Hanson Quarry Product Europe Ltd Registered office: Hanson House, 14 Castle Hill, Maidenhead, SL6 4JJ

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<b>Market Walk, Tiverton</b>	
<b>Address</b>	<b>Tenant/occupier</b>
1 Market Walk	Marie Curie
2 Market Walk	Lillys Nails
3 Market Walk	Hays Travel Ltd
5/6 Market Walk	Post Office
7 Market Walk	Hair Kandi
8/9 Market Walk	Exe Valley Catering Ltd
10 Market Walk	Lined up to be exchanged
11 Market Walk	Cafelicious
12/13/14 Market Walk	Lloyds Chemists
15/16 Market Walk	Bank of Scotland
17 Market Walk	Vacant
18/20 Market Walk	Peacocks- Closing Down
21/22 Market Walk	Gifts at Market Walk
23 Market Walk	Leela
Offices 7A Market Walk	Audio Destinations
24 MW 34 Bampton Street	Estate Agents

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Westexe South, Tiverton	
<b>Shop address</b>	<b>Name and address of tenant &amp; T/as name</b>
3 Westexe South, Tiverton	Johns Gents Hairdressers
5 Westexe South, Tiverton	Ladbrokes Betting & Gaming Ltd
7 Westexe South, Tiverton	SEE LEASE DETAILS FOR 5 WESTEXE SOUTH - TENANT OCCUPYING 5 & 7 WESTEXE SOUTH UNDER SAME LEASE
9 Westexe South, Tiverton	Easylife Care
11 Westexe South, Tiverton	SEE LEASE DETAILS FOR 9 WESTEXE SOUTH - TENANT OCCUPYING 9 & 11 WESTEXE SOUTH UNDER SAME LEASE
13 Westexe South, Tiverton	Computers
15 Westexe South, Tiverton	Fax & Files
17 Westexe South, Tiverton	Landrake Farm
19 Westexe South, Tiverton	Independent Business
21 Westexe South, Tiverton	Mr M Gorgulu and Mrs F Boga, 14 Brook Street Bampton EX16 9LY
Westexe North, Tiverton	
<b>Shop address</b>	<b>Name and address of tenant &amp; T/as name</b>
9 Westexe North	T/as Vape Corner UK Ltd
11 Westexe North	Vacant (from 1-2-20
21 Westexe North	Classic Cuts
23 Westexe North	Jolly Vintner Ltd
Other Shops	
<b>Shop address</b>	<b>Name and address of tenant &amp; T/as name</b>
1-3 Beech Road, Tiverton	One Stop Stores Ltd
1 Elmore Way, Tiverton	Lew-Nor Launderette
42 Halsbury Road, Tiverton	Wilcombe Post Office & Store
30 Fore Street, Tiverton	Shoe Zone Ltd
32 Fore Street, Tiverton	Johnsons Cleaners Ltd
34 Fore Street, Tiverton - Vacant	
36 Fore Street, Tiverton	Sportswift Limited
38 Fore Street, Tiverton	The Crusty Cob (Creations) Limited
10 Phoenix Lane, Tiverton	Elsie Mays
8 Lowman Green, Tiverton	Pho Nam Ltd

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Annex 3:

<b>NUMBER</b>	<b>2</b>
<b>OBJECTIVE</b>	<b>FINANCIAL RETURN</b> To assess the <b>capital and revenue</b> advantages and disadvantages of holding/disposing of assets in the <b>investment/surplus portfolio</b> .
<b>INDICATOR</b>	<b>Current internal rate of return (IRR) for the portfolio expressed as an average for each class of investment.</b>
<b>DEFINITION</b>	IRR calculated in accordance with DCF techniques based upon a 20 year projected cash flow period or the remainder of the existing property interest, whichever is the shorter.  <i>For this purpose Farms / Smallholdings should be seen as investment.</i>
<b>PURPOSE</b>	To enable continual review of appropriateness of retention, restructuring or disposal of investment asset through: A) Monitoring of performance of investment portfolio within authority over time; B) Comparison of the performance within authority; C) Comparison of the performance of investment with opportunity costs (e.g. PWLB loan rate) D) Comparison of performance of investments against similar investments held by other authorities / organisations - public and private.

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# ASSET MANAGEMENT AND CAPITAL STRATEGY PLAN 2016 - 2020

Mid Devon District Council

## Contents

### Foreword

1.	Introduction	3
2.	The Benefits of Property Asset Management Planning	3
3	Corporate asset objectives	4
4.	Portfolio overview - what does the Council own?	5
5.	Organisational Framework	5
6.	How do we measure performance	7
7.	What have we achieved so far?	8
8.	Income Generation	9
9.	Supporting the Corporate Plan	11
10.	Infrastructure and Planning	12
11.	Outcomes	13

### Appendices

<b>Appendix 1</b>	Why do we need asset management? Further explore	14
<b>Appendix 2</b>	Development of a Community Asset Transfer Policy	15
<b>Appendix 3</b>	Condition of the existing estate	17
<b>Appendix 4</b>	Tenanted Non Residential Property (TNRP) Review	20
<b>Appendix 5</b>	Corporate Asset Management software	22
<b>Appendix 6</b>	Asset Management Action Plan	23

**FOREWORD:**

Property Services provide accommodation for services within the Council and its businesses, lead on construction elements of the property capital programme, ensure statutory compliance of the estate and undertake a broad range of estate and strategic management activities.

Through the delivery of repairs and maintenance, we ensure the Council meets its statutory building compliance responsibilities and duty of care under relevant health and safety legislation, in addition to maintaining pathways and roads, hard landscaping, sewage works and retaining walls. We also develop existing assets and land to create affordable homes to replace assets lost under the Right To Buy scheme.

Building on Strong Foundations: A Framework for Local Authority Asset Management document published by the Department for Communities and Local Government lists the following potential benefits of good asset management:

- Deliver exceptional services for citizens, aligned with locally agreed priorities, whilst focusing investment clearly on need.
- Empower communities and stimulate debate.
- Improve the economic well-being of an area.
- Ensure that, once built, assets are correctly maintained.
- Introduce new working practices and trigger cultural organisational changes.
- Reduce carbon emissions and improve environmental sustainability.
- Increase co-location, partnership working and sharing of knowledge.
- Improve the accessibility of services and ensure compliance with the latest version of the Disability Equality Act 2010.
- Generate efficiency gains, capital receipts or an income stream.
- Improve the quality of information available to the public.

The value of the assets we manage have a total net value of around £40 million. Property Services are responsible for an operational budget, currently £1.2 million, as well as providing services that come under other operational budgets.

Our service consists of a wide range of assets including Land, Car Parks and Property. We provide services to approximately 96 locations comprising Leisure and Sport Centres, Corporate Offices, a Multi-Storey Car Park, Industrial Units, Shops, Public Conveniences, Car Parks, Listed Buildings and Paddling Pools and undertake construction of Play Areas, Skateboard Parks and other recreational leisure facilities. Our service also manages the Market Walk shopping precinct lease maintenance (Landlord contract).

***Councillor Clive Eginton***

*Leader, Mid Devon District Council*

***Councillor Ray Stanley***

*Portfolio Holder for Housing & Property Services*

*Mid Devon District Council*

***Nick Sanderson***

*Head of Housing and Property Services*

*Mid Devon District Council*

# 1 Introduction

The Asset Management Plan (AMP) sets out the Council's approach to the Strategic Management of its land and building assets. It is developed in consultation with the Senior Officers and Members of the Council that form the Capital Strategy Asset Management Group (CSAG). The AMP seeks to ensure that assets are used in the most effective and efficient way to support the delivery of the Corporate Plan.

## **Property Services Business Plan Mission Statement**

*“To maximise the value derived from our property holdings for the community by delivering a sustainable and efficient corporate property service that meets our stakeholders’ needs and be recognised as a forward-thinking, proactive service.”*

The main strategic document for the Council is the Corporate Plan and this document sets out the Council's vision, values and priorities. This particular document is the 'umbrella' for a number of documents which, together, support the Corporate Strategy. For further information see the Corporate Plan on our website.

The Capital Strategy Asset Management Group (CSAG) function involves key Council services and the role of the CSAG is key to ensure that there is an effective dialogue on asset management issues across the Council. The CSAG ensures there is insight into individual council services, together with a clear understanding of corporate goals and objectives. The group consists of officers and Members who follow and agreed process which ensures the estate is managed effectively and any disposals reflect value for money.

# 2 The Benefits of Property Asset Management Planning

Property assets should be linked to the delivery, vision and priorities of the organisation. The way that the Council manages its land and property assets has a direct impact on the quality of services delivered to the public.

While the Council's policy relating to the disposal and acquisition of public open space is under review, all land acquisition via the s106 process will be considered by the CSAG group before any legal agreement is authorised.

**Community Asset Transfer:** Establishment of clear procedural policies including option appraisal. (Appendix 2)

**Condition of the existing Estate:**

- **i Running Costs** - Alignment of operating costs with a dedicated property code to enable analysis. Data will be extracted then to inform and shape the property reviews.
- **ii Condition Surveys** - Carried out on non-housing stock on rolling basis. (Appendix 3) Planned maintenance programme now in place.
- **iii Statutory Compliance** - There is a programme of statutory inspections and surveys in place.

**Data Management:**

Comprehensive property database now established to combine property, financial and management information. We plan to review asset management software as per Appendix 5.

**Tenanted non-residential property (TNRP) Review (Appendix 4):**

The CSAG will review asset ownership through an assessment of efficiency, effectiveness and affordability. This will ensure that this part of the estate is fit for purpose. Assets that do not fulfil the Council’s strategic priorities and/or do not provide a positive rate of return, could be sold or transferred to Town and Parish councils.

**Financial Management:**

- **i** Continued development of Capital Programme links to the AMP and capital monitoring.
- **ii** Implement Whole Life Appraisal – a systematic assessment of all relevant expenses, income and performance associated with the acquisition, procurement, ownership, refurbishment and potential disposal of an asset over its life thus allowing the Council to plan our medium and long term financial commitments.

**Performance Management:**

Development of performance measures in relation to assets that evaluate asset use in relation to corporate objectives. This will be undertaken in tandem with assessing property management software tools.

## 3 Corporate Asset Objectives

The overall objective of the Council in the management of its property portfolio is to utilise and manage its land and property assets in accordance with the principles of Best Value; so as to enable high quality services to be provided to our stakeholders. Property can drive corporate objectives and organisational change; this is achieved by recognising and adopting the following objectives to:

- ensure that retained assets are suitable for their proposed/existing use, are fit for purpose, represent value for money and support improved service delivery.
- provide an appropriate, attractive, secure and safe working environment that motivates employees.
- minimise, in all respects, the impact of the Council’s buildings on the environment throughout their life.



- ensure the Council's property assets comply with Statutory/Regulatory Codes and are managed efficiently.
- ensure that the disposal of surplus assets links with the Medium Term Capital and Revenue Financial Plans.
- identify land for Affordable Housing developments.
- identify commercial opportunities that provide a financial benefit.

## 4 Portfolio overview - what does the Council own?

Mid Devon District Council holds a wide and varied portfolio of Property and Building Assets comprising non-residential properties and areas of open space with a net book value in the region of £40 Million.

The Council's portfolio can be split into three main areas as shown below:

- 1 For the purpose of direct service delivery, such as parks, open spaces and leisure centres.
- 2 To support service delivery, for example administrative offices and depots.
- 3 Tenanted non-residential property. This part of the portfolio is varied and assets have been made available for a range of uses; such as the potential to contribute to future regeneration schemes, provide employment, or to retain control over property use. In addition, some properties in the portfolio provide valuable revenue income such as our Market Walk and Fore Street Tiverton properties.

However, the housing stock is managed by the Housing Service and is subject to its own Housing Strategy and Housing Revenue Account Business Plan. The management of these assets is outside the scope of this Asset Management Plan.

## 5 Organisational Framework for Asset Management

**5.1** The overall monitoring of the AMP and corporate asset management initiatives is the responsibility of the Cabinet. The Cabinet considers the

Council's AMP and in so doing it looks to ensure that value for money and good practice criteria are addressed. These are set out below:

- Links between corporate objectives and property priorities.
- Full involvement of all service areas either through service/asset reviews or at an appropriately senior level at CSAG.
- Clear distinction between strategic and operational decision making - the AMP does not look to address detailed issues concerning individual assets. It serves to provide a framework within which those types of issues can be considered.

**5.2 Corporate Management** - Responsibility for the corporate management of the Authority's property assets rests with the Head of Housing and Property Services who is a member of the Management Team and reports to the Cabinet Member for Housing & Property Services.

**5.3** The Head of Service has authority to undertake all required developments in asset management once this has been delegated by Cabinet. His role and responsibilities are defined, and have been communicated to all concerned in the management and use of property throughout the Authority.

**5.4 The Capital Strategy Asset Management Group** - The Council has set up a cross-service forum to promote the effective management of the Council's land and buildings. CSAG is chaired by the Head of Housing and Property Services or the Estates Manager with the balance of the forum made up of Cabinet Members and senior representatives at head of service level. The Estates Manager acts as an internal project manager in respect of the preparation and monitoring of the Asset Management Plan.

**5.5** To ensure continued inter-department consultation and a corporate approach to proposals for effecting the Council's land and buildings.

**5.6** The Group meets on a quarterly basis. The minutes of each meeting are kept confidential due to commercially sensitive information/discussion.

**5.7** Service Departments in areas affected by Asset Management Reviews are consulted and any resultant actions are reported back to the CSAG.

**5.8** To support the development and monitoring of the capital programme and the Council's medium-term financial plan.

The CSAG group provides linkage to the Council's capital strategy by monitoring the current year's capital programme and developing the programme for future years, through the Head of Finance, that includes:

- Corporate Property Asset Management Plan
- Identification of property holding purpose and individual property asset strategy
- Monitoring of Capital Programme
- Reports to Cabinet for corporate property decisions

## **CSAG Key Outputs**

**Property Review:**

- By Service
- By Type

**Co-ordination and review of:**

- Accommodation use
- Planned maintenance
- Asset disposal
- Capital investment
- Performance measurement and monitoring on energy performance and reactive maintenance levels
- Property asset contribution to the Council's objectives.

**Consultation and Communication:**

- With users
- With the public
- Other public service providers
- Cabinet/Members

## 6 How do we measure performance?

Core to this AMP is the objective to ensure that we deliver an effective and efficient asset base from which to deliver services.

As a consequence, we are developing a set of Property Performance Indicators against which we can judge our performance over time and benchmark that performance with other authorities.

Our selected PPI's are based around the following discussions,

Does the estates management function;

- Work efficiently and effectively?
- Activity help to ensure the organisation has buildings which are fit for purpose and comply with statutory requirements?
- Help to ensure the organisation makes best use of its estate?
- Effectively support the organisation in minimising the impact of the estate on the environment?
- Manage maintenance and capital programmes effectively?
- Ensure internal customers are satisfied with the service provided and the functional suitability of the estate?

It is intended that we shall monitor the PPI's as our priorities and needs change and mature adding new indicators as necessary.

## **Proposed Performance Indicators (PPI)**

Total property costs (occupancy, operational and management) per square metre Gross Internal Area (GIA).

Total property costs (occupancy, operational and management) per FTE (Full Time Equivalent Staff).

Cost of the Estates Management function per square metre GIA.

Cost of the Estates Management function as a percentage of organisational running costs.

Total building operation costs (revenue) per square metre GIA.

Workstations per full-time equivalent staff (FTE).

Area (square metres) per workstation.

Total annual energy consumption (kWh) per square metre (GIA).

Total property required maintenance as a percentage of average annual maintenance spend for the last three years.

## **7 What have we achieved so far?**

The Council adopted the principal of strategic asset management in 2003 with the publication of its first Corporate Property Asset Management Plan.

- 1 PROPERTY REGISTER – CAPS database bringing together property information from different software systems across the Council.
- 2 PHOENIX HOUSE - space rationalisation, creation of the Phoenix Chamber.
- 3 FINANCIAL CODING – enabling accurate and more reliable cost recording against individual property assets.
- 4 CAR PARKS REVIEW – collation of car parks information and review of provision in district by a working group consisting of Members and Officers.
- 5 ENERGY MANAGEMENT/ CARBON REDUCTION - energy saving performance contract - 12 year contract with Anesco.
- 6 MANAGEMENT OF LAND DRAINAGE - Flood Management Act.
- 7 DEVELOPMENT OF EMPLOYERS REQUIREMENTS - building design for Affordable Housing Developments.

- 8 CAPITAL DISPOSAL PROGRAM - managed by the CSAG receipts towards capital programme (in addition to usual capital receipts).
- 9 TIVERTON TOWN REGENERATION PROGRAMME – masterplan setting the programme for priority projects, including enhancement and redevelopment of assets owned by the Council.
- 10 LORDS MEADOW LEISURE CENTRE - regeneration, including upgraded fitness gym, sports hall, dance studio with training room and overflow parking provision
- 11 CUL VALLEY SPORTS CENTRE – refurbishment of the gym and reception area.
- 12 EXE VALLEY LEISURE CENTRE – Plans to look at extending the gym at this facility.
- 13 OPEN SPACE STRATEGY
- 14 MID DEVON LOCAL PLAN.
- 15 MARKET WALK/FORE STREET TIVERTON - purchase of commercial units.
- 16 PUBLIC CONVENIENCIES - working with Town and Parish Councils to secure funding to continue the service or find alternative uses.
- 17 TIVERTON SKATEBOARD PARK - secured funding to deliver community asset.

In addition to the above, following a review of the Council's main headquarters accommodation at Phoenix House, Tiverton; the Council have completed the implementation of a relocation programme. The key outcomes of the project have included:-

- The creation of Phoenix Chamber where Planning Committee and Full Council take place.
- Divisible fully equipped meeting rooms.
- Potential income stream from renting rooms to the Public.
- More efficient use of open plan office space.
- Potential reduction in business rates (open plan offices converted to meeting rooms).
- Rental of office space the Department of Work & Pensions

## 8 Income Generation

The Property Service continues to generate income for the Council that is budgeted. A breakdown of our net annual income/savings is provided below:

Phoenix House (income from sub-letting)	£13.5k
Solar Photovoltaic Panels via the Feed In Tariff per annum (depending on the weather throughout the year)	£40k
Bus Station income	£24k
Industrial Units	£125k
Park Lodge income (income for Parks and Open Spaces)	£10k
Shop Units (General Fund and HRA)	£108k
Cemetery Lodge income (income for Parks and Open Spaces)	£8.4k
Elsie May's Building	£15k
2 Wells Close income (HRA asset)	£7.2k
Contributions / transfer for Public Conveniences	£55k
Grounds Maintenance Income	£48k
Cemetery Income	£122K
Town Council income	£15.3k
CAB Income for Town Hall Letting	£12k
Market Walk income based on current cash income stream per annum	£385k
Crediton Town Council	£5k
Fore Street Rentals	£47.1k
Lowman Green	£10k
Lords Meadow Depot	£10.8k
DCC Library income	£44k
Roundabouts sponsorships (income for Parks and Open Spaces)	£11k

Renewals of Community Leases are also controlled via Property Services that can deliver income and support the provision of services to the community.

Property Services leads the Capital Strategy Asset Group and reports land sales that can deliver Capital Receipts. This will mainly be HRA land and will, therefore, be assigned to the HRA development work being undertaken.

# 9 Supporting the Corporate Plan

To see our corporate plan in full please use the following link:

<https://www.middevon.gov.uk/media/206666/corporate-plan-2016-2020.pdf>

## Our Corporate Plan 2016 to 2020



### Our Vision: Your council, your future



#### Our priorities:



#### We will focus on:

Bringing new businesses into the District

Business development and growth

Improving and regenerating our town centres

Growing the tourism sector

#### We will focus on:

Building more council houses

Facilitating the housing growth that Mid Devon needs, including affordable homes

Planning and enhancing the built environment

#### We will focus on:

Working with local communities to encourage them to support themselves

Working with town and parish councils

Promoting physical activity, health and wellbeing

#### We will focus on:

Increasing recycling and reducing the amount of waste

Reducing our carbon footprint

Protecting the natural environment

Set out below is an illustration of how property assets support the Council's priorities and the actions required to improve the performance of the portfolio in relation to the delivery of Corporate and Service objectives.

Corporate Plan 2016 – 2020:

<https://www.middevon.gov.uk/media/206666/corporate-plan-2016-2020.pdf>

Business Strategies:

<https://www.middevon.gov.uk/media/343248/estates-and-property-services-business-plan-april-16.pdf>

Climate Action Plan:

<https://democracy.middevon.gov.uk/documents/s5080/MTE%208-3-16%20-%20Climate%20Change%20Strategy%20and%20Action%20Plan%20Report%2025-2-16.pdf>

Mid Devon Local Plan:

<https://www.middevon.gov.uk/residents/planning-policy/mid-devon-local-plan/>

## 10 Mid Devon Infrastructure & Planning

Policies and useful documents are shown below

- **Retail Study 2012** <https://www.middevon.gov.uk/media/103524/retail-study-2012.pdf> (Appendices are also on the evidence page of our website here <https://www.middevon.gov.uk/residents/planning-policy/local-plan-review-evidence-base/>)
- **Employment Land Review 2013**  
<https://www.middevon.gov.uk/media/103536/economy-land-review-2013.pdf>
- **Strategic Commercial Land Availability Assessment 2014**  
[https://www.middevon.gov.uk/media/85198/sclaa\\_site\\_appraisals\\_2014\\_final.pdf](https://www.middevon.gov.uk/media/85198/sclaa_site_appraisals_2014_final.pdf) (pages 1-30 for sites assessed in Tiverton)
- **Core Strategy 2007**  
[https://www.middevon.gov.uk/media/103617/core\\_strategy\\_adopted.pdf](https://www.middevon.gov.uk/media/103617/core_strategy_adopted.pdf)  
(Policies COR12 and COR13)
- **Allocations and Infrastructure DPD 2011**  
[https://www.middevon.gov.uk/media/103618/final\\_version\\_of\\_the\\_aidpd\\_january\\_2011\\_.pdf](https://www.middevon.gov.uk/media/103618/final_version_of_the_aidpd_january_2011_.pdf) (Tiverton allocations)
- **Local Plan part 3: Development Management Policies 2013**  
[https://www.middevon.gov.uk/media/103619/local\\_plan\\_part\\_3\\_adopted\\_october\\_2013.pdf](https://www.middevon.gov.uk/media/103619/local_plan_part_3_adopted_october_2013.pdf) (Especially DM16)
- **Local Plan Review 2013 – 2033 Proposed Submission**  
<https://www.middevon.gov.uk/residents/planning-policy/local-plan-review/>



And maps <https://www.middevon.gov.uk/residents/planning-policy/local-plan-review/local-plan-review-maps/>

# 11 Outcomes

The Council's Asset Management Plan was last updated in 2008. This revised plan creates a useful picture in terms of how the Council's assets support the Council's Corporate Priorities and the challenges ahead in ensuring a strategic approach is taken to support corporate and services strategies. The actions set out with dates in the AMP highlight where work remains to be carried out to fully incorporate Asset Management into the Council's ethos and have been set to achieve the Corporate Asset Objectives.

As is demonstrated within the Plan, effective asset management is an on-going discipline that requires the active support of senior decision makers and cross service input. For further information, please speak to the author of this document, **Andrew Busby – Estates Manager 01884 255255**.

# Appendix 1

## Why do we need Asset Management?

### Further explored...

#### 1.0 Practical Reasons

It takes longer to change property than any of the other strategic resources. Lack of attention to asset management will result in the asset base underperforming in both non-financial and financial terms. Examples of this are:

- Expensive maintenance backlogs.
- Poor fit between customer and service requirements and the property from which they are delivered.
- Under-utilisation of buildings.
- Inefficient sourcing and procurement of property, construction and support services.
- Inefficient use of capital.
- Insufficient control of running costs.
- Failure to provide services close to the community they serve.

#### 1.1 Business Benefit Reasons

The business benefits that have been realised by many public bodies from effective asset management are:

- The release of capital for re-investment or debt redemption.
- Reduced running costs.
- Better customer service and public service provision through improved accommodation and the co-location of services.
- Property in good condition.
- Improved property utilisation and bringing together similar uses into the same property, rather than providing them separately.
- Improved productivity, changes in corporate culture and facilitation of corporate change.
- Improved place-making in shaping the built environment of local communities.

#### 1.2 Policy Reasons

In every part of the public sector, improved asset management is not just to be encouraged, it is a general expectation.

# Appendix 2

## Development of a Community Asset Transfer Policy

### 1 Background

**1.1** The Strong and Prosperous Communities Local Government White Paper was published in October 2006 and sets out the basis for a new relationship between local government and its communities. This paper advocated that “the aim is to give local people and local communities more influence and power to improve their lives”. In addition, “we are determined to ensure that existing powers and policies that support community management and ownership are effective; and that practical ways are found to overcome any remaining unnecessary barriers”.

**1.2** The ‘Making Assets Work, Quirk Review’ looked at the clear benefits to local groups which own or manage community assets – such as community centres, building preservation trusts and community enterprises. The review makes clear that what is required is not legislation, but guidance to enable a partnership approach to the delivery of community services. The review focused on how the use of publicly owned assets could be optimised by exploring options for the increased transfer of asset ownership and management to community groups.

**1.3** The Localism Bill will look to devolve further powers to community organisations to take on the delivery of services previously run by local authorities. This will have an effect on buildings currently used to deliver those services.

**1.4** Local authorities have been given discretionary powers under the Local Government Act 1972 to dispose of land below market value in some circumstances. Decisions on disposal need to be made by comparing the benefits that would accrue from a transfer to community use, with those from a straight forward commercial sale.

**1.5** Where community groups are well established and have access to either the support of a governing body or regular income streams, the transfers have worked well. However, other schemes which rely mainly on voluntary community support have been less successful in delivering sustainability in the medium to long term.

**1.6** By having a clear Community Asset Transfer Policy and selection process for third sector partners, the Council will have a greater chance of ensuring that the sustainability of the property is maintained in the long term and, by means of a robust business proposal, that community groups are able to demonstrate their capability.

**1.7** There has to be a balance between the sale of assets for reinvestment in the Council's priorities through the Capital Programme and transfers for the delivery of services by community groups.

**1.8** The CSAG is currently embarking on a Property Review which will, amongst other things, identify assets which could be subject to future disposal.

**1.9** Community Asset Transfer needs to be considered by the CSAG. Town or Parish councils wishing to apply to take on assets currently held by the Council require a defined process to do so, we plan to do this by developing an on line application form.

# Appendix 3

## Condition of the existing estate

### Statutory commitments

Where we provide and maintain property for our business, Property Services are responsible for a high number of statutory requirements to ensure compliance and protect the Council from prosecution, therefore prevention is key.

The Council looks after a wide range of legislative requirements to ensure that it meets its statutory obligations, which includes:

- Asbestos Management
- Fixed electrical testing
- Structured surveys
- Legionella testing
- Condition Surveys

We regularly inspect our roads and pathways and carry out other routine inspections and keep records that are required for insurance purposes, these are essential in order that we can defend potential claims.

### Non-statutory commitments

The statutory commitments are necessary if the Council continues to operate a facility for employees and the public. However, we may not have a statutory requirement to cover some services i.e. Leisure and Public Conveniences.

Any special legal or insurance obligations your service needs to be met.

### **Building condition categories**

<b>Condition Survey Categories</b>	
<b>A</b>	<b>Good.</b> Performing as intended and operating efficiently.
<b>B</b>	<b>Satisfactory.</b> Performing as intended but exhibiting minor deterioration.
<b>C</b>	<b>Poor.</b> Exhibiting major defects and/or not operating as intended.
<b>D</b>	<b>Bad.</b> Life expired and/or serious risk of imminent failure.
<b>Not Set</b>	Condition survey not undertaken.

During the inspection of buildings, the urgency for maintenance works is assessed simultaneously with the condition. This assessment then informs the prioritisation of both the order of works and budget allocation.

Recognising certain outcomes from the old inspection regime, a new improved inspection regime will be implemented following approval of the responsible officer's paper to the Cabinet Member for Housing and Property Services and the Head of Service. This will result in better informed maintenance budgeting and an improved understanding of the estate's true condition.

## 1 Condition Surveys

**1.1** Condition surveys on the Council's non-housing premises should be carried out on a rolling basis at least every two years. The majority of property is generally in a sound or acceptable condition with relatively minor works required. The planned maintenance budget generally allows Property Services to carry out repairs to buildings and fixed equipment as and when required. There are occasions when major works need further budget approval before they can be carried out.

From 2016 these surveys will be undertaken every three years and will provide more comprehensive information to help inform not only the Planned Maintenance Programme, but also the on-going general review of the Council's varying asset cluster. Eventually it is anticipated that each asset will have its own asset management plan and classification for either on-going maintenance, capital investment, significant capital investment or replacement, change of use or disposal.

The basis of the new style surveys will enable appraisal with regard to fitness for purpose of use, condition and compliance. The three facts which will be assessed and ranked are:

- i. Physical condition
- ii. Fire, health and safety and disabled accessibility
- iii. Suitability

**1.2** In addition, annual tests on utilities and building facilities such as electrical wiring; boilers including gas safety; air conditioning and ventilation; equipment checks and other monitoring form part of the planned maintenance process and are carried out regularly in line with planned and programmed schedules

## 2 The Disability Equality Act 2010

**2.1** The Property Services team takes a role in working to fulfil the obligations under Part 3 of the Act. Audits have been carried out on all premises available for public use and we have implemented a number of improvements to ensure suitable access for the disabled.

**2.2** Premises are routinely monitored with service managers to gauge where further improvements could be made. Provision is made within Revenue budgets to enable this process.

## **3 Asbestos**

**3.1** The Control of Asbestos Regulations 2012 places a duty to manage asbestos, wherever it is found in our buildings. MDDC has surveyed all of its properties and listed any asbestos containing materials (ACM's) on the Asbestos Register. Wherever possible, the ACM's have been removed or encapsulated. The asbestos that remains is being regularly monitored. The Asbestos Policy gives full details of the management of ACM's.

## **4 Control of Legionella Approved Code of Practice and Guidance from the HSE (L8)**

**4.1** The Health and Safety Commission's Approved Code of Practice 'The control of legionella bacteria in water systems' was published in 2001. It sets out duties on the 'building manager' to ensure that water systems are monitored to reduce the risk of legionella.

MDDC has a service agreement with an independent company who are monitoring all our premises on a regular basis to ensure that we are compliant with the legislation. Remedial works are prioritised and financed from the planned maintenance budget. The Legionella Policy gives full details of the management and control of Legionella risk.

## **5 Fire Safety**

**5.1** The Regulatory Reform (Fire Safety) Order 2005 covers general fire safety in England and Wales. Employers (and/or building owners or occupiers) must carry out a fire safety risk assessment and keep it up to date.

MDDC has carried out fire risk assessments at all of its premises, where required and actively manages and implements changes or improvements that are highlighted. Reviews are carried out on an annual basis.

# Appendix 4

## Tenanted Non Residential Property (TNRP) Review

### 1 Background

**1.1** The Council owns assets which are let to third parties, other than HRA housing, for example industrial workshops and residential properties. These assets are held for investment or socio-economic purposes – or both.

**1.2** The Royal Institution of Chartered Surveyors (RICS) recommends a focus on three key perceived current priorities for improvement in the management of TNRP in the local government arena:

- There should be clear allocation of roles and responsibilities and accountability processes in the management of TNRP to drive continuous improvement in TNRP performance.
- Local authorities should adopt business planning disciplines to ensure clear strategy, plans and programmes for the management of their TNRP.
- To ensure best value is being obtained, local authorities should continuously measure and report on the performance of all TNRP as investments

### 2 Getting Started

**2.1** A TNRP strategic review will be commenced and with a simple overview including:

- A list of TNRP assets and their type
- Asset values and income (internal rate of return (IRR) valuation).
- A basic analysis of why they are held e.g. socio-economic, investment or unidentified
- A desktop indicative assessment of their suitability, condition and running costs
- CSAG referral of recommendations to Cabinet following completion of reviews on the following asset clusters:
  1. Industrial Estates
  2. Fore Street properties
  3. Residential property
  4. Market Walk shopping precinct.



**2.2** As the strategy develops, a phased work programme should emerge to ensure:

- The Council is clear as to why it owns TNRP
- There is a clear business case for owning individual TNRPs
- The Council is clear as to what outcomes are expected
- The right people are involved
- There are clear strategies, plans and programmes in place
- The performance management process is robust

## 3 Outcomes

**3.1** The TNRP review will measure the performance of each asset against a decision framework. The outcomes will include an understanding of the property objective and will arrive at a decision to either retain or dispose of an asset.

**3.2** Where an asset is retained, it will fall into one of three classes:-

- i. Continued maintenance – where the property is considered to be doing the right thing in the right place. All that will be required is a planned maintenance schedule;
- ii. Improve usage – there may be an opportunity for better usage or co-location. This may require some capital expenditure, along with a planned maintenance schedule;
- iii. Building enhancement – where an asset requires significant capital expenditure.

## 4 Disposal of Assets

**4.** TNRP Disposal Policy

**4.1** Where an asset deemed surplus for disposal is subject to external valuation for values in excess of £500 and following consultation with Ward Members, a recommendation will be made to Cabinet by the Head of Housing and Property Services

- (a) Documenting the reason for disposal,
- (b) Stipulating any conditions that will apply and/or endure after disposal
- (c) Suggesting an appropriate method of disposal.

Ward Members will be consulted on those assets identified as surplus, for disposal and with a value of under £500 before the Head of Service authorises the disposal of the asset and determines the appropriate method of sale and the timing.

4.2 The receipts generated by the disposal of assets are treated as a corporate resource to fund the capital programme. To this end, the Head of Housing and Property Services shall, in liaison with the Estates Manager, set targets for capital generation by disposals, and monitor performance on a quarterly basis.

## Appendix 5

### Corporate Asset Management software

#### 1 Background

Mid Devon has historically operated different property management systems across its Finance, Property Services, Housing, Estates and Street Scene services. Whilst providing essential tools for each discreet area, this approach has resulted in difficulties and inefficiencies when dealing with cross-service issues. These asset management processes are coming under ever increasing scrutiny.

#### 2 Review of all software used to manage our assets

To ensure the authority has a complete and up-to-date record of property assets to facilitate decision making, our service will need to review the software packages which we use to manage our estate and influence an action plan for ensuring information is maintained and current. This review will incorporate our aspirations for digital transformation.

# Appendix 6

## Asset Management Action Plan

### Annex A - Asset Management Action Plan

ACTION	BENEFIT TO COUNCIL	HOW TO ACHIEVE THIS	RESOURCES NEEDED	LEAD OFFICER	DATES CSAG to be agreed
1. Review and amendment of Asset Management Plan Performance Management.	Link to Corporate Plan 2016 – 2020.	Implement management practices and assign 'SMART' targets.	Estates & Property services	Estates Manager  Development Services Manager	
2. Promote the improvement of the use of Council's assets. Develop ways for all services to become aware of positive asset management ie. business plans. Asset Management Plan needs to be 'promoted' once updated.	Improved awareness of asset management; improved use of available skills & knowledge. Promoting proactive management Reducing reactive costs.	Awareness training sessions. Publication of updated asset management plan.	Learning & Development  HR Business Partners	Estates Manager	

<b>ACTION</b>	<b>BENEFIT TO COUNCIL</b>	<b>HOW TO ACHIEVE THIS</b>	<b>RESOURCES NEEDED</b>	<b>LEAD OFFICER</b>	<b>DATES CSAG to be agreed</b>
3. Improve benchmarking and sharing of information within nearest neighbours group.	Improve quality of asset management plan. Identify where efficiencies will be achieved. Identify internal rate of return, so that assets not meeting this return can be selected for disposal.	Revision as per Action 1 (above).	Estates Management & Property Services Team.  Estates Manager to set up a working group with other property managers from other authorities.	Estates Manager	
4. Integrate capital strategy into the asset management plan.	Co-ordinated support for the corporate plan through integration of asset management plan/capital strategy/medium term financial plan.	Working with Finance service.	Finance Manager for Capital Development Services Manager  Contracts Manager	Estates Manager	
5. Improve professional skills/training. Continuous professional development.	Improved quality of asset management.	Appraisals; On-the-job training provision.	Estates and Property Services team	Development Services Manager	

<b>ACTION</b>	<b>BENEFIT TO COUNCIL</b>	<b>HOW TO ACHIEVE THIS</b>	<b>RESOURCES NEEDED</b>	<b>LEAD OFFICER</b>	<b>DATES CSAG to be agreed</b>
6. Identify strategic/key partners for collaborative working and develop a Community Asset Transfer Policy.	Improved capacity and cost-effectiveness through partnership working.	Explore shared service opportunities.	Estates and Property Services team	Head of Housing & Property Services	
7. Implement CAPS Estate Module and Quality Assurance Land Terrier.	Avoids duplication of records. Certainty over asset base. Reduce database maintenance requirements.	Cross-service working group using Prince 2 approach.	Estates and Property Services team	Estates Manager	
8. Improve energy efficiency and continue to reduce consumption.	Cost savings Achieves Corporate Plan objective.	Identify additional 'ESCO' opportunities.	Estates and Property Services team	Contracts & Services Manager	
9. Review & report based on 'outcomes' of the reduction in revenue maintenance budget.  To include: Risks Future expenditure requirements in relation to plant and asset replacement.	Awareness of risks and costs of reductions to planned preventative maintenance.	Incorporate in Action 1 (above).	Estates and Property Services team	Technical Administrator	

<b>ACTION</b>	<b>BENEFIT TO COUNCIL</b>	<b>HOW TO ACHIEVE THIS</b>	<b>RESOURCES NEEDED</b>	<b>LEAD OFFICER</b>	<b>DATES CSAG to be agreed</b>
10. Analysis of value for money  Cemeteries Parks and Open Spaces Grounds Maintenance	Contributes to effective use of resources. Potential efficiency increases/cost reductions identified.	Benchmarking (see Action 3 above) – results to be included in estates management business plan with SMART targets.	Estates and Property Services team	Estates Manager	
11. Improvement to the planning consultation process regarding S106/CIL.	Improved consideration of the impact of development on existing assets and added robustness to adoption procedures for new assets.	Liaise with Planning Service.	Regular review meetings with Planning Officers	Development Services Manager	
12. Continue to deliver Capital projects that supports the Corporate Plan 2016 – 2020.	Improved use of asset management expertise at project design stage.	Involvement in CSAG.	Estates & Property Services team	Head of Housing & Property Services	

<b>ACTION</b>	<b>BENEFIT TO COUNCIL</b>	<b>HOW TO ACHIEVE THIS</b>	<b>RESOURCES NEEDED</b>	<b>LEAD OFFICER</b>	<b>DATES CSAG to be agreed</b>
13. Revise and review Asset Management Plan annually plus initiate annual review as good practice.	Improved management of assets. Increased internal rate of return. Reduced reactive maintenance costs. Improved risk management.	Annual review. Continued research for opportunities.	Estates & Property Services team  CSAG		

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