

Cabinet

10th September 2014



Update on the Community Assets Programme

Report of Corporate Management Team

Lorraine O'Donnell, Assistant Chief Executive

Councillor Simon Henig, Leader of the Council and all Cabinet collectively

Purpose of the Report

- 1 To provide Members with an update on the work undertaken on establishing the Community Assets programme and the interest received from organisations and groups following the 'Ask' in February this year. This requested expressions of interest to take over or run assets and services within the county.

Background

- 2 In light of the ongoing austerity measures and increasing MTFP savings the Council has started to consider alternative ways of continuing to provide front line services within communities. A key element of this approach will be to work with local communities and our partners in identifying new ideas and proposals.
- 3 In recent years we have already taken such an approach to successfully maintain services. In 2011/12, we transferred five leisure facilities into community ownership, working closely with interested parties to support them through the process, ensuring they had the necessary skills and business plans in place to sustain provision. This has helped deliver MTFP savings in the region of £1m.
- 4 In 2012/13, we embarked on our most ambitious asset transfer project so far, reviewing 120 community buildings and working with local community organisations to take on the buildings, following targeted investment to improve the assets. Overall the Council is investing £2.15 million in the scheme, which compares with £870,000 a year revenue costs and £11.25 million capital requirements if the buildings remained in local authority ownership.
- 5 In light of these successes the Council has established a programme to develop a process for third parties to express an interest in a council asset or

service and for this to feed into proposals developed by service groupings to deliver MTFP savings.

- 6 The programme will seek to ensure that capacity is established where appropriate within communities to run assets and/or services. It will also look to ensure that buildings and services which are transferred and those which remain, are affordable, cost effective and sustainable.
- 7 A steering group of senior officers from across the Council has been established under the chairmanship of the Assistant Chief Executive. This group is establishing a consistent approach to how we respond to expressions of interest, how these link into MTFP savings proposals and is also looking at our processes to ensure these help deliver any proposals identified as suitable in an efficient and effective manner.
- 8 The programme aims to:
 - Achieve planned MTFP savings whilst enabling local communities to maintain assets/services in their area,
 - Ensure service groupings retain control over the delivery of the MTFP savings required,
 - Provide a corporate approach to facilitating the process and establish a common methodology (where this is appropriate),
 - Prioritise corporate resources like Legal Services and Asset Management,
 - Map the impacts of proposals on communities so these can inform decision making and can be used to identify opportunities to deliver the services in a different way,
 - Co-ordinate communications and consultation,
 - Identify and share learning and best practice
- 9 The learning from the previous programmes in leisure and with community buildings is being used to develop our approach. The group has also received useful feedback from local councils, the VCS and University who have worked with the Council previously to transfer assets in how the processes can be improved to ensure a smooth transition.

Progress to date

- 10 At County Council on the 26th February, Councillor Simon Henig announced the programme inviting ideas to run services differently including third parties taking over our assets and/or service delivery.
- 11 This was followed by a presentation to the County Durham Partnership Forum and presentations to each AAP, local councils and other local VCS organisations.
- 12 These presentations sought interest in the concept and requested initial expressions of interest by the end of June 2014. In addition information has been placed on the council's website including an expression of interest form for groups to register their interest.

- 13 This activity has generated a number of enquiries and informal requests covering a range of services including libraries, youth centres and a range of 'streetscene' services.
- 14 The steering group is also looking to identify specific geographical areas to develop a co-ordinated approach to the use of the Councils assets to ensure these are maximised within the localities for the benefits of the residents. This will focus on areas where there is likely to be a number of services affected or there are a number of projects already being considered. The learning from this work will be used to support further work as the overall programme develops.

Current Position

- 15 The expressions of interest that have been received to date have been passed to the respective service groupings to consider. This consideration will take into account the likely MTFP savings over the next few years and the future strategy for the particular service. Each of the organisations who have put in an expression of interest will be contacted and a way forward agreed. For some this may be to discuss the interest further to explore if this can progress, whilst for others it may be to decline the request or defer any further action until the service grouping is ready to consider the proposal further.
- 16 To support the programme we are also looking at different funding streams which could be used to help groups take over assets or be used to develop the capacity and capability of groups to run services in the future. This includes a bid to the Transformational Challenge Award which has just successfully passed through the first assessment stage. A detailed business case is now to be submitted by the end of September.
- 17 Feedback received during the initial few months of the programme has identified that some organisations want more information to help them decide and that once we have publicised some of our MTFP proposals this may spark more interest as it becomes evident where the reductions in service may fall. As a result we have provided AAPs with a list of the Council services and assets in their area.
- 18 Although we had originally indicated that we wanted to receive expressions of interest by the end of June, the intention is to keep the programme open for the foreseeable future in order for other expressions of interest to be made. To help organisations decide we are also producing supporting guidance including case studies and FAQs.

Next stage

- 19 Alongside the progression of the expressions of interest made to date, we will be developing a pack of useful information to help organisations understand how the process would work and to inform them of the key issues they need to be aware of.
- 20 We will also be updating the AAPs, local councils and other organisations in the autumn to encourage further expressions of interest to be registered.

There will also be further information on the website and in the next edition of Durham County News.

Conclusion

- 21 It is pleasing that the initial 'Ask' has generated a number of expressions of interest and it is hopeful that some of these will be progressed over the coming months.
- 22 It is expected that as these progress and we provide more information, others will be encouraged to come forward and express an interest which will help the Council manage the impact of the MTFP savings required in the future.
- 23 It has also been useful to receive feedback which we have used to develop more information to help organisations decide.

Recommendation

- 24 Cabinet are asked to note the progress made to date on this programme. The expressions of interest received and the next stage of this work.

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Appendix 1: Implications

Finance – Delivery of MTFP savings will be incorporated into the programme. A bid to the Governments Transformational Challenge Fund has also been made to help finance this initiative.

Staffing – The programme will be managed within existing resources.

Risk – Programme risks will be managed through a programme risk register.

Equality and Diversity / Public Sector Equality Duty – For each proposal an Equality Impact Assessment will be undertaken as part of the decision-making before the proposal is implemented.

Accommodation – The programme may result in a reduction in the Councils assets.

Crime and Disorder – N/A

Human Rights – N/A

Consultation – Consultation on the programme has already begun with appropriate external stakeholders and will continue as appropriate. In addition, where appropriate for individual proposals, internal and external consultation plans will be developed and coordinated through the programme, so that consultation informs the decision making process.

Procurement – Advice on the procurement implications of any proposals that are part of the programme will be sought.

Disability Issues – Any disability impacts are being picked up through the Equality Impact Assessments undertaken.

Legal Implications – The legal implications of any decisions required are being considered as part of the delivery of the proposals. This will be coordinated through the programme.