

Open

Overview & Scrutiny Committee

Agenda

6pm
Thursday, 3rd March 2016
Council Chamber
Wyre Forest House
Finepoint Way
Kidderminster



Overview & Scrutiny Committee

Members of Committee:

Chairman: Councillor H E Dyke
Vice-Chairman: Councillor S Arnold

Councillor G W Ballinger
Councillor J Greener
Councillor D Little
Councillor C Rogers

Councillor J R Desmond
Councillor A T Hingley
Councillor J Phillips
Councillor S J Williams

Would Members please note that, to ensure continuity in scrutiny, substitutes should only be appointed for the Scrutiny Committee in exceptional circumstances.

Information for Members of the Public:

Part I of the Agenda includes items for discussion in public. You have the right to inspect copies of Minutes and reports on this Agenda as well as the background documents used in the preparation of these reports.

Part II of the Agenda (if applicable) deals with items of “Exempt Information” for which it is anticipated that the public may be excluded from the meeting and neither reports nor background papers are open to public inspection.

Declaration of Interests by Members – interests of members in contracts and other matters

Declarations of Interest are a standard item on every Council and Committee agenda and each Member must provide a full record of their interests in the Public Register.

In addition, alongside the Register of Interest, the Members Code of Conduct (“the Code”) requires the Declaration of Interests at meetings. Members have to decide first whether or not they have a disclosable interest in the matter under discussion.

Please see the Members’ Code of Conduct as set out in Section 14 of the Council’s constitution for full details.

Disclosable Pecuniary Interest (DPI) / Other Disclosable Interest (ODI)

DPI’s and ODI’s are interests defined in the Code of Conduct that has been adopted by the District.

If you have a DPI (as defined in the Code) in a matter being considered at a meeting of the Council (as defined in the Code), the Council’s Standing Orders require you to leave the room where the meeting is held, for the duration of any discussion or voting on that matter.

If you have an ODI (as defined in the Code) you will need to consider whether you need to leave the room during the consideration of the matter.

Co-opted Members

Scrutiny Committees may wish to appoint Co-Opted Members to sit on their committee in order to add value to the scrutiny process. To appoint a Co-Opted Member, a Committee must first agree to appoint either a specific person or to approach a relevant organisation to request that they put forward a suitable representative (e.g. the local Police Authority). Co-Optees are non voting by default but Committees can decide to appoint voting rights to a Co-Optee. The Co-Option of the Member will last no longer than the remainder of the municipal year.

Scrutiny Committees can at any meeting agree to terminate the Co-Option of a Co-Opted Member with immediate effect. Where an organisation is appointed to put forward a Co-Opted Member, they are able to send a substitute in exceptional circumstances, provided that they notify Democratic Services in advance. Co-Opted Members must sign up to the Members Code of Conduct before attending their first meeting, failure to sign will mean that they are unable to participate. This also applies to substitute Co-Opted Members, who will need to allow sufficient time before a meeting in order to sign the Code of Conduct.

The following will apply:

- i) The total number of voting co-opted members on any Scrutiny Committee will not exceed 25% at any one time.
- ii) The total number of voting Co-opted Members on any Review Panel will not be limited.
- iii) Those Co-opted Members with voting rights will exercise their rights in accordance with the principles of decision making set out in the constitution.

For Further information:

If you have any queries about this Agenda or require any details of background papers, further documents or information, you should contact Louisa Bright, Principal Committee and Member Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732763 or email louisa.bright@wyreforestdc.gov.uk

Wyre Forest District Council
Overview & Scrutiny Committee

Thursday, 3rd March 2016

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

Agenda item	Subject	Page Number
1.	Apologies for Absence	
2.	Appointment of Substitute Members To receive the name of any Councillor who is to act as a substitute, together with the name of the Councillor for whom he/she is acting.	
3.	Declarations of Interests by Members In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any Disclosable Pecuniary Interests (DPI's) and / or Other Disclosable Interests (ODI's) in the following agenda items and indicate the action that they will be taking when the item is considered. Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
4.	Minutes To confirm as a correct record the Minutes of the meeting held on the 4th February 2016.	6
5.	Strategic Asset Management Plan To consider a report from the Estate Surveyors which invites the Committee to consider the proposed Strategic Asset Management Plan (SAMP) 2016-21.	9
6.	Work Programme To review the work programme for the current municipal year with regard to the Sustainable Community Strategy Theme, Corporate Plan Priority, Annual Priorities and the Forward Plan.	23
7.	Press Involvement To consider any future items for scrutiny that might require publicity.	

8.	To consider any other business, details of which have been communicated to the Solicitor of the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.	
9.	Exclusion of the Press and Public To consider passing the following resolution: “That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of “exempt information” as defined in paragraph 3 of Part 1 of Schedule 12A to the Act”.	

Part 2

Not open to the Press and Public

10.	To consider any other business, details of which have been communicated to the Solicitor of the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.	
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WYRE FOREST DISTRICT COUNCIL

OVERVIEW & SCRUTINY COMMITTEE

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER

THURSDAY, 4TH FEBRUARY 2016 (6PM)

Present:

Councillors: H E Dyke (Chairman), S Arnold (Vice-Chairman), G W Ballinger, J R Desmond, J Greener, A T Hingley, D Little, J Phillips, C Rogers and S J Williams.

Observers

Councillors: N J Desmond, M J Hart and F M Oborski MBE.

OS.61 Apologies for Absence

There were no apologies for absence.

OS.62 Appointment of Substitutes

No substitutes were appointed.

OS.63 Declarations of Interests by Members

No declarations of interest were made.

OS.64 Minutes

Decision: The minutes of the meeting held on 7th January 2016 be confirmed as a correct record and signed by the Chairman.

OS.65 Treasury Management Strategy 2016/17

The Committee received a report from the Chief Financial Officer which provided Members with background information on the Chartered Institute of Public Finance (CIPFA) Prudential Code for Capital Finance in Local Authorities (Prudential Code), and sought approval for the Council's Treasury Management Strategy Statement for the period 1st April 2016 to 31st March 2017.

The Chief Financial Officer gave Members a brief overview of the comprehensive report and appendices, and advised that the Council was required to receive and approve a minimum of three main reports each year which contained a variety of policies, estimates and actuals.

Councillor G Ballinger entered the meeting at this point, (6.08pm). Councillor N Desmond entered the meeting at 6.14pm.

Agenda Item No. 4

The Committee were advised the report had been fully scrutinised by the Treasury Management Review Panel at its meeting on 2nd February 2016.

The Chairman of the Review Panel, Councillor F M Oborski, advised that the Council's Treasury Management Consultants, Capita, had held a Member training session prior to the panel meeting which had been well received by those which attended. Councillor Oborski urged all Members to attend future training sessions.

Agreed: Recommend to Council to:

- 1. Approve the restated Prudential Indicators and Limits for the financial years 2016/17 to 2018/19 included in Appendix 3 of the report to the Overview and Scrutiny Committee. These will be revised for the February 2016 Council meeting, as per paragraph 7.3 of the report, following any changes to the Capital Programme brought about as part of the budget process.**
- 2. Approve the updated Treasury Management and Investment Policy and Strategy Statements for the period 1st April 2016 to 31st March 2017 (the associated Prudential Indicators are included in Appendix 3 and the detailed criteria is included in Section 10 and Appendix 5 of the report to the Overview and Scrutiny Committee).**
- 3. Approve the Minimum Revenue Provision (MRP) Statement that sets out the Council's policy on MRP included in Appendix 1 of the report to the Overview and Scrutiny Committee.**
- 4. Approve the Authorised Limit Prudential Indicator included in Appendix 3 of the report to the Overview and Scrutiny Committee.**

OS.66 How Are We Doing? Performance Update

The Committee considered a report from the Business Improvement Officer which updated Members on the performance of the Council for quarter 3 (from 1st October to 31st December 2015).

Members discussed the updates and the Operational Services Manager gave a brief explanation of how the figures for LA065 (yearly percentage of household waste sent for reuse recycling and composting) was collated. A request was made for future reports to contain slightly more information than at present in order for Members to scrutinise the performance more easily.

Agreed:

- The progress in performance for quarter 3 be noted.**
- The Business Improvement Officer to look at amending the format of the report for the next quarter.**

OS.67 Feedback from Cabinet

Agreed: The content of the Cabinet decision list following consideration of the recommendations from its meeting on 22nd December 2015 be noted.

OS.68 Work Programme

The Committee considered the work programme for the remaining of the municipal year. The Chairman advised that a suggestion had been made to have a scrutiny exercise into Section 106 monies. Members welcomed the suggestion and were advised a scoping form would be circulated for their attention. Members wishing to take part in the review was asked to contact the Principal Committee and Member Services Officer.

Agreed:

- **The work programme be noted.**
- **Members wishing to take part in the Section 106 Scrutiny exercise to advise the Principal Committee and Member Services Officer accordingly.**

OS.69 Press Involvement

There were no future items for scrutiny that might require publicity.

There being no further business, the meeting ended at 6.59pm.



Overview & Scrutiny Committee

Briefing Paper

Report of: Victoria Bendall & Lucy Lomas
WFDC Estates Surveyors
Date: Thursday 3rd March 2016

**OPEN WITH THE EXCEPTION OF APPENDIX 2 THAT CONTAINS
FINANCIAL INFORMATION OF A COMMERCIAL SENSITIVE
NATURE**

Strategic Asset Management Plan (including Disposal Strategy)

1. Summary

- 1.1 The purpose of this report is to invite the Committee to consider the proposed Strategic Asset Management Plan (SAMP) 2016-21 which includes the Property Disposal Strategy (which is an exempt item). It will explain the purposes of the SAMP and the steps to be taken to ensure that the Council's property assets are managed efficiently and effectively in line with Corporate Priorities as well as establishing the disposal strategy for the next 12 months.

2. Background

- 2.1 In 2014 the Council reviewed its approach to utilising its assets to support the local economy through plans to regenerate key sites in the district as well as supporting local businesses to invest in their own plans for growth.

Built asset consultants, EC Harris (now Arcadis) were appointed to undertake a review of the Council's core regeneration assets and the wider portfolio, recommending alternative approaches to delivery, financial and regeneration outcomes and resource requirements as part of a co-ordinated delivery strategy. As a result the Council has adopted a new approach, looking at investing in existing and new assets to generate new or improved revenue compared to that currently achieved and disposing of under-performing assets to provide capital funding to invest. Subsequently the Evergreen Investment Fund has been established, which aims to use the Council's assets to generate capital receipts and/or improve revenue streams and contribute to regeneration. It is anticipated that the first proposals for utilising the Fund will come forward in Spring 2016.

The SAMP is the principle document to identify how the Council plans to manage its diverse portfolio of property and land assets. This portfolio is key to both the delivery of Council services and its Corporate Plan Priorities.

- 2.2 The SAMP will ensure that the property strategy is supportive of the Council's Corporate Plan Priorities and relevant Council strategies, including Financial Strategy and Strategic Housing Objectives.

3. Key Issues

- 3.1 The core objectives of the Strategic Asset Management Plan are:

- Provide a structured 3-5 year property strategy, which will be reviewed annually
- Assist in the delivery of the Council's Corporate Plan Priorities
- Effective and sustainable use of the Council's land and buildings to support improved delivery services
- Efficient management of the investment portfolio to provide a significant revenue stream
- Enable disposal of surplus or under-performing assets to generate capital receipts for reinvestment and reduce running costs
- Use of the Evergreen Investment Fund to facilitate regeneration initiatives and other revenue generating opportunities
- Support the Council's Capital Strategy
- Support the Council's Strategic Housing Objectives
- Promote Partnership working and shared use of accommodation

- 3.2 The Council aims to retain any property asset which provides a rental return on investment of 4% or above, unless there are exceptional strategic circumstances. The Property Disposal Strategy will review annually each business case for disposal or retention of property not making a minimum 4% return, taking into account specific type of asset held and cost of retention.

- 3.3 Since the Council's decision in 2014 to establish the Evergreen Investment Fund, capital receipts generated from the disposal of land and property assets have generally been directed to the Evergreen Investment Fund to facilitate regeneration and it is proposed that this continue going forward to build up the potential portfolio of revenue generating opportunities unless otherwise agreed.

4. Options

- 4.1 The Overview and Scrutiny Committee is invited to consider the content of the draft SAMP including the Property Disposal Strategy with the following options:

1. To recommend to Cabinet that the SAMP is adopted as presented.
2. To recommend amendments to the SAMP before Cabinet adopts it.

5. Consultation

- 5.1 Corporate Leadership Team.
Cabinet Member for Planning & Economic Regeneration.

6. Equality Impact Needs Assessment

- 6.1 There are no issues to be addressed.

7. Wards affected

- 7.1 All wards.

8. Appendices

- 8.1 Appendix 1 - Strategic Asset Management Plan 2016 – 2021.
8.2 EXEMPT Appendix 2 - Property Disposal Strategy 2016.

9. Background Papers

- 9.1 Cabinet 2014 - Assets as a Value Driver and Opportunities for Income Generation July 2014 (EC Harris).

Officer Contact Details:

Name: Mike Parker
Title: Director of Economic Prosperity & Place
Contact Number: 01562 732500

STRATEGIC ASSET MANAGEMENT PLAN 2016 - 2021



Contents

- 1 - What is the strategic Asset Management Plan?
- 2 - What are the Council's Property Assets?
- 3 - Operational and Non-operational Asset Split.
- 4 - Who manages the Council's Property Portfolio?
- 5 - How do we manage our assets?
- 6 - What do we want the Strategic Asset Management Plan to do?
- 7 - What are our Asset Management Achievements?
- 8 - How well does the portfolio perform?
- 9 - What are the Strategic Asset Management Plan objectives for 2016 - 2021?

Appendices

Property Disposal Strategy 2016

WHAT IS THE STRATEGIC ASSET MANAGEMENT PLAN?

The Asset Management Plan is the key document to identify how Wyre Forest District Council plans to manage its diverse portfolio of property and land assets. This portfolio is key to both the delivery of Council services and its Corporate Plan Priorities.

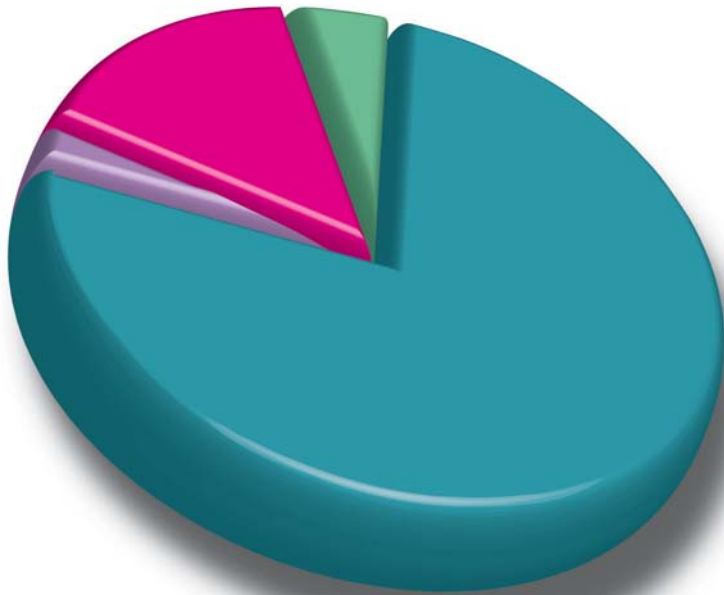


In 2014 the Council reviewed its approach to utilising its assets to support the local economy through plans to regenerate key sites in the district as well as supporting our local businesses to invest in their own plans for growth. The Council commissioned built asset consultants E.C Harris (now Arcadis) to undertake a review of the Council's core regeneration assets and the wider asset portfolio, recommending alternative approaches to delivery, financial and regeneration outcomes and resource requirements as part of a co-ordinated delivery strategy. As a result the Council has adopted a new approach, looking at investing in existing and new assets to generate revenue and disposing of other under-performing assets to provide capital funding to invest. Subsequently the Evergreen Investment Fund has been established, which aims to use the Council's assets to generate capital receipts and/or improve revenue streams and contribute to regeneration.

WHAT ARE THE COUNCIL'S PROPERTY ASSETS?

The Council's property portfolio comprises a wide diversity of property and land assets with an approximate value of £39 million.

These include operational assets used in the delivery of Council services, such as administration buildings, car parks, public conveniences, parks and open space. The council also holds a portfolio of non-operational land and property assets for investment in the main.



Operational property assets £30,511,120

Community assets £567,219

Non-operational property assets £7,491,250

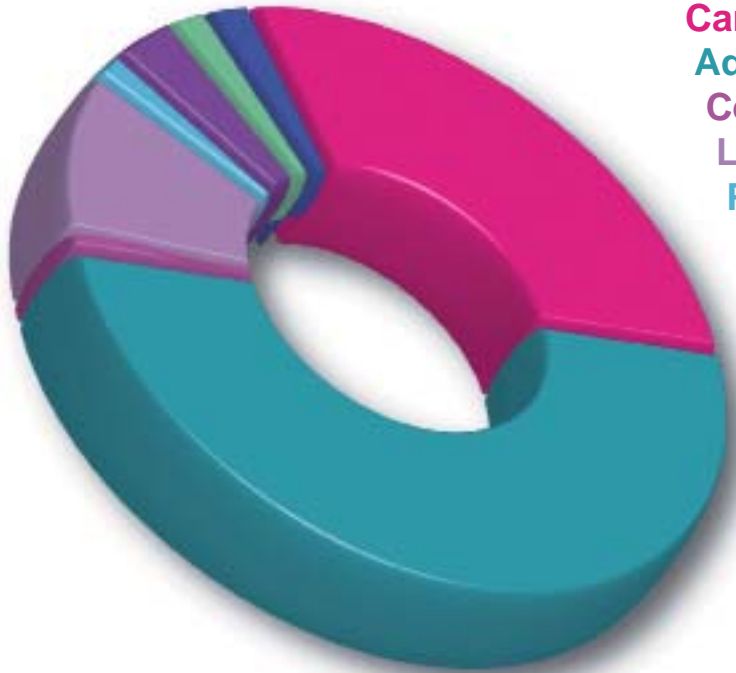
**Surplus property and Property Held for Sale
£1,136,800**

Total value* £39,706,389

*Valuation of Fixed Assets as per Statement of Accounts 2014/15

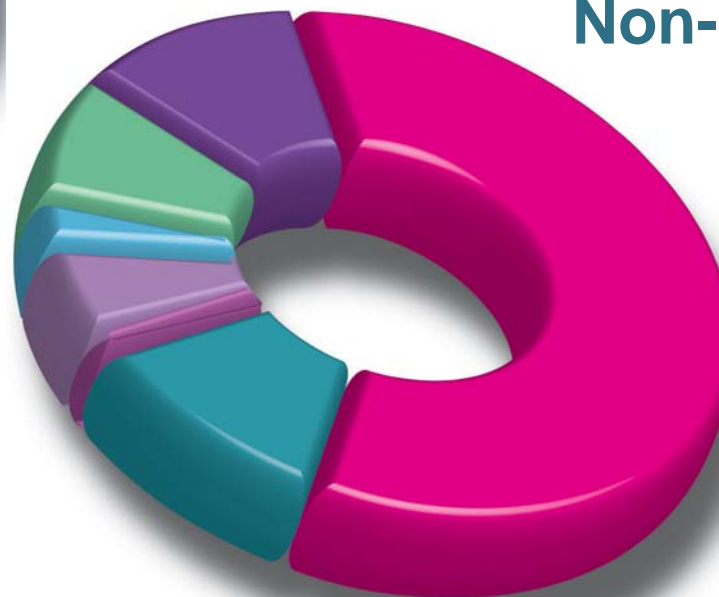
OPERATIONAL AND NON-OPERATIONAL ASSET SPLIT?

Operational Split



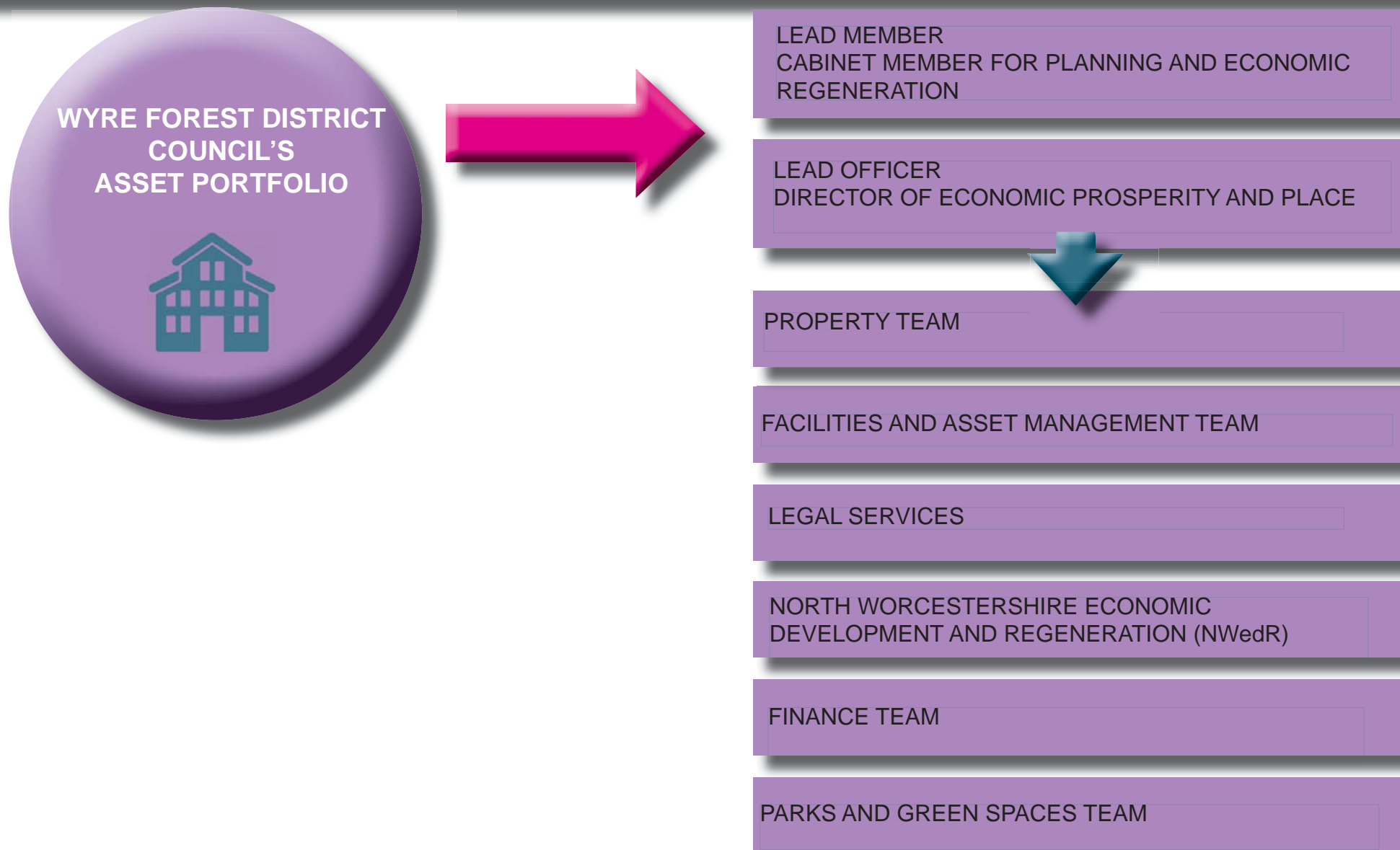
Car parks	£10,502,964
Admin buildings	£14,605,177
Cemetery	£57,993
Leisure facilities	£3,074,941
Public conveniences	£305,720
Play equipment/sports fields	£1,243,816
Community assets	£567,219
Community centres	£720,509

Non- operational Split



Industrial estates	£4,360,500
Retail units	£850,000
Private parking	£73,750
Cemetery	£435,000
Sports stadiums, fields	£226,000
Offices	£670,000
Miscellaneous assets	£876,000

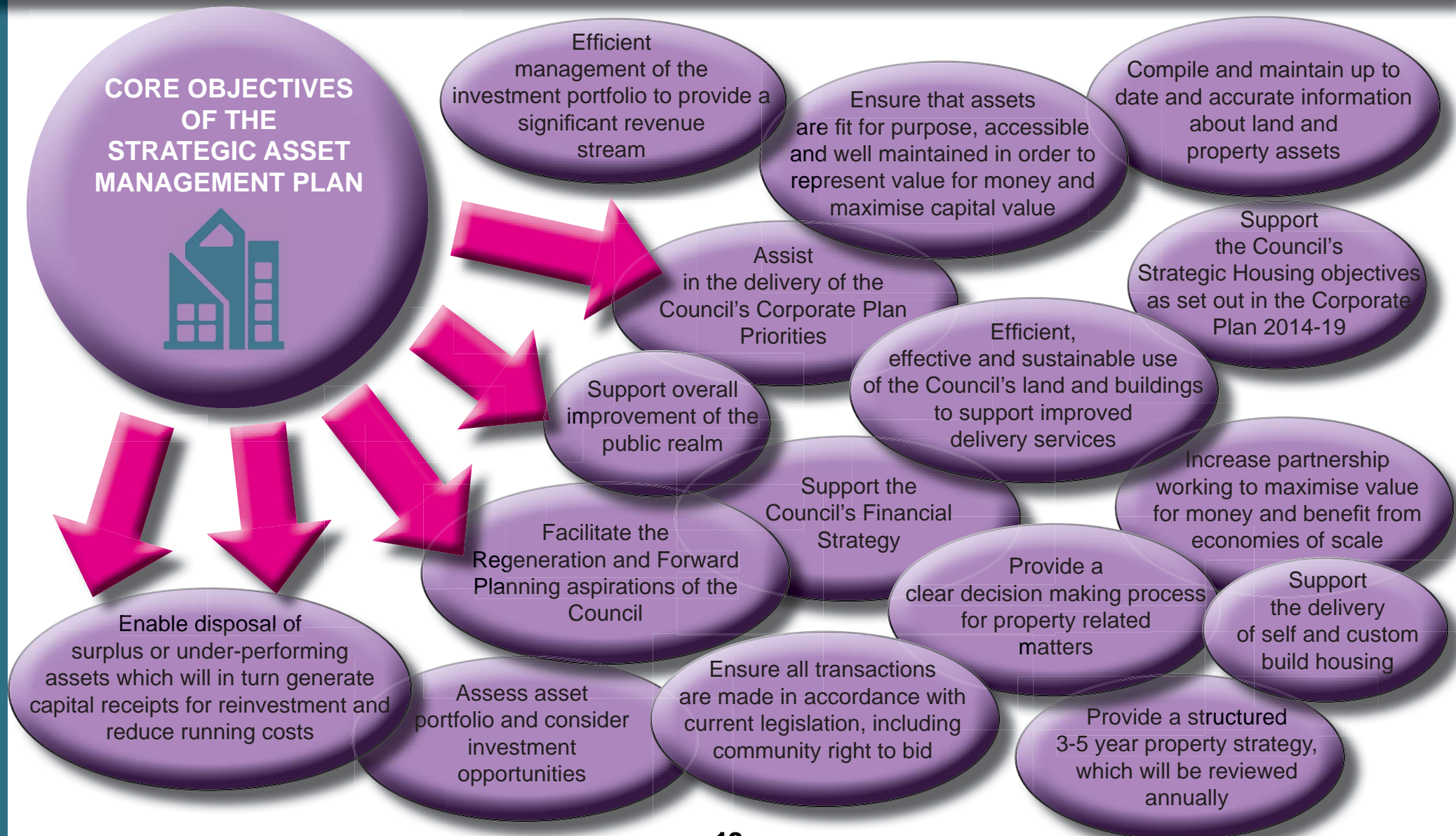
WHO MANAGES THE COUNCIL'S PROPERTY PORTFOLIO?



HOW DO WE MANAGE OUR ASSETS?



WHAT DO WE WANT THE STRATEGIC ASSET MANAGEMENT PLAN TO DO?

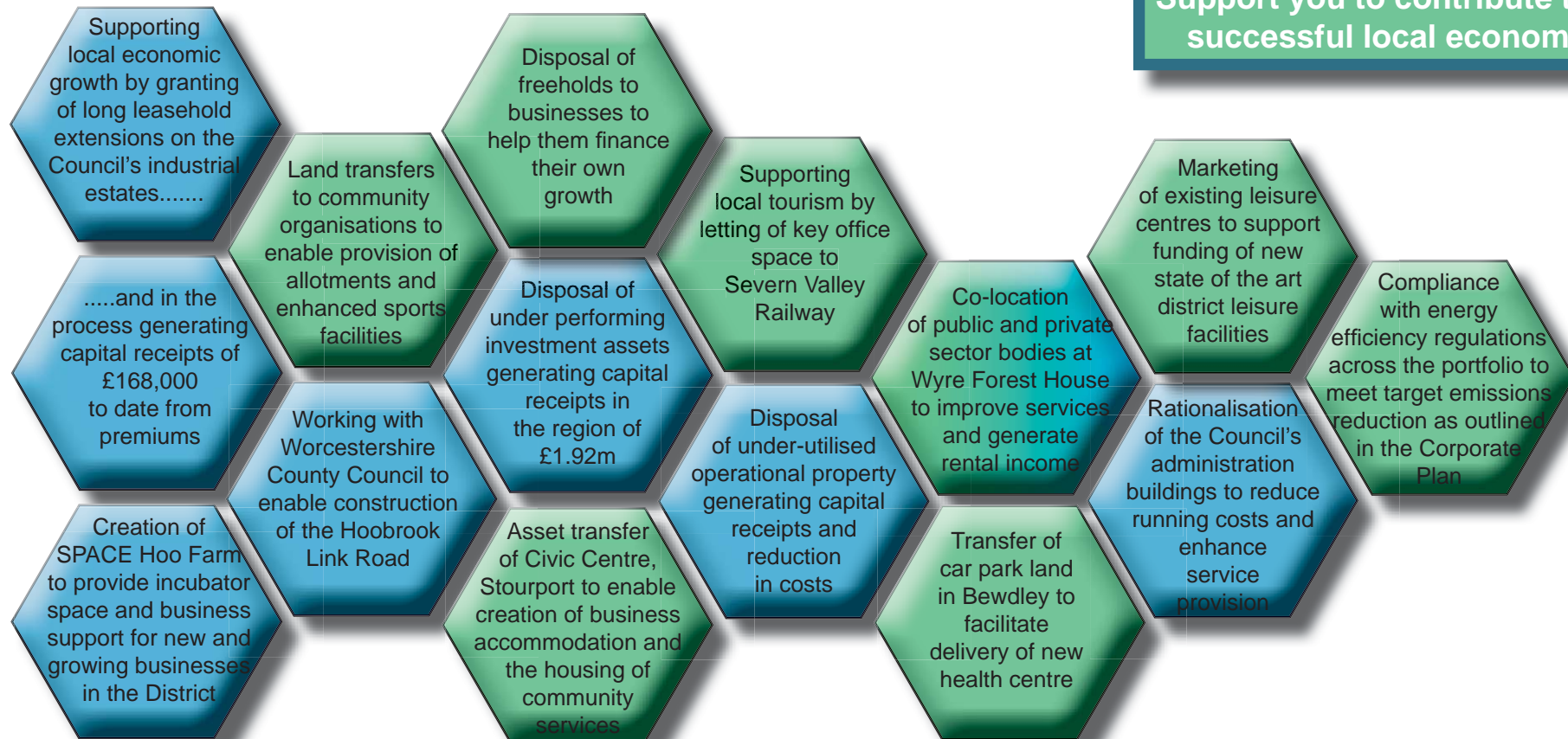


WHAT ARE OUR ASSET MANAGEMENT ACHIEVEMENTS?

The Strategic Asset Management Plan ensures that the Council's use and management of its property assets helps to deliver the Council's Corporate Priorities, as set out in the Corporate Plan 2014-2019:-

Support you to live in clean, green
& safe communities

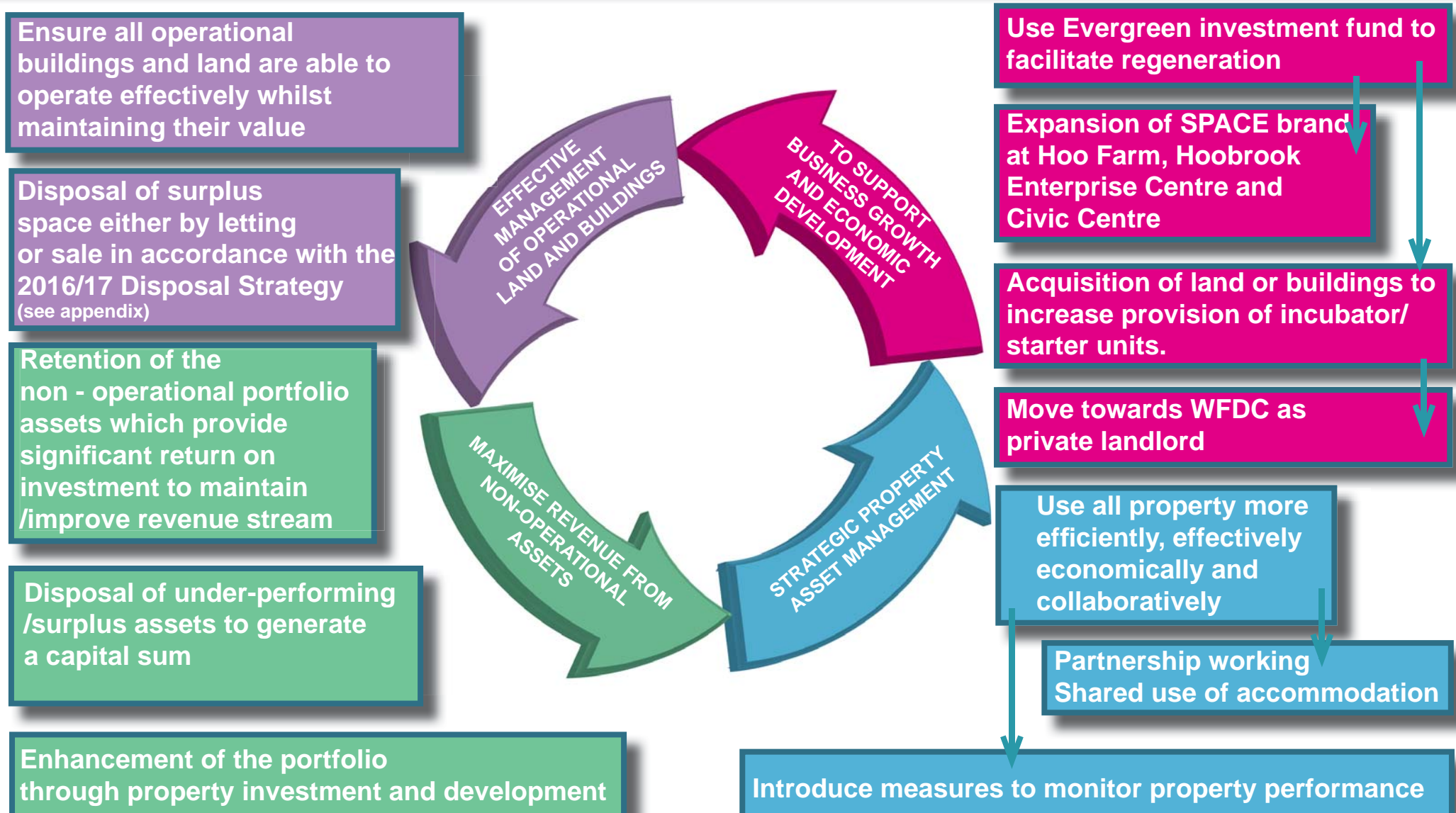
Support you to contribute to a
successful local economy



HOW WELL DOES THE PORTFOLIO PERFORM?

- 1 - The property investment portfolio generated c£524,500 of rental income in 2014/15 and we anticipate that income will be increased to c£668,000 in 2015/16.
- 2 - At present the Council aims to retain any land or property asset which provides a rental return of 4% or above on investment, unless there are exceptional strategic circumstances.
- 3 - The Property Disposal Strategy will look separately at each business case for disposal or retention of property not making a minimum of 4% return, taking into account the specific type of asset held and the cost of retention.
- 4 - Occupancy levels at Space since opening in January 2014 have averaged over 85%.
- 5 - Occupancy levels at Hoobrook Enterprise Centre currently at 88%.
- 6 - Capital receipts of £1.92m raised from land and property disposals and £168,000 raised in leasehold extension premiums since 2010.
- 7 - Reduction in running costs in the region of £500k per annum from rationalisation of admin buildings.

WHAT ARE THE STRATEGIC ASSET MANAGEMENT PLAN OBJECTIVES FOR 2016-2021?



Overview and Scrutiny Committee Work Programme 2015-2016

June 2015

How Are We Doing Q4 update (Housing and Planning)
Design Supplementary Planning Document (SPD)
Tracking Recommendations from 2014-2015

July 2015

H&W Fire Authority Consultation
Local Plan Revision – Issues and Options Consultation
Revised Local Development Scheme (LDS)
Nominations for the Treasury Management Review Panel

September 2015

8th How are we doing? Q1 update (Enabling)
Health Action Plan
Climate Change Action Plan
Treasury Management Strategy Statement and Annual Investment Strategy
Backward Look 2014/15
Verbal update on the Kidderminster Town Centre Market Provision Review Panel

24th Recommendations from the Kidderminster Town Centre Market Provision Review Panel

November 2015

How are we doing? Q2 update (Business and People)
TOIL/Sickness briefing note
Treasury Management Strategy Statement and Annual Investment Strategy Mid Year Report 2015/16
Review of Council Tax Reduction Scheme

December 2015

Planning Obligations Supplementary Planning Document (SPD)
Local Plan Revision - Issues and Options Consultation Responses
Annual Crime & Disorder Review

January 2016 – Cancelled

February 2016

Treasury Management Service Strategy 2016/17
How are we doing? Q3 update (Place)

March 2016

Strategic Asset Management Plan

April 2016

June 2016

How are we doing? Q4 update (Housing and Planning)