

Scrutiny Committee

10 September 2018

Review of District wide Local Improvement Schemes

Cabinet Member: Cllr Ray Stanley
Responsible Officer: Andrew Jarrett, Deputy Chief Executive (S151)

Reason for Report: To provide Members with a report on historic District-wide Local Improvements Schemes and their associated liability.

RECOMMENDATION: To recommend to Cabinet that the work procedure detailed in item 4.0 is implemented.

Relationship to Corporate Plan: All property assets need to be 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 budgets.

Financial Implications: The use of s106 monies should be investigated for the essential upgrade or replacement of historic Local Improvement Scheme assets, sinking funds were not established.

Legal Implications: A local authority has certain obligations in respect of land which it owns or manages. It may also have ongoing maintenance obligations for equipment it has installed on third party land. However, the precise position will depend on the circumstances of each case, including whether liability has been transferred to another. Unless specifically provided, whether by agreement or by law, an obligation to maintain is not to be read as an obligation to replace or improve. Each case will have to be considered carefully, as indicated by the proposed procedure.

Risk Assessment: Risk assessments will need to be carried out on individual Local Improvement Schemes to mitigate risks to the Council and to inform our insurance provider.

Equality Impact Assessment: To form part of the risk assessment process.

1.0 Introduction

- 1.1 The report follows the Scrutiny Committee meeting dated 18 June 2018 and the request from Cllr J Roach to review the maintenance implications on historic Local Improvement Schemes which were commissioned by Mid Devon District Council between 2003 and 2004. The ownership of the footpath lighting scheme at Silverdale in Silverton, discussed at the Committee, has been investigated and it has revealed that it is not within the Council's ownership and is owned privately by two separate persons. In addition, the condition of the footpath is inspected by Devon County Council on a three year cycle.

- 1.2 The light fittings on the footpath in Silverton are an example of where the Council committed Capital expenditure for a Local Improvement Scheme on land that is not within the ownership of the Council, the light fittings have now reached end of life, requiring circa £6k to replace the light fittings and a sinking fund was not established as part of the Capital scheme. The 2018-19 financial budgets for maintenance is not able to meet this level of expenditure. Property Service are not currently aware of any legal obligation to replace the lighting and equipment should be considered for removal once it becomes beyond repair for safety reasons.

2.0 Background

- 2.1 In 2003 a working group provided a report to the Community Services Committee on a number of projects that became part of the Capital Programme.
- 2.2 The list of schemes are under review by the Property Services team to confirm which of the 95 were completed and included an initial assessment on which of the 95 schemes could expose the Council to any risk.
- 2.3 The corporate risk register will be updated where Legal and Property Services consider that the Council has on going liability for maintenance and safety inspections. Budget is not available for essential maintenance on historic Local Improvement Schemes.
- 2.4 S106 monies could and will be considered for the upgrade or replacement of end of life assets on Local Improvement Schemes subject to consultation with Ward Members and Town and Parish Councils.

3.0 Asset Management

- 3.1 The Asset Management and Capital Strategy Plan 2016-2020 (AMP) details how the Council manages our Estate and describes how we shall treat all properties as a Council asset and how they will be managed strategically by the Property Services Team. The AMP places our Property Assets at the centre of Council decision-making, acknowledging the importance and financial value. Therefore, it is important that the historic Local Improvement Schemes are recorded onto the Land Management database to ensure that officers are aware of the assets and are managed in line with the AMP and associated condition surveys are maintained. The Capital Strategy Asset Group (CSAG) will also be made aware of the historic schemes.
- 3.2 Where an historic asset is retained, the asset will need to be identified for managed decline through to its removal at the end of its life expectancy.

4.0 Work Procedure

- 4.1 It is now necessary for Property Services to implement a work procedure to protect the Council and to manage any risk. This procedure will consider our Asset Management Plan and includes the following action:
 - 4.1.1 To determine if the improvement scheme is on Council land and to update the ownership layer on the land management database (CAPS).
 - 4.1.2 To work with Legal Services to determine liability.
 - 4.1.3 Where the Council has liability, arrange site inspections and inform other services if applicable and record.
 - 4.1.4 To provide the Finance team with the details of the asset and associated cost pressure for investigation and inspection work.
 - 4.1.5 Liaise with the s106 officer to determine funding for essential upgrade or replacement work.
 - 4.1.6 Provide a briefing note to the Ward Member for where the asset is located.
 - 4.1.7 To provide the Insurance Officer with details of the asset so any necessary amendments to insurance documents can be made.
 - 4.1.8 To ask the Capital Strategy Asset Group to review historic improvement schemes at its next meeting in October 2018.

5.0 Conclusion

- 5.1 To ensure that the Capital expenditure committed in 2003 is protected and the original intention of the Local Improvement Scheme continues and any risk to the Council controlled, it is important that the procedure detailed in 4.0 is immediately implemented.

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Circulation of the Report: Distribution of the report Cllr Ray Stanley, Leadership Team.

