

ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

Monday, 19 June 2017

Present: Councillor P Stuart (Chair)

Councillors S Foulkes A Hodson
T Jones I Lewis
B Kenny T Pilgrim
C Muspratt C Carubia
L Reecejones M Sullivan (In place of J Walsh)
T Usher A Sykes
W Ward B Berry

Witnesses Councillors W Clements, P Davies and JE Green
H Ellis, M Hornby, K McCallum and M Smith

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor J Walsh.

2 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST / PARTY WHIP

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

Members were reminded that they should also declare whether they were subject to a party whip in connection with any item(s) to be considered and, if so, to declare it and state the nature of the whipping arrangement.

The following declarations were made:

Councillor Mike Sullivan declared a personal interest in the Cabinet Minute 113 which was the subject of the meeting by virtue of his role as a voluntary helper at Pensby Library and his attendance at Library Forum meetings.

Councillor Ian Lewis declared a personal interest in the Cabinet Minute 113 which was the subject of the meeting by virtue of his being a Friend of Wallasey Library and a Friend of Harrison Park, Wallasey.

Councillor Christina Muspratt declared a personal interest in the Cabinet Minute 113 which was the subject of the meeting by virtue of her being member of a community group – the Friends of Manor Park.

Councillor Steve Foulkes declared a personal interest in the item under consideration by virtue of his representation as a member on Magenta Housing.

No declarations in respect of any whipping arrangement were made.

3 **CALL-IN OF CABINET MINUTE 113 - LEISURE AND CULTURAL SERVICES- FUTURE PROVISION OF SERVICES**

Prior to consideration of the item the Chair welcomed members of the public, Elected Members and Officers, thanking them for their attendance.

The Chair then referred to the decision of the Cabinet taken on 27 March 2017 in respect of Leisure and Cultural Services – future provision of services (Minute 113 refers).

The decision had been called-in by Councillors Jeff Green, Tom Anderson, Bruce Berry, Chris Blakeley, Eddie Boulton, David Burgess-Joyce, Wendy Clements, David Elderton, Gerry Ellis, John Hale, Paul Hayes, Andrew Hodson, Kathy Hodson, Ian Lewis, Tracey Pilgrim, Cherry Povall, Lesley Rennie, Les Rowlands, Adam Sykes, Geoffrey Watt and Steve Williams, on the following grounds:

“The signatories wish to call-in the following recommendations from the decision:

That

- (1) the findings of the ‘Re-imagining Leisure and Cultural Services’ report, and the services this relates to, prepared by Bates, Wells & Braithwaite (BWB) (Appendix 1 of the report) be noted; and**
- (2) the Strategic Commissioner for Environment be requested to ensure these findings are given due consideration as part of the options appraisal and development of the Full Business Case for the future provision of specified services, to be reported to a future meeting of Cabinet in June 2017.”**

Reasons for Call-in:

There has been inadequate consultation with key stakeholders by the London based consultants, Bates, Wells, Braithwaite (BWB) in the preparation of their report “Wirral BC – Re-imagining Leisure and Cultural Services.”

Numerous Friends Groups, volunteer organisations, Trade Unions, Parks Friends Forum and Friends of the Libraries have all expressed significant concerns over the contents and accuracy of this report not least because the key stakeholders, who know our Leisure and Cultural Assets best, have not been involved or consulted over the production of this report.

We believe it is expensive folly to have spent £284,000 of Taxpayers money on a report without recourse to such important stakeholders as their knowledge and experience is vital in bringing out key issues in developing future options for our Leisure and Cultural Assets.

By disenfranchising these key stakeholders at this stage of the process the Council risks missing out on significant benefits and therefore this process should be paused to allow a period of consultation and engagement, which is missing from the BWB report, prior to moving to options appraisal and development of the full business case.

Explanation of Call-in by the Lead Signatory – Councillor Jeff Green

Councillor Green referred to the previous independent consultation, undertaken during 2016 on the matter of libraries, leisure and culture services, which had not been made available to the public or Elected Members. He stated that the report had been completed in January 2017 and was dismayed that the content hadn't been circulated.

Councillor Green's idea of consultation was to involve and engage in the whole process. This had not occurred in this case.

He explained that it was the view of his Group that the decision based on the report had included the translation of an Outline Business Case into a Full Business Case, without the proper consultation or scrutiny. He added that the offering proposed, and focused upon an Alternative Delivery Model (ADM) and had, in essence, dismissed the option of an in-house service provision.

Councillor Green further explained that Mr Pat Cleary (Unison Representative) had requested information to share with colleagues / staff, which had arrived late, bringing into question the optimistic timetabling of this particular project and that it was a done deal. He believed that these actions had given the impression that the Council was not listening to what people were saying and that consultation was being mismanaged.

Councillor Green stated his acknowledgement of the required budget savings of 20% across the Council, but added that to achieve the best motivation of volunteer groups it was best practice to engage, listen and respond to people's views from the outset in order to take forward 'change'. He added

that the best results are also achieved by talking to people 'at the coal face' of services, and that the Leader had 'missed a trick'.

Councillor Green further stated that more importantly he was concerned that the move from an Outline Business Case to a Full Business Case was not appropriate, particularly when proper public engagement and consultation had not taken place.

Members of the Committee briefly questioned Councillor Green on a number of areas regarding the Call-In that included:

- Why the Call-In had been actioned given that the report clearly stated that further detailed consultation was due to take place, as well as pre-decision scrutiny involving the Environment Overview and Scrutiny Committee, which in turn would form part of the process for developing a Full Business Case (paragraph 8.3 of the Cabinet Report refers).
- Given the financial constraints and level of government cuts to Local Authority Budgets, it would be remiss of Cabinet not to explore all possible solutions.
- How he had consulted when he was Leader of the Council.
- Did he believe that the decision had been made and that there could be no further consultation?

A Member also pointed out that library service provision had been the subject of discussion over recent years, but no decision had been made on the provision of Library Services for Wirral residents.

Explanation of the decision taken by the Leader of the Council

Councillor Phil Davies informed the Committee that it was his view that the key points of the report into the Libraries, Leisure and Cultural Services – Future Provision of Services covered all the points raised by Councillor Green and explained that the report advised Members of the findings of the recent external review of specific services and sought approval to develop a Full Business Case for a new service model.

He added that the services within the scope of review, were set out in section three of the report and played a fundamental role in the delivery of a number of Pledges and a whole range of key outcomes across the breadth of the Wirral Plan, but most notably in support of the 'Leisure and Cultural Opportunities for All' Pledge that "We will encourage more people to enjoy the wide range of leisure, cultural and sporting opportunities on offer across Wirral. He reaffirmed that the Council would listen to residents' ideas and

requests, and by 2020, will have increased access to events and activities to all our residents, regardless of age or income”.

Councillor Phil Davies stated that it must be clearly recorded that the reason for embarking on this particular review was the need to save £132million by 2021 as a result of austerity cuts to the Council’s budget and grant from Central Government. The Council had to balance its budget. It had to make the savings outlined. Consequently, it was looking at delivering services differently and Leisure and Cultural Services was part of this. The aim was to make savings but also to continue to offer good quality public services which are valued by Wirral people.

Further detailed consultation and engagement with a wide range of residents, staff, Elected Members and other stakeholders would be carried out in three phases, as was formal pre-decision scrutiny by this Committee as part of developing a Full Business Case. It was his contention that this Call-In was ‘jumping the gun’.

Councillor Phil Davies re-affirmed an earlier statement that the needs analysis work undertaken by BWB had included initial discussions with lead commissioners from other areas such as community safety, public health and social care.

He summarised his evidence saying that the irony of this Call-In was it was holding up the consultation exercise. No decisions had been made in terms of the provision of services and that all options remained open - only when the outcome of the consultation had been made available, pre-scrutiny had taken place, and all the facts were available would decisions be made.

The Chair invited questions to the Leader from the Committee and his responses included the following:

- It was always possible to improve communications;
- Options were proposed and included in the report, because in order to consult, there must be something to consult about;
- Paragraph 1.3 of the report made it quite clear that In-house provision was an option;
- Savings of £132million over the next four years must be achieved in order to agree a legal budget, to do otherwise would be burying one’s head in the sand;
- The proposal would fall under the joint portfolios of Cabinet Members responsible for a) Transformation and b) Implementation;
- The Labour Group had received a presentation by BWB;
- The Cabinet were investigating the impact of VAT status for each option, and had sought legal advice on the subject;
- Pre-Scrutiny too would be taking place (Para 8.3 of the Cabinet report made it clear;

- Consultants had been used, both now and in the past, providing good evidence, and making up specialist knowledge and expertise that had been lacking In-house;
- All statutory obligations to share information had been actioned, but Opposition Members also had an obligation to make their own enquiries as part of the process;
- It was a big challenge to make the case to keep non statutory services for the people of Wirral; and
- Engagement would be as inclusive as possible and if there was a further option it would be considered.

Evidence from Call-in Witnesses

1. Councillor Wendy Clements a member of the community and Friend of Greasby and Irby Libraries.

Councillor Wendy Clements informed the Committee that as a service user and Friend of Greasby and Irby Libraries she had been aware that an assessment of library services had been undertaken and completed by consultants during 2016. Requests had been made by members of the public in the autumn and a request had been made to the Director of Transformation regarding the outcome.

Councillor Clements expressed her dismay that the volunteers i.e. members of the public, who can help deliver the service in an effective manner had not been allowed access to the information. She stated that these were the very people who care about the services, and who should have been consulted.

Councillor Clements stated that the whole proposal should have been consulted upon at an early stage, and asked the Committee if they were aware of how long the whole process would take as the proposal was very complex. She informed that it was not made clear to those individuals with a particular interest in the library service that it was possible to approach the consultants directly.

2. Helen Ellis, Chair of Wirral Parks Forum.

Helen Ellis informed the Committee that she was a relatively new member to the Wirral Parks Forum, having lived on the Wirral for 2-3 years. She informed Members that she had been tasked by the Forum to write to the Council's Cabinet, but had yet to receive a response. Ms Ellis agreed to provide details in respect of who the letter had been addressed to.

Ms Ellis stated that the Wirral Parks Forum had only been apprised of the consideration of the BWB consultants report 2 days in advance of the Cabinet meeting on the 27 March 2017. She stated that it was her view

that this was a clear demonstration of the lack of a consultative approach with a number of voluntary groups affected by the proposals. Ms Ellis further stated that it was also reflected in the lack of acknowledgement of the work of such groups.

Ms Ellis explained her concerns regarding the effect on, and loss of goodwill, particularly when a number of unsubstantiated statements with no clear evidence base, were rumoured. The Wirral Parks Forum were concerned that the BWB report favoured an alternative model of service delivery, and although the Forum was open to change, it had concerns that no one fully understood how such models worked in practice. The Forum believed that the structure of the report had been written in response to a request for contract tender.

Ms Ellis closed her statement by informing that there was tremendous energy and support for Parks and Open Spaces throughout Wirral and that the voluntary groups were keen to be part of the process.

A Member asked Ms Ellis if she was assured by the report as it informed that further detailed consultation and engagement with a wide range of residents, staff, elected members and other stakeholders was to be undertaken as well as formal pre-decision scrutiny by this Committee, as part of the process for developing a Full Business Case.

Ms Ellis stated that at the time of reading the report, a number of views and concerns had been expressed regarding the consultant's role and whether public consultation would take place, and at what stage. She added that given the current scrutiny of the matter she would accept the report as written.

3. Mike Hornby, Chair of Friends of Irby Library Forum.

Mr Hornby explained he also served as a member of the Wirral Libraries Forum who had been in discussion regarding the future needs of the libraries service.

Mr Hornby informed that there had been a distinct lack of sharing of intelligence in the matter, and it was only after a number of difficulties had been overcome, that information was beginning to be shared. He further informed that publication of the report six weeks prior had given the Libraries Forum little time to digest the proposals contained within.

Mr Hornby apprised the Committee that a meeting of the Wirral Libraries Forum was scheduled to take place on the following Wednesday (21 June) and that a Councillor or an Officer of the Council was to be invited to attend and explain what had been said at this Call-In meeting.

In closing his statement, Mr Hornby stated that for whatever reason, groups had not been engaged to date and had not been able to advance community views, but he was relieved to hear that consultation will take place. He reminded the Committee that the Library Forum was composed of knowledgeable people.

4. Kevin McCallum, Head of Communications.

Mr McCallum re-affirmed the Leader's statement regarding the initial scoping work and reasons for the review. He explained that as a result of the phased approach – with the majority of detailed consultation taking part in phase two – the initial engagement approach had been 'light touch', and in hindsight communications could have been better organised.

The Committee were apprised that the initial base consultations had been covered, but a relatively small amount of information had been included about the process. As part of the next phase, 219 individual groups (excluding the many thousands of library users), football clubs, sports clubs, etc would be consulted on the proposals, forming an intensive four to five week programme of work, depending on the outcome of this meeting.

In response to a question from a Member, Mr McCallum informed that there was legislation in place that defined the types of consultation / engagement to be undertaken. Through the transformation project, the way the Council consulted, would be formalised. He added that it was also the Council's aim to avoid school holiday periods and to start the consultation phase immediately following the outcome of this meeting if appropriate.

A Member questioned what 'light touch' meant in terms of phase one? Mr McCallum explained that this had involved early contact with libraries, leisure facilities, the Williamson Art Gallery and Museum and the Floral Pavilion and that wider consultation / communication would follow.

A Member asked if it had been possible for Political Groups to engage with the BWB consultants. Mr McCallum informed that this had been possible and had not been kept secret, he added that a statement upfront would have made things easier for Members. He accepted that the process had not been mapped out well enough to differentiate between consultant's evidence gathering and the consultation that would be carried out.

In response to additional questions from the Committee Mr McCallum reported that a detailed project plan was in place and that the consultant's expertise and track record, and their process of evidence gathering was recorded. He added that every effort was being made to consult and communicate as effectively as possible.

A Member asked if the three options mentioned in the report were being presented as the only three choices or would consultation be more along the lines of what do service users want? Mr McCallum informed that the consultation would include the three proposed options, none of which would effectively change the customer facing service, but would focus on it's future delivery.

Evidence from Decision-Taker's Witnesses

Mark Smith, Strategic Commissioner Environment.

Mr Smith outlined the process which had been followed to date, and the requirements to review the future provision of the libraries, leisure and cultural service delivery. He explained that the use of consultants had followed a competitive tender process, and that BWB had demonstrated very strong credentials and followed an ethical framework which had been of importance to the Council. He apprised the Committee that the awarded contract as stated in the report amounted to £184k and that work to date had cost £148k. He added that the total budget for the service was £17million per annum and Council was looking to achieve savings and value for money on the service as a whole.

Mr Smith outlined a number key points of the process, that included:

- the approach to consultation – as detailed by earlier witnesses to the Call-In;
- Phase One of the process – to develop the concept;
- management of the customer journey, data gathering, community mapping and developing of future service provision as a result;
- the first step was to bring a report to Cabinet early in the process; and
- detailed work would follow, in the form of a co-design process that included professional views of the consultants and feedback from service users, staff, officers and Elected Members – all to be captured and used in the development of a Full Business Case.

A Member expressed concern that enough time had been allowed to ensure engagement of service users and interested parties, particularly when there had been much mis-information circulating about the matter.

Mr Smith informed that it was important that the Council led on consultation and development of the Full Business Case and that work had been put on hold as a result of the Call-In. He explained that the next phase of works would include detailed co-design, consultation and preparation of the Full Business Case for the October meeting of the Cabinet.

A Member questioned the expenditure of £23k on a shared intelligence report that as far as he could gather had not been circulated. Mr Smith responded

and stated that the report had provided additional clarity on the strategic alignment of the services and key outputs for comparison. He added that its primary purpose had been to feed into the BWB work, and it had been deemed entirely appropriate to obtain an independent assessment, bearing in mind the Council's past experiences in these matters and the statutory requirements affecting such a service review.

A Member questioned whether the shared intelligence report had always been viewed as a separate, stand-alone report. Mr Smith stated that the commissioning of the report last autumn was to obtain information and assessment of the service as it stood, and its primary role of work was in that context. Questioned as to whether the BWB contract had been in place before the Intelligence report work had been actioned, Mr Smith responded that the commissioning of BWB had taken place in November or December last year (2016).

A Member asked if the leadership of the Council had requested a presentation on the report. In response Mr Smith explained that this was standard practice and officers often provided information in this way to opposition groups also. He added that without wavering from the purpose of the Call-In technical opinion was also included within the report as were such matters as the need for effective communications. Mr Smith commented that this had been the start of the process, which in turn would lead on to a more detailed piece of work. He explained that the service was currently subsidised to the level of £17million per annum (after taking into account grants and income) and that all Council departments had been tasked with being more cost efficient and adopting a commercial approach to their service provision, with the aim of achieving £90million of the £132million gap in Council's budget by 2020 in this way.

Summary of the Lead Signatory – Councillor Jeff Green

Councillor Jeff Green thanked the Committee for consideration of this matter, adding that although the actions to date were fact finding, not consultation, it was clear from Helen Ellis' evidence that the Council had not engaged with Friends Groups at the present time. He added that the Political Groups would ensure effective use of any future consultancy briefings – but pointed out that contrary to consultation on a variety of options, the BWB report clearly recommended an alternative delivery model, and not continued in-house provision (page 22, para 1.8 of the agenda pack refers).

Councillor Green re-iterated a view expressed by the Union Branch Secretary that this felt like a 'done deal', and that unless full engagement with the public and Council staff took place the Council will make the same mistakes again. He added that he did not believe that the consultation to date had been sufficient. The way forward was with improved, effective and transparent public consultation over a longer period of time.

Summary of the Leader of the Council – Councillor Phil Davies

Councillor Phil Davies informed that at any point in the past 6 months Councillor Green could have requested a presentation for his Members, he re-affirmed that consultation would formally take place under phase two of the project as detailed in the original Cabinet report (paras 8.0 to 8.4 refer).

Councillor Davies stated that he was entirely confident that the Council's Communication Team would achieve the four to five week timescale set aside for the consultation phase of the project, and reminded Members of the need to set a lawful budget and the £132million savings that must be achieved by 2020. He reiterated that a decision had not yet been made and it was most certainly not 'a done deal'.

Committee debate

Councillor Steve Foulkes thanked all of the witnesses and volunteers who had come forward and brought clarity to the process. Having declared a personal interest by virtue of his membership of Magenta Housing, Councillor Foulkes informed that he believed a reasonable debate had taken place during the questioning of witnesses, and there appeared a much better understanding and clarity regarding the process, whereby Members may, or may not, take the view of the consultants at such a time as the decision falls due.

Councillor Foulkes added that Members should never rule out one option at this stage, and pointed out that using the case of Magenta Housing as an example of an outsourced service - staff pay had outstripped local government / public sector pay. He stated that the matter of the investigation into VAT exemptions would also play a big part in how a service could be run cheaper.

Councillor Adam Sykes thanked the witnesses and informed the Committee that he and other Members had been asking for a report on library services for nearly 2 years. It was necessary to obtain the best decision for Wirral. There was time to look at this properly and subject it to scrutiny. The Committee was ready to get involved.

Councillor Mike Sullivan also thanked witnesses for the clarity they brought to their evidence - he further thanked the Friends Groups and Volunteer Groups, paying tribute to the Trade Unions (Unison and Unite) for the work undertaken in the face of savage cuts to the Council's budget since 2010. He added that it was clear that from the evidence presented that there had been misunderstanding between 'fact finding' and 'consultation' during the early stage of the service review process, and extra clarity on this would address this in the future. He hoped that the service review would take into account that the areas of greatest need for libraries, leisure and cultural services fell

within the most deprived areas of the borough where usage is often the lowest.

The Chair thanked all those who had provided evidence for and spoken at the Committee.

Councillor Steve Foulkes moved a Motion, duly seconded that:

- (1) the Cabinet decision be upheld;
- (2) this Call-In has been premature as no decisions regarding future provision of Libraries, Leisure and Cultural Services have been made;
- (3) pre-decision scrutiny is to take place around the future provision of Libraries, Leisure and Cultural Services prior to consideration by Cabinet – this will provide all parties adequate involvement and ability to influence outcomes; and
- (4) this Committee agrees with the initial decision and the relevant Senior Officers and Cabinet Member move to Phase 2 of the review which will include a detailed consultation exercise.

An amendment was then moved by Councillor Adam Sykes and seconded by Councillor Steve Williams, that –

- (i) the Communications Plan, be circulated to the identified stakeholder list, and details clearly the consultations and feedback that will take place;
- (ii) Members be assured that the consultation still to take place, will allow for all stakeholder voices to be heard, taking account of the popular holiday periods, that it will take place over a long enough period to get a wide range of views heard. Where possible consultee wishes be included in the forthcoming plans for final decision making without being restricted to the current proposals detailed in the report as now; and
- (iii) in future, consultation procedures be set out at the beginning of any reviews, and after identifying stakeholders, those people or bodies be kept up to date with the plans and also any feedback is fed back within an appropriate timescale to be determined.

With the agreement of the Committee (14:0 – one abstention), the following motion was then moved by Councillor Steve Foulkes, seconded by Councillor Adam Sykes it was:

Resolved (14:0 - one abstention) That

- (1) the Cabinet decision be upheld;**
- (2) this Call-In has been premature as no decisions regarding future provision of Libraries, Leisure and Cultural Services have been made;**
- (3) pre-decision scrutiny is to take place around the future provision of Libraries, Leisure and Cultural Services prior to consideration by Cabinet – this will provide all parties adequate involvement and ability to influence outcomes;**
- (4) this Committee agrees with the initial decision and the relevant Senior Officers and Cabinet Member move to Phase 2 of the review which will include a detailed consultation exercise;**
- (5) the Communications Plan, be circulated to the identified stakeholder list, and details clearly the consultations and feedback that will take place;**
- (6) Members be assured that the consultation still to take place, will allow for all stakeholder voices to be heard, taking account of the popular holiday periods, that it will take place over a long enough period to get a wide range of views heard. Where possible consultee wishes be included in the forthcoming plans for final decision making without being restricted to the current proposals detailed in the report as now; and**
- (7) in future, consultation procedures be set out at the beginning of any reviews, and after identifying stakeholders, those people or bodies be kept up to date with the plans and also any feedback is fed back within an appropriate timescale to be determined.**

The Chair then informed the Committee that there was no urgent business to transact and no exempt items requiring consideration and closed the meeting at 20:30hrs.