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CORPORATE SERVICES OVERVIEW AND SCRUTINY COMMITTEE

Thursday, 16 April 2009

<u>Present:</u>	Councillor	L Fraser (Chair)	
	Councillors	C Meaden	K Wood
		C Teggin	P Southwood
		J Crabtree	J Keeley
<u>Apologies</u>	Councillor	S Holbrook	

57 CALL-IN OF CABINET MINUTE 407 (19/3/09) - ASSET MANAGEMENT UPDATE

At its meeting on 19 March, 2009 Cabinet considered a report from the Director of Law, HR and Asset Management which sought approval of new Policies relating to Disposals and Community Asset Transfer; and authorised officers to progress Disposals and Community Transfers, in accordance with these policies.

The Cabinet (minute 407) resolved –

“That

- (1) the progression of the Office Accommodation Strategy be endorsed;
- (2) the new Policies on Disposals and Community Asset Transfer (subject to transfers of community centres being offered first to established and viable Joint Management Committees) be approved and the Director of Law, HR and Asset Management be instructed to progress their objectives;
- (3) recommendations (1) and (2) in the addendum to the report in relation to applications for use of the Community Fund to support asset transfer be approved as set out below:
 - (a) The Community Fund be used to support community asset transfer by:

meeting costs of essential repairs to make buildings fit for purpose at the time of transfer. The nature and cost of such repairs will be determined by the Council's Head of Asset Management as part of the transfer process; and/or contributing interim support towards running costs for up to two years where an organisation can demonstrate that at the end of that period it will have a sustainable business plan.
 - (b) A joint application be made to the Fund by the Council and the community group to which an asset is being transferred as part of the second stage of the application process set out in the Community Asset Transfer Policy.
- (4) the Director of Law, HR and Asset Management be nominated as the new Council representative on the joint Working Group administering the Community Fund, to replace the departing Head of Legal and Member Services.

(5) the Director of Finance works towards amalgamating the existing budgets for building complexes into one budget, to become the responsibility of the Director of Law, HR and Asset Management.”

Cabinet minute 407 was called in by Councillors Hale, Green, Anderson, Watt and Rennie, on the following grounds:

“It is a recorded fact that the Wirral Council Conservative Group is the largest Group on the Council and that it has pledged publicly that it will re-open any libraries, leisure centres, community centres and village halls that are closed by the Labour / Liberal Democrat administration as a result of the SAR.

We therefore believe that the Council should make provision within this policy to ensure that any buildings disposed of as a result of the SAR can be taken back into Council ownership or re-utilised by the Council for a purpose decided by the Council at a future date.”

58 CHAIR'S OPENING REMARKS

The Chair welcomed everybody to the meeting, made introductions and explained the procedure which the meeting would follow. The Cabinet Member was unfortunately unable to be present due to a long standing work commitment. As there were only two Members and one Officer to address the committee she suggested that there would be no need for summings up.

59 DECLARATIONS OF INTEREST / PARTY WHIP

Members were asked to consider whether they had personal or prejudicial interests in connection with the item on the agenda and, if so, to declare them and state what they were.

Members were reminded that they should also declare, pursuant to paragraph 18 of the Overview and Scrutiny Procedure Rules, whether they were subject to a party whip in connection with the item to be considered and, if so, to declare it and state the nature of the whipping arrangement.

Councillor Mrs K Wood declared a personal interest as a Governor of St George's Primary School which was in close proximity to Wallasey Village Library and stated that she had informed the Director of Law, HR and Asset Management that she was currently not attending Governor's meetings where the issue of the library was to be discussed.

The Chair made it clear that neither she nor her two Conservative colleagues on the Committee were subject to a party whip on the matter.

60 EXPLANATION OF THE CALL-IN BY LEAD SIGNATORY

Councillor Hale, as lead signatory, addressed the Committee on the call-in. He expressed concern that the views of 60,000 Wirral residents who had signed petitions had been almost totally ignored and that should there be a change of administration in May, 2010, the Conservative group would want to reverse the

closures of libraries, leisure centres, community centres and village halls. Without provision for a 'buy-back' clause, capital, which could be used for the benefit of all Wirral residents, would need to be used to take back buildings into Council control.

He also outlined concerns at the proposed methods of disposal and that the public would not be kept informed of what was happening with buildings which were closed. He asked that the Committee support the call-in request.

61 EVIDENCE FROM CABINET MEMBER'S WITNESSES

Bill Norman, Director of Law, HR and Asset Management,

The Director, as author of the report, explained the reasoning behind it and stated that one of the two principle purposes of the Strategic Asset Review was to contribute towards the Council achieving a sustainable and balanced budget. With regard to library provision, there would be fewer but better facilities. In respect of community centres they could remain open with the responsibility for their running costs being transferred to community groups. The asset transfer policy was intended to encourage community groups to come forward to run centres.

The Director emphasised that any buildings to be disposed of would be publicly advertised.

Responding to questions from the committee, the Director stated that it would not be normal to incorporate a 'buy-back' provision into an asset disposal policy as community groups were less likely to be interested in acquiring a building with such a proviso attached. However, the Community Asset Transfer (CAT) Policy did include a provision for community groups to hand back a building, without any payment or penalty, if the community group no longer wished to manage the facility.

The intention of the CAT policy was to encourage community groups to take on ownership of and responsibility for Council buildings. This had been seen in a number of examples across the country to energise communities and be beneficial to local people.

It was very important that the Council kept under review its asset base as retaining more properties than the Council needed would be a drain on the public purse. The Director did recognise the differing views held and that not everyone shared this judgement on fewer but better facilities.

With regard to Byrne Avenue Baths, there were a number of lessons to be learnt from that asset transfer. Where an asset was transferred it would be done in a way which was likely to be sustainable. The CAT policy set out how the Council would repair buildings before transferring them, but the Council would also look to receive a viable business plan which would show that a community group had sufficient revenue funding to maintain the property after transfer.

The financial implications of incorporating a 'buy-back' clause would have a serious deterrent effect on the transfer of assets which could lead to the loss of more buildings from community use. If buildings identified for CAT did not transfer, they would close and be disposed of as the Council would still need to achieve a sustainable and balanced budget. The democratic process was of paramount

importance, however, in 20 years' experience of local government, the Director, had not encountered policies being made with built in provisions to reflect a possible future change of administration.

The Director stated that he was not familiar with the Joseph Rowntree report into Community Asset Transfers. However, he was familiar with the Quirk Review which had identified a number of potential risks associated with CAT (as did the Council's own CAT policy) as well as giving examples of highly successful asset transfers that had greatly benefited local people.

Councillor S Foulkes – Leader of the Council

Councillor Foulkes stated that the call-in was overtly political. It would be dangerous and unprecedented to have policies set by one administration incorporating 'get-out' clauses for a possible future administration. The Strategic Asset Review had been through a consultation process, subject to several scrutiny committees and endorsed by the Council. The policies detailed in the report were a means to carry out the decision of the Council.

Councillors could help local groups in working with the community to take control of premises in making them a success which would be a form of very active citizenship.

The Chair disputed the assertion that the call-in was overtly political as it was open to all groups to call a Cabinet decision in.

Responding to questions from the committee, Councillor Foulkes stated that in respect of the disposal policy there was a well defined scheme of delegation including delegation to the Cabinet Member for Corporate Services and he expressed confidence in the variety of methods of disposal.

He suggested that the fact that Byrne Avenue Baths had remained open for a further 12 years following its transfer from the Council could be deemed a success. The Community Fund was available to meet costs of essential repairs to make buildings fit for purpose at the time of transfer and could contribute interim support towards running costs for up to two years. If there were people and community groups doing a good job in running a facility then the Council didn't have to run every building. Freehold and leasing arrangements were mechanisms to give control on future use.

62 COMMITTEE DEBATE

Councillor Teggins stated that there were two conflicting strands in the wording of the call-in which referred to specific types of buildings, i.e. libraries, leisure centres etc and 'any buildings'. He queried the scale of the costs of the proposal in the call-in and how this might be resourced.

With regard to the Strategic Asset Review the Chair referred to the fact that a legal budget had been proposed by the Conservative group but that this had been ignored.

63 COMMITTEE DECISION

It was moved by Councillor Fraser and seconded by Councillor Mrs Wood, that –

“(1) No further action be taken until a report on the lessons learned from previous unsuccessful transfers is produced.

(2) This Committee believes that if the Cabinet minute is endorsed as published, there should be in place a clause that allows a future administration to bring the Council buildings and services back into use, protecting the wishes of the overwhelming majority of Wirral residents. Any attempt to bind future administrations would be undemocratic and wholly inappropriate.

(3) Once an asset has been declared surplus to requirements and whether it is to be disposed of by public auction or advertised, as set out in appendix 1 to the report, that method of disposal be notified to the ward councillors and the relevant scrutiny committee before disposal is authorised.

(4) Consequently the matter be referred back to the Cabinet.”

It was moved as an amendment by Councillor Teggins and seconded by Councillor Meaden, that –

“It is unacceptable to expect that the will of this Council, democratically arrived at, should deliberately be subverted by political campaigning pledges made by an opposition group. If the Conservative Group wish to make election pledges that is their prerogative, but to expect the Council to undermine its own policies to accommodate their pledges is outrageous and is resisted by this committee. Consequently, this committee supports the decision made by Cabinet and reported in minute 407.”

The amendment was put and carried (4:3).

Resolved (4:3) – That it is unacceptable to expect that the will of this Council, democratically arrived at, should deliberately be subverted by political campaigning pledges made by an opposition group. If the Conservative Group wish to make election pledges that is their prerogative, but to expect the Council to undermine its own policies to accommodate their pledges is outrageous and is resisted by this committee. Consequently, this committee supports the decision made by Cabinet and reported in minute 407.

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