

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to:</b>	<b>THE EXECUTIVE</b>
<b>Date:</b>	<b>14 December, 2015</b>
<b>Subject:</b>	<b>Scrutiny Outcome Panel: Disposal of Assets – FINAL REPORT</b>
<b>Portfolio Holder(s):</b>	<b>Councillor J Arwel Roberts</b>
<b>Head of Service:</b>	<b>Not Applicable</b>
<b>Report Author:</b> Tel: E-mail:	<b>Scrutiny Outcome Panel of the Corporate Scrutiny Committee</b> <b>care of: Anwen Davies, Interim Scrutiny Manager</b> <a href="mailto:AnwenDavies@anglesey.gov.uk">AnwenDavies@anglesey.gov.uk</a>
<b>Local Members:</b>	<b>Not Applicable</b>

<b>A –Recommendation/s and reason/s</b>
<p><b>1. BACKGROUND</b></p> <p>1.1 Whilst considering a report by the Interim Head of Function (Resources) on monitoring the 2014/15 budget, the Corporate Scrutiny Committee<sup>1</sup> resolved to establish a panel to examine the approach to disposal of the smallholdings portfolio and other assets. Concerns were raised in particular about the process of selling assets – with particular reference to the fact that the Authority may not be selling assets quickly enough;</p> <p>1.2 The Panel began its work in early July, 2015. There was significant delay before the Scrutiny Outcome Panel convened for the first time due to a combination of different factors. It had been necessary to postpone two meetings of the Panel scheduled to take place on 13/10/14 and 18/12/14 due to the significant number of apologies received. It is fair to say that sickness absence in the Democratic Services Unit also influenced the timeframe and progress with this work-stream.</p> <p><b>2. METHODOLOGY, SCOPE AND OBJECTIVES</b></p> <p><b>2.1 Methodology</b> – the review was structured in accordance with the Authority’s policy framework<sup>2</sup> which included the development of a scrutiny project plan using some elements of Project Management methodology (<i>PRINCE 2</i>) in order to ensure robustness to the structure of the review by the Panel. A total of 9 meetings of the Panel were held over a period of 4 months (between July and November, 2015);</p>

<sup>1</sup> Corporate Scrutiny Committee at its meeting held on 1 September 2014.

<sup>2</sup> Handbook for Scrutiny Members

**2.2 Inputs:** there had been inputs from the following officers during the review:

- Head of Service (Highways, Waste & Property);
- Principal Valuation Officer;
- Head of Function (Transformation);
- Corporate Asset Transformation Manager;
- Interim Head of Function (Resources)/Section 151 Officer;
- Accountancy Services Manager;
- Revenue and Benefits Service Manager.

**2.3 Scope and Objectives:** the Panel proceeded to look in greater detail at the Council's asset disposal arrangements by concentrating on the:

- Authority's current arrangements for disposal of assets;
- Review of the Council's Smallholdings 5 Year Development Programme (from Summer, 2016);
- Smarter Working Business Case: extracts relevant to disposal of assets;
- Draft Corporate Asset Management Plan for Land & Buildings.

**2.4 Panel Membership:**

- Cllrs R Meirion Jones (Chair), Llinos Medi Huws, Jim Evans & Raymond Jones;
- Dewi R Williams, Head of Service (Highways, Waste & Property);
- T Dylan Edwards, Principal Valuation Officer;
- Anwen Davies, Interim Scrutiny Manager.

**2.5 Additional observations from the Panel:** in reflecting on the journey of the last 4 months, the Panel noted some observations at their last meeting (11/11/15):

- Whilst fully recognizing that there was considerable duplication between the contents of the Panel meetings' minutes and the final report, it was the clear view of the Elected Members that they be included as an addendum to the report when it was published on the Council's website at the end of the calendar year. Members noted that this should only be the case on this occasion in order to highlight the workload and directly evidence the added value of the Scrutiny function to the Council's decision-making and policy development processes;
- The enclosed report by the Disposal of Assets Scrutiny Panel should set a basis and precedent for working practice, inputs and presentation format of the final reports of the Council's other scrutiny panels to the future;
- It was the intention of the Panel to reconvene in 9 months time (September, 2016) in order to monitor progress with the revision of the Asset Management Policy and Procedures Document and also to examine the Council's Smallholdings Development Programme.

### 3. PANEL CONCLUSIONS AND RECOMMENDATIONS

The Panel came to 6 main conclusions:

- 3.1 CONCLUSION 1:** The need to ensure an up-to-date Asset Management Policy and Procedures document as a sound basis for the work of the Council;
- 3.2 CONCLUSION 2:** The importance of ensuring a system of regular reporting by the Finance Function on rent arrears and related issues;
- 3.3 CONCLUSION 3:** The need to ensure an extension to the Development Programme for the Council's Smallholdings Estate;
- 3.4 CONCLUSION 4:** Recognise the contribution of the Smarter Working work-stream to asset disposal;
- 3.5 CONCLUSION 5:** The need for pre-decision scrutiny of the draft Corporate Asset Management Plan for Land and Buildings (before consideration by the Executive);
- 3.6 CONCLUSION 6:** An audit of the Authority's assets/property inventory to scrutinize the implementation of the Asset Management Policy and Procedures.

The attached Final Report (APPENDIX 1) details the considerations and observations of the Panel together with the 25 individual recommendations agreed by the Panel.

### 4. TIMELINE FOR REMAINING MILESTONES OF PROCESS

DATE	MILESTONE
14/12/15	<b>The Executive</b> – accept the Final Report with a recommendation to approve the 6 main conclusions and the 25 individual recommendations.
End of December, 2015	<b>Publication of Final Report</b> – on the Council's website.

### 5. RECOMMENDATIONS

The Executive is requested to:

- 5.1 Approve the Final Report together with its 6 main conclusions and 25 individual recommendations;**
- 5.2 Note that this Final Report is to establish the basis and precedent for working practice, inputs and presentation format of final reports in respect of other scrutiny panels to the future;**
- 5.3 Note the intention of the Panel to reconvene in 9 months time (September, 2016) in order to monitor progress with the revision of the Asset Management Policy and Procedures Document and also to examine the Council's**

**Smallholdings Development Programme.**

**B – What other options did you consider and why did you reject them and/or opt for this option?**

Not Applicable.

**C – Why is this a decision for the Executive?**

In accordance with the Scrutiny Procedure Rules as contained in the Council’s Constitution.

**CH – Is this decision consistent with policy approved by the full Council?**

Yes.

**D – Is this decision within the budget approved by the Council?**

Not known.

<b>DD – Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Strategic Leadership Team (SLT)</b> (mandatory)	<p>The Final Report of the Scrutiny Outcome Panel was considered by the Senior Leadership Team at its meeting on 23/11/15 and the following observations were submitted:</p> <ul style="list-style-type: none"> <li>i. Accept the contents of the report by the Scrutiny Outcome Panel. Note recommendation 6.1 and support the Members to come to a decision regarding which panels would need to be task and finish groups and which should be permanent panels;</li> <li>ii. <b>CONCLUSION 1:</b> accept the need to ensure an up-to-date Asset Management Policy and Procedures document;</li> <li>iii. <b>CONCLUSION 2:</b> ensuring a system of regular reporting by the Finance Function on rent arrears and related issues would receive attention as part</li> </ul>

		<p>iv. of officers' work programmes; <b>CONCLUSION 3:</b> acknowledge that an extension to the Development Programme for the Council's Smallholdings Estate had been approved by the Executive on 20/07/15;</p> <p>v. <b>CONCLUSION 4:</b> note the observations of the Panel on the Smarter Working work-stream;</p> <p>vi. <b>CONCLUSION 5:</b> note the observations of the Scrutiny Panel on the draft Corporate Asset Management Plan for Land and Buildings;</p> <p>vii. <b>CONCLUSION 6:</b> the Senior Leadership Team would look at the best means of reporting on asset disposal to Members.</p>
2	<b>Finance / Section 151</b> (mandatory)	The Interim Head of Function (Resources)/ S151 Officer and Service Manager Revenues & Benefits contributed to Meeting 6 of the Scrutiny Outcome Panel (convened 29/09/15) and were consulted on the draft Panel report.
3	<b>Legal / Monitoring Officer</b> (mandatory)	No observations.
4	<b>Human Resources (HR)</b>	Not Applicable.
5	<b>Property</b>	The Head of Service (Highways, Waste & Property) and the Principal Valuation Officer were core members of the Scrutiny Outcome Panel. The Service were consulted on the content of the Panel's draft report and their observations have been reflected in the final report of the Scrutiny Outcome Panel.
6	<b>Information Communication Technology (ICT)</b>	No observations.
7	<b>Scrutiny</b>	In considering a revenue budget monitoring report by the Interim Head of Function (Resources)/S151 Officer, the Corporate Scrutiny Committee (01/09/14) resolved to establish this Scrutiny Outcome Panel to examine the approach to disposal of the smallholdings portfolio and other assets. Specific concerns had been raised about the process of selling assets – with particular reference to the fact that the Authority may

		<p>not be selling assets quickly enough.</p> <p>The Corporate Scrutiny Committee considered the report at its meeting on 01/12/15 and <b>resolved</b> as follows:</p> <ol style="list-style-type: none"> <li>1. Approve the Final Report together with its 6 main conclusions and 25 individual recommendations;</li> <li>2. That the Final Report be submitted to The Executive at its meeting on 14 December, 2015;</li> <li>3. Minutes of all meetings of the Scrutiny Outcome Panel be included as an addendum to the Final Report when it is published on the Council's website at the end of the calendar year and only on this occasion;</li> <li>4. That this Final Report should establish the basis and precedent for working practice, inputs and presentation format of final reports in respect of other scrutiny panels to the future;</li> <li>5. Note the intention of the Panel to reconvene in 9 months time (September, 2016) in order to monitor progress with the revision of the Asset Management Policy and Procedures Document and also to examine the Council's Smallholdings Development Programme.</li> </ol>
<b>8</b>	<b>Local Members</b>	Not Applicable.
<b>9</b>	<b>Any external bodies / other/s</b>	Significant unsuccessful efforts were made on behalf of the Scrutiny Panel to seek an expert, external and impartial input on the current version of the Asset Management Policy & Procedures document (paragraph 3.3.1 of the Final Report refers).

<b>E – Risks and any mitigation (if relevant)</b>		
<b>1</b>	<b>Economic</b>	Not Applicable.
<b>2</b>	<b>Anti-poverty</b>	Not Applicable.
<b>3</b>	<b>Crime and Disorder</b>	Not Applicable.
<b>4</b>	<b>Environmental</b>	Not Applicable.
<b>5</b>	<b>Equalities</b>	Not Applicable.
<b>6</b>	<b>Outcome Agreements</b>	Not Applicable.
<b>7</b>	<b>Other</b>	Not Applicable.

**F - Appendices:**

Scrutiny Outcome Panel: Disposal of Assets – Final Report.

**FF - Background papers (please contact the author of the Report for any further information):**

Chair of the Scrutiny Outcome Panel c/o Anwen Davies, Interim Scrutiny Manager, Isle of Anglesey County Council, Council Offices, Llangefni. LL77 7TW.



**SCRUTINY OUTCOME PANEL:  
DISPOSAL OF ASSETS  
FINAL REPORT**



*“It has been identified that a poor fit between service requirements and the property asset from which it is delivered is a risk to the Authority. If the asset does not support service delivery it will detract from the Council’s services to its citizens”*

*[Public Sector Asset Management Guide to Best Practice]*

Corporate Scrutiny Unit

November, 2015



## **Acknowledgements**

We would like to thank the following who gave freely of their time during this review. Their engagement, participation and contributions facilitated the task to hand thus making it possible for the Panel to complete the appraisal within timescale. We would also wish to acknowledge the fact that we were given unlimited access to all data sources, literature and documentation thus enabling a full and comprehensive review of the key elements of the Council's disposal of assets:

- Dewi R Williams, Head of Service (Highways, Waste & Property);
- T Dylan Edwards, Principal Valuation Officer;
- Chris Staddon, Corporate Assets Transformation Manager;
- Richard Micklewright, Interim Head of Function (Resources)/Section 151 Officer;
- Bethan Hughes Owen, Accountancy Services Manager;
- Geraint H Jones, Revenues & Benefits Service Manager.

## Why this matters?

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Councillor R Meirion Jones

## Foreword by the Panel Chair

I am sure that all of us as Members and Officers realise the importance of our assets and how they are part of the system of delivering services.

I refer to the quotation on the cover of this report. As the Scrutiny Outcome Panel: Disposal of Assets, we tried our best, with Officers' support, to discuss the various aspects of the quotation and having analysed in detail we submit our findings, conclusions and recommendations. I hope our work will be accepted by the Executive Committee to assist Isle of Anglesey County Council in moving ahead.

I believe we have carried out useful work which is relevant to the Corporate Plan. By focusing on the Customer, the Citizen and the Community the Council promises to "...explore the quality of the buildings in which customers receive their service, aiming to achieve a consistent standard across the Council that presents the right image for the services available..."<sup>1</sup>

The Annual Scrutiny Report (May, 2015) refers to the Williams Report and the requirement to "acknowledge the importance and value of scrutiny in improving services for people and organisations..." The Williams Report makes a number of supporting statements to the scrutiny procedure including "Organisations must regard scrutiny as an investment to deliver improvements and future savings". I hope our work on the matter through this report contributes to the "value of scrutiny" and those "improvements".

As the Chair, it is encouraging to receive a positive and affirmative comment from an Officer on the Panel's work, even before the work has ended and before issuing the final report! It was said that the Panel's work had been the catalyst to recommencing an arrangement of regular meetings between Property and Finance Officers (see Recommendation 2.4).

As a Panel we have reached the conclusion that we have officers who carry out the work in a conscientious and professional manner and we have faith in their ability and professionalism.

I wish to thank the Panel Members sincerely for their contributions in time and commitment and for their comments, and to the Panel Officer for her thorough and timely work.

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<sup>1</sup> Isle of Anglesey County Council Corporate Plan 2013-2017

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## **APPENDIX**

Terms of Reference: Scrutiny Outcome Panel

**APPENDIX 1**

# 1. EXECUTIVE SUMMARY

## 1.1 Objectives and Scope of the Review

To look in greater detail at the Council's asset disposal arrangements with the following outcomes stated by the Panel to underpin their evaluation:

- i. Amended Asset Management Policy and Procedures for the Council;
- ii. Ensure a regular reporting procedure by the Finance Function on rent arrears and related matters;
- iii. Recommend that the Council extends the Smallholdings Development Programme for an additional year (ending in March, 2017);
- iv. Pre-decision scrutiny on the draft Corporate Asset Management Plan for Land and Buildings (before consideration by the Executive).

## 1.2 Methodology/Evidence/Inputs considered.

The review was structured in accordance with the policy framework as contained in the Handbook for Scrutiny Members. This included a scrutiny project plan using some elements of Project Management methodology (*PRINCE2*) in order to ensure robustness to the structure of the review by the Panel. A total of 9 meetings of the Panel were held over a period of 4 months (between July and November, 2015).

## 1.3 Membership of the Scrutiny Outcome Panel

- Councillor R. Meirion Jones (Chair);
- Councillor Llinos Medi Huws<sup>2</sup>;
- Councillor Jim Evans;
- Councillor Raymond Jones;
- Dewi Williams, Head of Service (Highways, Waste & Property);
- T Dylan Edwards, Principal Valuation Officer;
- Anwen Davies, Interim Corporate Scrutiny Manager.

## 1.4 Conclusions

**CONCLUSION 1:** The need to ensure an up-to-date Asset Management Policy and Procedures document as a sound basis for the work of the Council.

**CONCLUSION 2:** The importance of ensuring a system of regular reporting by the Finance Function on rent arrears and related issues.

**CONCLUSION 3:** The need to ensure an extension to the Development Programme for the Council's Smallholdings Estate.

**CONCLUSION 4:** Recognise the contribution of the Smarter Working work-stream to asset disposal.

**CONCLUSION 5:** The need for pre-decision scrutiny of the draft Corporate Asset Management Plan for Land and Buildings (before consideration by the Executive).

**CONCLUSION 6:** An audit of the Authority's assets/property inventory to scrutinise the implementation of the Asset Management Policy and Procedures.

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<sup>2</sup> Replaced Cllr. Peter Rogers

### 1.5 Recommendations

The Panel recommends the following to the Executive:

**The need to ensure an updated Asset Management Policy and Procedures Document as a sound basis to the Council's work**

POLICY SECTION	RECOMMENDATION
Disposal and Letting of Assets	Revise the Council's Asset Management Policy and Procedures: <ul style="list-style-type: none"> <li>• To reflect the new structure of the Heads of Service;</li> <li>• Financial thresholds and marketing and disposal methods (to reflect the current market practice) – in order to simplify and standardise the process.</li> </ul>
Property Purchases	Review the Policy to reflect the fact that it was no longer required to submit the details of all the properties purchased as information to the Executive Committee.
-----	Ensure the best price and value as a matter of procedure using professional opinion.
Disposal and Letting of Assets, Property Purchases	Review the following elements of the Policy Document in order to strike a balance between enabling officers to act on the basis of their professional opinion and securing the best price for the Council: <ul style="list-style-type: none"> <li>• Financial thresholds;</li> <li>• Reflecting current practice in disposing of assets</li> </ul>
Disposal and Letting of Assets, Lease Management/ Property Mangt	After considering the need to further continue with the practice of ensuring input from Local Members on property disposal matters, the Members' input for the future should be redefined with the aim of only sharing information at the beginning of the process (rather than consultation). This sharing of information to happen through e-mail.
Transfer of Assets	<ul style="list-style-type: none"> <li>• Redraft Section 7 of the document in order to ensure consistency with the remainder of the Policy Document and also create a statement that was easier to follow/communicate using the Wrexham documentation as a guideline together with the proformas contained in the Flintshire documentation;</li> <li>• Note that there were specific cases with disposal of assets e.g. education transformation programme that required the securing of the market value in order to realise the Corporate Plan priorities.</li> </ul>
-----	Ensure clarity in the document on the milestones and timetables when disposing of individual assets.

**2. The importance of ensuring a system of regular reporting by the Finance Function on rent arrears and related matters**

<b>NUMBER</b>	<b>RECOMMENDATION</b>
2.1	Introduce Direct Debit as the payment method for any new tenancies/leases (to be paid a month in advance) to be implemented from 1 November, 2015.
2.2	Endeavour to set up a Direct Debit payment in any situation where the Council would need to recover a debt from a tenant.
2.3	Endeavour to persuade the Council's current tenants to transfer to a Direct Debit payment method as soon as possible.
2.4	Note that the work of the Scrutiny Outcome Panel had been a catalyst to resume a practice of regular meetings between Property and Finance Officers (objective: a communication channel and a timely flow of information). There was a need to ensure the continuation of these meetings every 4/6 weeks over the next period.
2.5	Move ahead to ensure electronic connection between Property and Finance systems (Technology Forge and Civica) as soon as possible.
2.6	Submit a report on rent arrears on smallholding tenancies to the Section 151 Officer as a matter of priority.
2.7	Consider the propriety of introducing a 'spend to save' project with a view to developing self-funding arrangements for property service charges for tenants.
2.8	Ensure a regular flow of information between Finance and Property on rent arrears in order to ensure timely action by the Authority for the recovery of arrears.
2.9	Introduce a formal, regular process of reporting on arrears to Elected Members e.g. quarterly.

**3. The need to ensure an extension to the Development Programme for the Council's Smallholdings Estate**

<b>NUMBER</b>	<b>RECOMMENDATION</b>
3.1	In light of the significant improvement in the condition of the assets, not to review the Smallholdings element at present and to consider the propriety of revisiting this in the Summer, 2016.
3.2	Invite the Property Service to submit a Smallholdings development programme for the period beyond the existing Programme – with the aim of enabling this asset portfolio to realise its full potential.
3.3	To ask the Chair of the Corporate Scrutiny Committee to recommend the following to the Executive Committee at its meeting on 20 July, 2015 <sup>3</sup> : <ul style="list-style-type: none"> <li>• Secure a 12 month extension to the Smallholdings Development Programme to enable the programme to be realised in full;</li> <li>• The need to introduce a medium term development plan for the Smallholdings portfolio (objective: realise the portfolio's full potential).</li> </ul>

<sup>3</sup> Already implemented due to the timetable for submitting the item to the Executive for consideration (20/07/15)

**4. Recognise the contribution of the Smarter Working work-stream to asset disposal**

NUMBER	RECOMMENDATION
4.1	Confirm the importance of ensuring a current valuation for assets.
4.2	The need to ensure that all the information was to hand (i.e. a costed options appraisal) in submitting recommendations to Members on the disposal of any assets.
4.3	The need to keep in mind the possible decisions by the Council on the transformation of services over the coming months in order to ensure co-ordinated decisions and avoid missing opportunities (avoid making individual decisions without consideration of the bigger picture).
4.4	Confirm the need to accelerate the process of asset disposal when a decision had been made that there was no longer any use to it.
4.5	Note that Parc Mownt would be a significant part of realising the Smarter Working project and to a large extent would be testament to the success/effectiveness of the entire work – with the potential to generate substantial income for the Authority.

**5. The need for pre-decision scrutiny of the draft Corporate Asset Management Plan for Lands and Buildings (before consideration by the Executive)**

NUMBER	RECOMMENDATION
5.1	<p>Emphasise more prominently the significance of the message in the quote below by RICS:</p> <p><i>“it has been identified that a poor fit between service requirements and the property asset from which it is delivered is a risk to the Authority. If the asset does not support service delivery it will detract from the Council’s services to its citizens.”</i></p> <p><i>(Public Sector Asset Management Guide to Best Practice).</i></p>
5.2	<p>Further strengthen the Asset Strategy Model (page 13 of the Plan) in order to:</p> <ul style="list-style-type: none"> <li>• Ensure accountability – as services continuously scrutinise and challenge the need to retain many of their assets (through the Corporate Group for Assets);</li> <li>• Ensure clarity – regarding the role and contribution of scrutiny to the model (pre-decision scrutiny and call-in functions);</li> <li>• The range of models for each asset – add a model of maintaining the asset in its current form to the range of options to be considered.</li> </ul>
5.3	<b>Appendix 2:</b> Need to strengthen the relationship between the Corporate Assets Group and the two proposed Transformation Boards (through the governance arrangements).
5.4	<p><b>Key Driver 2: Achieving Efficiencies</b></p> <ul style="list-style-type: none"> <li>• Review the information contained in the current version of the Plan in order to include the latest information in the version which would be submitted to the Executive (objective: ensure an Asset Management Plan that was as future proof as possible);</li> <li>• Need to emphasise the objective of maximising resources as a result of selling assets as well as reducing the number of assets in the</li> </ul>

	<p>Council's ownership;</p> <ul style="list-style-type: none"> <li>• Add the leisure/heritage/youth services to the list of services which would be a priority to be transformed (to secure the most up-to-date list);</li> <li>• Paraphrase the last sentence of the statement – to emphasise that there were other Council assets that could potentially realise additional efficiency savings (i.e. assets that were possibly outside the existing efficiency savings strategy).</li> </ul>
5.5	<p><b><u>Key Driver 3: Future Service Delivery</u></b></p> <ul style="list-style-type: none"> <li>• Need to also consider the principle that some assets could generate income through their retention as well as through disposal. Need to ask the question – did it make business sense to retain or dispose of the asset?</li> <li>• Emphasise the need to complete an options appraisal when considering the principle of developing commercial units for generating income for the Authority;</li> <li>• Reinforce the connection to technology – as an enabler. The need for investment in technology was also noted.</li> </ul>
5.6	<p><b><u>Key Driver 4: Reduce Repair Liabilities</u></b></p> <ul style="list-style-type: none"> <li>• Need to emphasise the financial value of the current backlog in the maintenance costs of the Council's assets stock (£18m at present);</li> <li>• Consider the propriety of developing an extra element to the Asset Management Plan (schools) – encouragement for governing bodies and parent/teacher associations and school/community associations to take responsibility for the costs and arrangements of schools' maintenance within clear thresholds.</li> </ul>

**The Scrutiny Outcome Panel had no recommendations to make on Conclusion 6: an Audit of the Authority's assets/property inventory to scrutinise the implementation of the Asset Management Policy and Procedures.**

<b>6.General Matter</b>
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<b>NUMBER</b>	<b>RECOMMENDATION</b>
6.1	To decide which scrutiny outcome panels needed to be task and finish groups and which should be permanent panels. Consideration should be given to the propriety of confirming the status of the Asset Disposal Panel as a permanent panel.



## FULL REPORT OF THE PANEL

### 2. BACKGROUND

- 2.1 Whilst considering a report by the Interim Head of Function (Resources) on monitoring the 2014/15 budget, the Corporate Scrutiny Committee<sup>4</sup> resolved to establish a panel to examine the approach to disposal of the smallholdings portfolio and other assets. Concerns were raised in particular about the process of selling assets – with particular reference to the fact that the Authority may not be selling assets quickly enough.
- 2.2 There was significant delay before the Scrutiny Outcome Panel convened for the first time due to a combination of different factors. It had been necessary to postpone two meetings of the Panel scheduled to take place on 13/10/14 and 18/12/14 due to the significant number of apologies received. It is fair to say that sickness absence in the Democratic Services Unit also influenced the timeframe and progress with this work-stream. The Panel began its work in early July, 2015.

### 3. METHODOLOGY, SCOPE AND OBJECTIVES

#### 3.1 Membership of the Scrutiny Outcome Panel

- Councillor R. Meirion Jones (Chair);
- Councillor Llinos Medi Huws<sup>5</sup>;
- Councillor Jim Evans;
- Councillor Raymond Jones;
- Dewi Williams, Head of Service (Highways, Waste & Property);
- T Dylan Edwards, Principal Valuation Officer;
- Anwen Davies, Interim Corporate Scrutiny Manager.

#### 3.2 Objectives and Scope of the Review

To look in greater detail at the Council's asset disposal arrangements with the following outcomes stated by the Panel to underpin their evaluation:

- i. Amended Asset Management Policy and Procedures for the Council;
- ii. Ensure a regular reporting procedure by the Finance Function on rent arrears and related matters;
- iii. Recommend that the Council extends the Smallholdings Development Programme for an additional year (ending in March, 2017);
- iv. Pre-decision scrutiny on the draft Corporate Asset Management Plan for Land and Buildings (before consideration by the Executive).

Full details of the objectives, scope and outcomes of the Review are contained in the Terms of Reference adopted by the Panel (**APPENDIX 1**).

#### 3.3 Methodology/Evidence/Inputs considered

3.3.1 **Methodology/Evidence:** the Review was structured in accordance with the Authority's policy framework<sup>6</sup> This included the development of a scrutiny

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<sup>4</sup> Corporate Scrutiny Committee at its meeting held on 1 September 2014.

<sup>5</sup> Replaced Cllr Peter Rogers

<sup>6</sup> Handbook for Scrutiny Members

project plan using some elements of Project Management methodology (*PRINCE2*) in order to ensure robustness to the structure of the review by the Panel. A total of 9 meetings of the Panel were held over a period of 4 months (between July and November, 2015) – working to the following Schedule:

### WORK SCHEDULE: SCRUTINY OUTCOME PANEL [ASSETS]

MEETING	ISSUES IN FOCUS	EVIDENCE TO HAND
1	Terms of reference, project plan and setting the context; taking the Panel through the Asset Management Policy and Procedures Document.	The Council's Asset Management Policy and Procedures Document
2	Further consideration of the terms of reference, the project plan and agreement on questions / lines to be followed / direction of the Scrutiny Review.	The Council's Asset Management Policy and Procedures Document
3	Detailed consideration of the Council's Asset Management Policy and Procedures, agree the way forward regarding external, specialist input.	The Council's Asset Management Policy and Procedures Document
4	Examine the list of Council property / assets for disposal, joint consideration of the Panel's comments on the Council's Asset Management Policy and Procedures with the Head of Service / Principal Valuation Officer.	Inventory of Council assets / property
5	The contribution of the Smarter Working Project to asset disposal.	Full Business Plan: Smarter Working (extracts relevant to the disposal of assets – pages 11-14)
6	Joint discussion with Property and Finance officers on rent arrears management issues, summarising the Panel's findings in its scrutiny of the Asset Management Policy and Procedures document and the Smarter Working Project.	The Council's Asset Management Policy and Procedures Document
7	Pre-decision scrutiny of the draft Corporate Asset Management Plan for Land and Buildings (prior to consideration by the Executive).	Draft Corporate Asset Management Plan for Land and Buildings
8	Draft 1 Report of the Panel, draw conclusions and agree recommendations.	Not applicable
9	Agree the final report of the Scrutiny Outcome Panel.	Not applicable

All documents that were the subject of a desktop review are listed in Section 6:  
**Bibliography**

3.3.2 **Inputs:** During the Review, there had been inputs from the following officers:

- Head of Service (Highways, Waste & Property);
- Principal Valuation Officer;
- Head of Function (Transformation);

- Corporate Asset Transformation Manager;
- Interim Head of Function (Resources) / Section 151 Officer;
- Accountancy Services Manager;
- Revenue and Benefits Service Manager.

3.3.3 **Benchmarking/Independent Opinion:** The Panel completed a desktop benchmarking exercise on one element of its Review, namely Asset Transfer practice (Section 7: Council's Asset Management Policy and Procedures Document). Information was received from four of the five other Local Authorities in North Wales. In addition, significant efforts were made on behalf of the Scrutiny Panel to seek an expert, external and impartial input on the current version of the Asset Management Policy and Procedures document through two sources. Firstly through Aberystwyth University and Harper Adams University, which concluded that they did not offer a specialist advisory service in the field of asset management policies/procedures. The second was the *Royal Institute of Chartered Surveyors* (RICS – the professional body for surveyors<sup>7</sup>). An outline brief was submitted to the professional body to invite their interest in undertaking the work. As a result of initial consideration via RICS, it was concluded that commissioning the work would incur considerable expense, without the financial resources to fund it. There was also concern about the principle of inviting a view from external agents who may have a vested interest.

## 4. CONCLUSIONS

<b><u>CONCLUSION 1:</u> The need to ensure an up to date Asset Management Policy and Procedures Document as a sound basis for the work of the Council</b>
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The Policy Document<sup>8</sup> was the subject of detailed consideration at all meetings of the Panel with the following objectives in mind:

- To take a fresh, independent view of the arrangements (and to consider the possibility of seeking an expert, external opinion);
- Reflecting current best practice;
- Securing the best price on disposal of assets (e.g. selling).

The Scrutiny Panel examined in detail all the asset management aspects of the document – asset disposal and letting, lease management/property management, rent arrears, property acquisition and transfer of assets. There was also joint discussion with officers of the Service (Meetings 1, 4 and 6 of the Panel) to enable the Panel to agree on recommendations. A matrix was developed throughout the review process to summarise the observations and recommendations.

### Panel's observations

- There were some exceptions to the scope of the Policy namely – the Council's Smallholdings Estate, the David Hughes estate and any land where the

<sup>7</sup> The Council's Property function was also part of RICS

<sup>8</sup> Asset Management Policy and Procedures Document (March 2012)

Council was itself a partner in a proposed development e.g. the provision of social housing;

- It was noted that a significant part of the Policy's implementation had been delegated to the Head of Service which had been written to reflect the Council's former Heads of Service structure. Any departure from the Policy would be a matter for the Executive Committee;
- The need for clarity in the timetable for expressing interest in surplus property by Heads of Service;
- The need to look at the bigger picture and the impact of asset disposal on communities (transfer/sale) e.g. schools. The delays that may arise due to legal complications were also noted;
- The significance of clarity as regards the current procedures when considering the suitability / constraints of land to be used by the Authority for any new developments;
- The Policy Document now appeared to be out of date and needed to be updated with the format and style of Section 7 of the document (Asset Transfers) being very different from the remainder of the document.

**CONCLUSION 2: The importance of ensuring a system of regular reporting by the Finance Function on rent arrears and related issues**

There was a joint discussion with Property and Finance officers in meeting 6 of the Panel<sup>9</sup> on the issue of managing rent arrears (Section 5: Asset Management Policy and Procedures Document). Three matters were addressed in particular that had arisen during the Panel's discussions:

**KEY ISSUE 1: Rent collection to occur routinely by Direct Debit**

**Panel's observations:**

- It was confirmed that Direct Debit (DD) was the most effective method of collecting income for the Council (this method enabled the Council to have direct control over the amounts to be collected). The Council now had the ability to offer Direct Debit via Civica and should proceed to attempt to transfer as many tenants as possible to DD e.g. consider the propriety of including a condition to this effect in new tenancies;
- Reference was made to the Property Unit's unique income collection arrangements for tenants of smallholdings – invoicing based on 6 months in arrears. The Section 151 Officer was responsible for monitoring the situation and also for ensuring that all monies owed to the council were collected.

**KEY ISSUE 2: The Finance Function to ensure the provision of accurate, timely information for the Property Unit on the various elements of the Council's property management functions e.g. issuing rent invoices, rent arrears etc.**

**Panel's observations:**

- The significance of effective, regular channels of communication between Property and Finance officers was emphasised in order to ensure the necessary action to eliminate arrears in a timely manner;

<sup>9</sup> Scrutiny Outcome Panel: Disposal of Assets held on 29 September 2015.

- The need to seek to forge an electronic link between the systems of the 2 Services (Technology Forge and Civica) to replace paper-based systems for sharing requisite information;
- The need to ensure the availability of information from the Property Unit regarding any debts owed by smallholdings tenants;
- A deposit system was introduced for new tenancies 3 years ago but it was difficult to measure the frequency of the Council's use of deposits to fund changes to properties – as few tenancies had come to an end during that period.

**KEY ISSUE 3: Ensure a regular system of reporting by the Finance Function on rent arrears.**

**Panel's observations:**

- It was noted that Civica enables access for Property and Finance officers to reports on rent arrears. The Finance Service could also provide reports to the Property Service;
- There was an internal arrangement of holding two weekly meetings in the Finance Service with the aim of monitoring the collection of debts across Council services. It was noted that the system for reporting on debts to Elected Members was "ad hoc".

**CONCLUSION 3: The need to ensure an extension to the Development Programme for the Council's Smallholdings Estate**

A presentation was given to the first meeting of the Panel<sup>10</sup> by the Head of Service (Highways, Waste & Property) and the Principal Valuation Officer on the review of the smallholdings programme.

**Panel's observations:**

- There was an important principle around the need to maintain the quality of the smallholdings estate and access to ring-fenced resources for the purpose of the maintenance programme;
- Need to consider the propriety of providing revised objectives for the Smallholdings estate for the period beyond the current upgrading programme (as part of the Service Asset Management Plan);
- Need to balance the books and ensure a sustainable programme for the future – it was estimated that there would be a deficit of approximately £1m in the programme at the end of 2015/16;
- An extension of an additional year (2016/17) would allow the Council to balance the books.

In light of further consideration at meeting 2 of Panel<sup>11</sup>, the progress to date with the 5 year Development Programme for Smallholdings was noted with pride, emphasising the need for the programme to run its course and for the assets portfolio to reach its full potential for the future. It was therefore noted that it served

<sup>10</sup> Scrutiny Outcome Panel: Disposal of Assets held on 1 July 2015

<sup>11</sup> Scrutiny Outcome Panel: Disposal of Assets held on 8 July 2015

no purpose to include this aspect of the assets portfolio in the current scope of the Scrutiny Outcome Panel.

**CONCLUSION 4: Recognise the contribution of the Smarter Working Project to asset disposal.**

The contribution of the Smarter Working project to asset disposal was considered at meeting 5 of Panel<sup>12</sup>.

Panel's observations:

- A major challenge for the Authority – insufficient resources to maintain the Council's entire current asset portfolio. A number of assets required considerable expenditure to be upgraded, a number were not fit for purpose and identified savings in running costs from building closures were circa £175k;
- Remodelling the Council's main headquarters would allow the Authority to release / dispose of assets in other locations in Llangefni;
- There were costs involved in maintaining vacant buildings and the Panel requested information on the costs per building (vacant);
- Clarity was sought around the schedule for the disposal of Penyrsedd;
- The significance of obtaining a current valuation for assets at the point a decision was made to dispose of them. A challenge for the Council – how could it adhere to this principle with increasing pressure on internal staffing resources;
- The need to ensure that all the information was to hand (i.e. costed options appraisal) when making recommendations to Members to dispose of any assets e.g. Penyrsedd, Shire Hall;
- The need to bear in mind the possible decisions by the Council on service transformation during the forthcoming period with the aim of ensuring coherent decisions and avoiding missed opportunities (avoiding making individual decisions without having regard to the bigger picture).

**CONCLUSION 5: The need for pre-decision scrutiny of the draft Corporate Asset Management Plan for Land and Buildings (before consideration by the Executive)**

There was a joint discussion with Transformation and Property officers at meeting 7 of Panel<sup>13</sup> on the draft Corporate Asset Management Plan prior to its submission to the Executive Committee (30 November 2015). In order to add value to pre-decision scrutiny, the Panel concentrated its focus on scrutinising the principles which formed the basis for the Plan (key drivers):

- Key driver 1: The Corporate Plan (2013/17)
- Key driver 2: Achieving Efficiencies
- Key driver 3: Future Service Delivery
- Key driver 4: Reduce Repair Liabilities.

Panel's observations:

<sup>12</sup> Scrutiny Outcome Panel: Disposal of Assets held on 10 September 2015

<sup>13</sup> Scrutiny Outcome Panel: Disposal of Assets held on 8 October 2015

- There were several facts that needed updating in the plan e.g. opening times of some services, adding the revised structure of the transformation boards and the Council's current transformation programmes;
- Reformat the action plan (Section 2 of the Plan) to indicate a timetable for reviewing / revisiting individual action points (within the context of the annual review framework);
- The significance of ensuring the development of an energy efficiency policy that would feed into the Corporate Asset Management Plan.

**CONCLUSION 6: An audit of the Authority's assets/property inventory to scrutinise the implementation of the Asset Management Policy and Procedures**

Panel members were provided with a current list of all assets that were subject to disposal by the Council (including Smallholdings and the David Hughes Trust) to enable meaningful deliberations at the first meeting of the Scrutiny Panel<sup>14</sup> (held on 1 July, 2015).

Panel Members further examined the list at meeting 4 of Panel<sup>15</sup>.

Panel's observations:

- The need for clarity around any Council policy regarding the sale of parcels of land in Industrial Estates / Parks;
- The need for clarity in the document regarding the difference between leases and asset transfers;
- Did the Council have a central log to record decisions not to sell specific assets? Was the Portfolio Holder involved in that process?
- Did the Authority have criteria for determining the term of leases?

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<sup>14</sup> Scrutiny Outcome Panel: Disposal of Assets held on 1 July 2015

<sup>15</sup> Scrutiny Outcome Panel: Disposal of Assets held on 1 September 2015

## 5. RECOMMENDATIONS

To present the following recommendations for approval by the Executive:

**The need to ensure an updated Asset Management Policy and Procedures Document as a sound basis to the Council's work**

### 1.

POLICY SECTION	RECOMMENDATION
Disposal and Letting of Assets	Revise the Council's Asset Management Policy and Procedures: <ul style="list-style-type: none"> <li>• To reflect the new structure of the Heads of Service;</li> <li>• Financial thresholds and marketing and disposal methods (to reflect the current market practice) – in order to simplify and standardise the process.</li> </ul>
Property Purchases	Review the Policy to reflect the fact that it was no longer required to submit the details of all the properties purchased as information to the Executive Committee.
-----	Ensure the best price and value as a matter of procedure using professional opinion.
Disposal and Letting of Assets, Property Purchases	Review the following elements of the Policy Document in order to strike a balance between enabling officers to act on the basis of their professional opinion and securing the best price for the Council: <ul style="list-style-type: none"> <li>• Financial thresholds;</li> <li>• Reflecting current practice in disposing of assets</li> </ul>
Disposal and Letting of Assets, Lease Management/ Property Mangt	After considering the need to further continue with the practice of ensuring input from Local Members on property disposal matters, the Members' input for the future should be redefined with the aim of only sharing information at the beginning of the process (rather than consultation). This sharing of information to happen through e-mail.
Transfer of Assets	<ul style="list-style-type: none"> <li>• Redraft Section 7 of the document in order to ensure consistency with the remainder of the Policy Document and also create a statement that was easier to follow/communicate using the Wrexham documentation as a guideline together with the proformas contained in the Flintshire documentation;</li> <li>• Note that there were specific cases with disposal of assets e.g. education transformation programme that required the securing of the market value in order to realise the Corporate Plan priorities.</li> </ul>
-----	Ensure clarity in the document on the milestones and timetables when disposing of individual assets.



**2. The importance of ensuring a system of regular reporting by the Finance Function on rent arrears and related matters**

<b>NUMBER</b>	<b>RECOMMENDATION</b>
2.1	Introduce Direct Debit as the payment method for any new tenancies/leases (to be paid a month in advance) to be implemented from 1 November, 2015.
2.2	Endeavour to set up a Direct Debit payment in any situation where the Council would need to recover a debt from a tenant.
2.3	Endeavour to persuade the Council's current tenants to transfer to a Direct Debit payment method as soon as possible.
2.4	Note that the work of the Scrutiny Outcome Panel had been a catalyst to resume a practice of regular meetings between Property and Finance Officers (objective: a communication channel and a timely flow of information). There was a need to ensure the continuation of these meetings every 4/6 weeks over the next period.
2.5	Move ahead to ensure electronic connection between Property and Finance systems (Technology Forge and Civica) as soon as possible.
2.6	Submit a report on rent arrears on smallholding tenancies to the Section 151 Officer as a matter of priority.
2.7	Consider the propriety of introducing a 'spend to save' project with a view to developing self-funding arrangements for property service charges for tenants.
2.8	Ensure a regular flow of information between Finance and Property on rent arrears in order to ensure timely action by the Authority for the recovery of arrears.
2.9	Introduce a formal, regular process of reporting on arrears to Elected Members e.g. quarterly.

**3. The need to ensure an extension to the Development Programme for the Council's Smallholdings Estate**

<b>NUMBER</b>	<b>RECOMMENDATION</b>
3.1	In light of the significant improvement in the condition of the assets, not to review the Smallholdings element at present and to consider the propriety of revisiting this in the Summer, 2016.
3.2	Invite the Property Service to submit a Smallholdings development programme for the period beyond the existing Programme – with the aim of enabling this asset portfolio to realise its full potential.
3.3	To ask the Chair of the Corporate Scrutiny Committee to recommend the following to the Executive Committee at its meeting on 20 July, 2015 <sup>16</sup> : <ul style="list-style-type: none"> <li>• Secure a 12 month extension to the Smallholdings Development Programme to enable the programme to be realised in full;</li> <li>• The need to introduce a medium term development plan for the Smallholdings portfolio (objective: realise the portfolio's full potential).</li> </ul>

<sup>16</sup> Already implemented due to the timetable for submitting the item to the Executive for consideration (20/07/15)

**4. Recognise the contribution of the Smarter Working work-stream to asset disposal**

NUMBER	RECOMMENDATION
4.1	Confirm the importance of ensuring a current valuation for assets.
4.2	The need to ensure that all the information was to hand (i.e. a costed options appraisal) in submitting recommendations to Members on the disposal of any assets.
4.3	The need to keep in mind the possible decisions by the Council on the transformation of services over the coming months in order to ensure co-ordinated decisions and avoid missing opportunities (avoid making individual decisions without consideration of the bigger picture).
4.4	Confirm the need to accelerate the process of asset disposal when a decision had been made that there was no longer any use to it.
4.5	Note that Parc Mownt would be a significant part of realising the Smarter Working project and to a large extent would be testament to the success/effectiveness of the entire work – with the potential to generate substantial income for the Authority.

**5. The need for pre-decision scrutiny of the draft Corporate Asset Management Plan for Lands and Buildings (before consideration by the Executive)**

NUMBER	RECOMMENDATION
5.1	<p>Emphasise more prominently the significance of the message in the quote below by RICS:</p> <p><i>“it has been identified that a poor fit between service requirements and the property asset from which it is delivered is a risk to the Authority. If the asset does not support service delivery it will detract from the Council’s services to its citizens.”</i></p> <p><i>(Public Sector Asset Management Guide to Best Practice).</i></p>
5.2	<p>Further strengthen the Asset Strategy Model (page 13 of the Plan) in order to:</p> <ul style="list-style-type: none"> <li>• Ensure accountability – as services continuously scrutinise and challenge the need to retain many of their assets (through the Corporate Group for Assets);</li> <li>• Ensure clarity – regarding the role and contribution of scrutiny to the model (pre-decision scrutiny and call-in functions);</li> <li>• The range of models for each asset – add a model of maintaining the asset in its current form to the range of options to be considered.</li> </ul>
5.3	<b>Appendix 2:</b> Need to strengthen the relationship between the Corporate Assets Group and the two proposed Transformation Boards (through the governance arrangements).
5.4	<p><b>Key Driver 2: Achieving Efficiencies</b></p> <ul style="list-style-type: none"> <li>• Review the information contained in the current version of the Plan in order to include the latest information in the version which would be submitted to the Executive (objective: ensure an Asset Management Plan that was as future proof as possible);</li> <li>• Need to emphasise the objective of maximising resources as a result</li> </ul>

	<p>of selling assets as well as reducing the number of assets in the Council’s ownership;</p> <ul style="list-style-type: none"> <li>• Add the leisure/heritage/youth services to the list of services which would be a priority to be transformed (to secure the most up-to-date list);</li> <li>• Paraphrase the last sentence of the statement – to emphasise that there were other Council assets that could potentially realise additional efficiency savings (i.e. assets that were possibly outside the existing efficiency savings strategy).</li> </ul>
5.5	<p><b><u>Key Driver 3: Future Service Delivery</u></b></p> <ul style="list-style-type: none"> <li>• Need to also consider the principle that some assets could generate income through their retention as well as through disposal. Need to ask the question – did it make business sense to retain or dispose of the asset?</li> <li>• Emphasise the need to complete an options appraisal when considering the principle of developing commercial units for generating income for the Authority;</li> <li>• Reinforce the connection to technology – as an enabler. The need for investment in technology was also noted.</li> </ul>
5.6	<p><b><u>Key Driver 4: Reduce Repair Liabilities</u></b></p> <ul style="list-style-type: none"> <li>• Need to emphasise the financial value of the current backlog in the maintenance costs of the Council’s assets stock (£18m at present);</li> <li>• Consider the propriety of developing an extra element to the Asset Management Plan (schools) – encouragement for governing bodies and parent/teacher associations and school/community associations to take responsibility for the costs and arrangements of schools’ maintenance within clear thresholds.</li> </ul>

**The Scrutiny Outcome Panel had no recommendations to make on Conclusion 6: an Audit of the Authority’s assets/property inventory to scrutinise the implementation of the Asset Management Policy and Procedures.**

<b>6.General Matter</b>
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NUMBER	RECOMMENDATION
6.1	To decide which scrutiny outcome panels needed to be task and finish groups and which should be permanent panels. Consideration should be given to the propriety of confirming the status of the Asset Disposal Panel as a permanent panel.

## **6. BACKGROUND PAPERS/LITERATURE**

- 6.1 The Council's Asset Management Policy and Procedures Document [March, 2012]
- 6.2 A list of the Authority's current properties/assets [Version: August, 2015]
- 6.3 Full Business Case: Smarter Working (sections relevant to asset disposal) [Version 3.4, 29 September, 2014]
- 6.4 The Council's draft Corporate Asset Management Plan (Lands and Buildings) 2015/2020 [Version 7, February, 2015]
- 6.5 A Policy of Letting at a Lower Rent than the Market Value [Gwynedd Council]
- 6.6 Property Disposal Policy [Gwynedd Council]
- 6.7 Property Procurement Strategy and Policy [Gwynedd Council]
- 6.8 Asset Disposal and Purchase Policy / Strategy and Delivery Plan [Conwy County Borough Council, 2012]
- 6.9 Policy Directives: Transfer of Assets (community) [Flintshire County Council]
- 6.10 Transfer of Assets Policy [Wrexham County Borough Council]
- 6.11 Minutes of meetings of the Scrutiny Outcome Panel:
  - Meeting 1 – 01/07/15
  - Meeting 2 – 08/07/15
  - Meeting 3 – 28/07/15
  - Meeting 4 – 01/09/15
  - Meeting 5 – 10/09/15
  - Meeting 6 – 29/09/15
  - Meeting 7 – 08/10/15
  - Meeting 8 – 03/11/15
  - Meeting 9 – 11/11/15

Version 6  
Dated: 11/11/15

## TERMS OF REFERENCE

### SCRUTINY OUTCOME PANEL: DISPOSAL OF ASSETS

This Terms of Reference (TOR) document sets out the working arrangements and the parameters of the work of the newly established Scrutiny Outcome Panel: Disposal of Assets.

#### 1. BACKGROUND/CONTEXT

1.1 The Corporate Scrutiny Committee at its meeting of 01/09/14 considered a report by the Interim Head of Function (Resources) & Section 151 Officer on budget monitoring: revenue budget Quarter 1: 2014/15. During its deliberations, the Scrutiny Committee resolved as follows:

- To establish a Scrutiny Outcome Panel to examine the approach to the disposal of the smallholdings portfolio and other assets;
- Membership of the Panel to comprise – Cllrs R Meirion Jones, Jim Evans, Llinos Medi Huws<sup>1</sup>, Lewis Davies and Raymond Jones.

#### 2. ROLE, PURPOSE & SCOPE

The role of the Scrutiny Outcome Panel will encompass further examination of the:

- Authority's current arrangements for disposal of assets;
- Review of the Council's Smallholdings 5 Year Development Programme (from Summer, 2016);
- Smarter Working Business Case: extracts relevant to disposal of assets;
- Corporate Asset Management Plan for Land & Buildings.

This will be undertaken through closer examination of the:

- i. Council's current Asset Management Policy & Procedures in order to ensure that the Policy:
  - ✚ Enables the Authority to dispose of assets effectively and efficiently;
  - ✚ Is being implemented.
- ii. List of the Authority's property/assets to scrutinise implementation of the Asset Management Policy & Procedures;
- iii. Contribution made by the Smarter Working Project to the disposal of assets giving particular consideration to the following key drivers for implementing Smarter Working:
  - ✚ Building closures;
  - ✚ Restricted accommodation.
- iv. Corporate Asset Management Plan for Land & Buildings in order to ensure pre-decision scrutiny prior to consideration by the Executive.

#### DESIRED OUTCOMES:

- Revised Asset Management Policy & Procedures for the Council;
- Ensure a process of regular reporting on rent arrears by the Finance Function;
- Recommend to the Council an extension of a year to the Smallholdings Development Programme (expiring March, 2017);

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<sup>1</sup> Has replaced Cllr Peter Rogers.

- Pre-decision scrutiny of the draft Corporate Asset Management Plan for Land & Buildings (prior to consideration by the Executive).

### 3. MEMBERSHIP

Core membership<sup>2</sup> of the Panel will comprise:

#### 3.1 Membership – Elected Members:

- Councillor R Meirion Jones;
- Councillor Llinos Medi Huws;
- Councillor Jim Evans;
- Councillor Raymond Jones.

#### 3.2 Membership – Officers:

- Dewi Williams, Head of Service (Highways, Waste & Property);
- T Dylan Edwards, Principal Valuation Officer;
- Anwen Davies, Interim Scrutiny Manager.

The work of the Panel may well necessitate attendance of other Elected Members (eg of the Executive) and/or Officers of other Service areas.

### 4. CHAIRING

The Panel, at its first meeting, will elect a Member to chair.

### 5. FREQUENCY OF MEETINGS AND QUORUM

5.1 **Frequency of Meetings** – The Scrutiny Outcome Panel has been established to undertake a specific piece of work on the part of its parent committee the Corporate Scrutiny Committee (refer to paragraph 2, above). To that end, it is anticipated that a total number of **9 meetings**<sup>3</sup> will be scheduled over the **next 6 months**, to be convened on a monthly basis;

5.2 **Quorum** – this will not apply to Scrutiny Panels established by the Local Authority.

### 6. RECORD OF MEETINGS & REPORTING ARRANGEMENTS

6.1 The Scrutiny Unit will collate and distribute the papers in preparation for each meeting and will prepare a record of Panel meetings;

6.2 A draft report of the work of the Panel will be prepared by the Scrutiny Unit – for endorsement by Elected Members and Officers of the Local Authority.

### 7. TIMEFRAME

The work of the Scrutiny Panel will be time limited and will aim to prepare its final report in November, 2015.

Anwen Davies  
Interim Scrutiny Manager  
July, 2015

TOR\_outcomepanelassets2015v4  
(amended 29/07/15)

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<sup>2</sup> In light of discussions with the Chair of the Panel, it was decided that Cllr Lewis Davies would not contribute to the work of this Scrutiny Outcome Panel.

<sup>3</sup> To be continuously reviewed throughout the life of the review.

**ATODLEN CYFARFODYDD: PANEL CANLYNIAD SGRIWTINI [GWAREDU ASEDAU] /  
SCHEDULE OF MEETINGS: SCRUTINY OUTCOME PANEL [DISPOSAL OF ASSETS]**

<b>CYFARFOD / MEETING</b>	<b>DYDDIAD / DATE</b>	<b>LLEOLIAD / VENUE</b>	<b>RHAGLEN / AGENDA</b>
<b>1</b>	01/07/15 [10.00 – 12.00yp/pm]	Ystafell Gyfarfod Eiddo / <i>Property Conference Room</i>	CG, Cynllun Prosiect a gosod y cyd-destun / <i>TOR, Project Plan &amp; setting the scene.</i>
<b>2</b>	08/07/15 [12.30 – 2.00yp/pm]	Ystafell Gyfarfod Cynllunio / <i>Planning Meeting Room</i>	<ul style="list-style-type: none"> <li>• Ystyriaeth bellach o'r CG, Cynllun Prosiect a chytundeb ar gwestiynau/llynellau i'w dilyn/cyfeiriad yr Adolygiad Sgriwtini / <i>Further consideration of TOR, Project Plan and agreements around lines of enquiry/questions to pursue/direction of Scrutiny Review.</i></li> </ul>
<b>3</b>	28/07/15 [10.00 – 12.00yp/pm]	Ystafell Gynhadledd Eiddo/ <i>Property Conference Room</i>	<ul style="list-style-type: none"> <li>• Ystyriaeth fanwl o Bolisi a Gweithdrefnau Rheoli Asedau'r Cyngor / <i>Detailed consideration of the Council's Asset Management Policy &amp; Procedures;</i></li> <li>• Cytuno'r ffordd ymlaen parthed mewnbyn allanol, arbenigol / <i>Agree way forward regarding external, expert advice;</i></li> <li>• Ystyriaeth bellach o'r CG a'r Cynllun Prosiect / <i>Further consideration of TOR &amp; Project Plan.</i></li> </ul>
<b>4</b>	01/09/15 [10.30yb/am – 12.30yp/pm]	Ystafell Gynhadledd Eiddo/ <i>Property Conference Room</i>	<ul style="list-style-type: none"> <li>• Ymchwilio rhestr y Cyngor o eiddo/asedau i'w gwaredu / <i>Examination of the Council's list of properties/ assets</i></li> </ul>

			<p><i>to be disposed;</i></p> <ul style="list-style-type: none"> <li>• Cyd-ystyriaeth o sylwadau'r Panel ar Bolisi a Gweithdrefnau Rheoli Asedau'r Cyngor gyda'r Pennaeth Gwasanaeth/ Prif Swyddog Priso / <i>Joint consideration of Panel's observations on the Asset Management Policy &amp; Procedures with the HOS/Principal Valuation Officer.</i></li> </ul>
<b>5</b>	10/09/15 [11.30yb/am – 1.30yp/pm]	Ystafell Bwyllgor 1 / <i>Committee Room 1</i>	Cyfraniad y Prosiect Gweithio'n Gallach i waredu asedau / <i>Contribution made by the Smarter Working Project to the disposal of assets.</i>
<b>6</b>	29/09/15 [10.00yb/am – 12.30yp/pm]	Ystafell / <i>Room 1003</i>	<ul style="list-style-type: none"> <li>• Cyd-drafodaeth gyda swyddogion Eiddo a Chyllid ar faterion rheoli dyledion rhenti / <i>Joint discussion with Property &amp; Finance officers on rent arrear issues;</i></li> <li>• Crynhoi darganfyddiadau'r Panel parthed ei ymchwiliad o'r ddogfen Bolisi a Gweithdrefnau Rheoli Asedau a'r Prosiect Gweithio'n Gallach/ <i>Summarise Panel findings in relation to its examination of the Asset Management Policy &amp; Procedures and Smarter Working Project.</i></li> </ul>
<b>7</b>	08/10/15 [11.30yb/am – 1.30yp/pm]	Ystafell / <i>Room 1003</i>	Craffu cyn-penderfyniad ar y Cynllun Rheoli Asedau Corfforaethol ar gyfer Tiroedd ac Adeiladau (cyn ystyriaeth gan y Pwyllgor Gwaith) / <i>Pre-decision scrutiny of the Corporate Asset Management Plan for Land &amp; Buildings (prior to consideration by the Executive).</i>
<b>8</b>	03/11/15 [9.00 – 10.30yb/am]	Ystafell / <i>Room 1003</i>	Adroddiad drafft y Panel, tynnu casgliadau a chytuno ar argymhellion / <i>Draft Panel Report,</i>



			<i>draw conclusions and agree recommendations.</i>
<b>9</b>	11/11/15 [9.00 – 10.00yb/am]	Ystafell Bwyllgor 1 / <i>Committee</i> <i>Room 1</i>	Cytuno Adroddiad Terfynol y Panel Canlyniad Sgriwtini / <i>Sign-off Final Panel Report.</i>