



Minutes

TOURISM AND LEISURE COMMITTEE

Date:	Thursday, 9 March 2017
Venue:	Town Hall, St Annes
Committee Members:	Councillor Tim Ashton (Vice-Chairman) Councillors Christine Akeroyd, Jan Barker, Brenda Blackshaw, Julie Brickles, Maxine Chew, Susan Fazackerley, Richard Fradley, Paul Hodgson, Sandra Pitman, Vince Settle, Raymond Thomas.
Other Members:	Councillors Peter Anthony, Peter Collins, Shirley Green and Liz Oades.
Officers Present:	Paul Walker, Tracy Morrison, Allan Oldfield, Darren Bell, Mark Wilde, Tim Dixon, Lisa Foden, Geoff Willetts, Katharine McDonnell
Other External Representatives:	Tracy Greenhalgh, Chief Internal Auditor, Blackpool Council; Tom Hollick, BCA Landscapes; Sue Cornah, Lytham St Annes Civic Society; Tim Lince, Chairman of St George's Day Festival Committee; Retired Colonel Philip Naylor, ABF The Solider's Charity; and Michelle Lonican, Community Fundraiser, Trinity Hospice.
Members of the public:	Approximately twelve members of the public

Public Platform

Three members of the public addressed the committee under the Public Platform provision. The speakers spoke in relation to agenda item 4, Lytham Hall Restoration Project.

1. Declarations of interest

Members were reminded that any disclosable pecuniary interests should be declared as required by the Localism Act 2011 and any personal or prejudicial interests should be declared as required by the Council's Code of Conduct for Members.

Councillors Sandra Pitman and Richard Fradley both declared a personal interest in item 4, Lytham Hall Restoration Project – Independent Audit Report, as they were both volunteers at Lytham Hall.

Councillor Tim Ashton declared a personal and prejudicial interest in agenda item 4, Lytham Hall Restoration Project – Independent Audit Report. The nature of the interest being that he was a Director of Lytham Town Trust. Councillor Ashton left the meeting for the duration of the item.

Appointment of Chairman for the duration of Item 4

As the Vice Chairman had declared an interest in Item 4, and in the absence of the Chairman, it was necessary to appoint a Chairman for the duration of item 4.

It was proposed by Councillor Raymond Thomas that Councillor Sandra Pitman should be appointed as Chairman. It was seconded by Councillor Brenda Blackshaw.

It was RESOLVED that Councillor Sandra Pitman be appointed as Chairman of the meeting for the duration of item 4.

2. Confirmation of Minutes

RESOLVED: To approve the minutes of the Tourism and Leisure Committee held on 12 January 2017 as a correct record for signature by the Chairman.

3. Substitute Members

The following substitution was reported under Council procedure rule 24(c):

Councillor Sue Fazackerley for Councillor Cheryl Little

Decision Items

4. Lytham Hall Restoration Project – Independent Audit Report

(Councillor Ashton left the meeting and Councillor Pitman assumed the Chair.)

Paul Walker, Director of Development Services introduced the report regarding the Independent Audit of the Lytham Hall Restoration Project. He explained an audit had been undertaken at the request of the Tourism and Leisure Committee, at its meeting on 3 November 2016, to ascertain a number of points, including the reasons behind some of the major funding bodies withdrawing from the project and how the £300,000 capital grant from Fylde Council had been spent. He further explained that the independent audit had been undertaken by the Internal Audit team from Blackpool Council, headed by Tracy Greenhalgh.

Tracy Greenhalgh, Chief Internal Auditor, Blackpool Council presented the findings of the independent audit report and the methodology of how the audit had been undertaken. She advised that key stakeholders, such as Lancashire County Council (LCC), Heritage Trust North West (HTNW), Heritage Lottery Fund (HLF), Lytham Town Trust and Fylde Council had been interviewed. The audit team had also reviewed documentary evidence provided during the course of the review. The work had focused on the HLF bid and how the Fylde Borough Council grant had been spent. She stated that it was clear from the interviews and the documentary evidence, that all stakeholders were fully committed to the restoration of Lytham Hall, along with a lot of volunteer time and help.

Mrs Greenhalgh advised that the basis of the original HLF bid required a considerable amount of match funding, but not all the identified match funded had been secured when the HLF was awarded. She further advised that LCC, as the largest contributor to the match funding, did not make a decision to award the funding until 2013. LCC were clear in their funding decision that it was not solely for the restoration of Lytham Hall but also to put HTNW on a more sustainable financial footing.

The LCC funding decision was on the basis of a loan being provided to the project from The Architectural Heritage Loan. However the loan fell through in 2014, therefore the funding model upon which LCC had based its decision, no longer existed. LCC requested HTNW to provide a revised

business case, but HTNW missed the deadline for submission. When the business case was submitted it was still requesting a £1m contribution from LCC. LCC noted HTNW had not sold some of the properties as requested by LCC in the 2013 deal. LCC were therefore only willing to offer £300k funding.

Mrs Greenhalgh advised that due to delays in starting the project, the earned income contribution of £387k was not achievable, but in addition, there was no evidence that Lytham Hall had ever made a profit. Indeed it was making a loss in 2015/16 and 2016/17, so there were questions over the robustness of the suggested income figure. There was a shortfall of £1.8m in match funding so HLF closed the project in 2016.

A reduced bid was made to HLF but declined in August 16. The decision to refuse the bid was based on an HLF commission review, carried out by Moore Stephens. HTNW had not submitted a formal response to the HLF decision.

Lytham Town Trust had also undertaken a review of the HTNW accounts and concluded that there were fundamental differences between themselves and HTNW in their view of how the project should have been managed.

Mrs Greenhalgh turned to addressing the Fylde Borough Council grant. She advised that the £300k had been awarded for capital works. She advised that across the whole Lytham Hall project £300,167 had been spent on capital works. Of the total match-funding bodies who stipulated their funding contribution must be spent on capital schemes, the funding totalled £419k. However when the HLF funding contribution was deducted only £177k had been spent on capital scheme. Mrs Greenhalgh advised this suggested that the Fylde Borough Council grant had not spent in accordance with the Heads of Terms of funding. However due to the way the financial records had been maintained, it was not possible to categorically state what element of funding had been spent on which part of the project. This process was further complicated by the grant monies all being paid into HTNW main bank account rather than a separate account for the project.

The committee thanked Mrs Greenhalgh and Blackpool Council's audit team for their comprehensive investigation and report and for the clarity of Mrs Greenhalgh's presentation.

The committee discussed in detail the recommendations. Concerns were raised regarding the appropriateness of the recommendations. Mr Walker advised that the recommendations were within the remit of the committee. The recommendations were focused on the Project for which the £300,000 of public funds had been granted and the future governance, financial and leadership arrangements of the project. In response to a question, Mr Walker further advised that recommendation 9 was dependent upon recommendation 8 being acceded to by HTNW.

The committee, having had regard to the Fact Finding report, RESOLVED;

1. That Heritage Trust North West ("HTNW") have failed to comply with clauses, 5, 8, 9, 14 and 22 of the Heads of Terms of the Lytham Hall Capital Grant agreement dated August 4 2011;
2. That the committee has no confidence in the ability of the present leadership or management of HTNW to lead the Lytham Hall restoration project and request the immediate removal of HTNW's Chief Executive from the Lytham Hall restoration project;

3. That the committee seeks reassurance, with supporting evidence, from the Heritage Trust North West Board that they have the capability and appropriate personnel to continue to deliver the Lytham Hall restoration project, in particular an appropriately qualified financial officer, without which the committee cannot have confidence in HTNW delivering the Lytham Hall Restoration Project;
4. That the management of the Lytham Hall restoration project includes separate and dedicated accounting and financial management from other projects being delivered by HTNW;
5. That the financial management arrangements include a separate capital account and that all accounts are submitted on an annual basis for inspection to all parties that have made a grant contribution;
6. That the Heritage Trust North West be required to provide an itemised list with costing of the capital initiatives that Fylde Council's £300,000 has been allocated to and the amount of the grant that remains unspent, in accordance with Clause 5 of the grant agreement;
7. That should HTNW decline or be unable to take any of the actions set out above to ensure compliance with the terms of the council's grant, the council will take such action as may be open to it (including legal action) to recover the grant;
8. That HTNW be requested to invite Fylde Council to nominate an elected member of as a member of its Board of Trustees;
9. That six monthly progress reports are provided to the committee by the elected member representative and the appropriately qualified financial officer responsible for the Lytham Hall restoration project;
10. The committee notes the continued challenge of the refusal to release the Moore Stephens report under the Freedom of Information Act and if it is made available that it is brought before the committee for consideration;
11. That the council reviews the protocols for capital grant funding of longer term projects to include milestone payment terms determined by set criteria as opposed to one off up-front payment; and
12. That the Council, preferably with other funding partners, seeks the intervention of the Charity Commission to review the overall financial management and governance arrangements of Heritage Trust North West and its respective trading companies.

(Upon conclusion of item 4, Councillor Ashton re-entered the room and resumed the Chair).

5. Lytham Mussel Tank Improvement Project

Darren Bell, Head of Technical Services; Sue Cornah of Lytham St Annes Civic Society; and Tom Hollick of BCA Landscapes, presented details of a scheme to landscape one of the former mussel tanks adjacent to the Ribble Cruising Club overlooking the estuary at Lytham Green.

Sue Cornah gave a short presentation to committee, explaining the history of the mussel tank and the work the Civic Society had undertaken to bring the site back into use as a destination for visitors. She spoke about the Society's aim to protect the heritage of the site, to make it accessible for all, whilst being resistant to the elements and low maintenance. Sue concluded her short presentation advising that the Civic Society wanted to celebrate the heritage of the site and the town. The Society wanted the site to feature artwork from local children, provide information about the setting using information boards which would link to a larger database of information using QR codes.

Tom Hollick provided information to the committee regarding the design of the site. He explained that the surface would be replaced, with the key to the whole design would be to tell the story of the mussel tanks. He advised that a new low planter would be built against the wall neighbouring the Ribble Cruiser Club. The planting on the site would use native estuary species. Mr Hollick concluded by stating that if the project was approved by committees, the contractor was due to start on site on 24 April with a completion date of June.

The Committee asked a number of questions regarding maintenance and design with regards to disabilities and Alzheimer's. Mr Hollick responded advising that the scheme had been designed to be low maintenance with a 12 month maintenance contract from the contractor, this being in specific regard to the planting. Once established, as the planting were native species, it was expected the plants would need little maintenance.

In regards to design, the steps had been designed to be compliant with current DDA guidance. The ramp unfortunately could not provide level access to The Green but was as close as possible. The overall paving design did not incorporate any black areas, so should not adversely affect Alzheimer sufferers.

With no further comments or questions, it was RESOLVED to recommend to the Finance and Democracy Committee to;

1. Agree that the Council act as accountable body for the Lytham Mussel Tank Improvement Project as described within the report in the overall sum of £130,000 (inclusive of professional fees, contingencies, and provisional sums);
2. Approve an addition to the 2017/18 capital programme in respect of the Lytham Mussel Tank Improvement Project in the sum of £130,000 fully funded by a grant from the LSA Civic Society in the same amount;
3. Authorise the proposed expenditure in respect of the scheme to undertake improvements to the mussel tank as detailed in the report contingent upon the Finance and Democracy Committee approving the addition of the project to the capital programme; and
4. Agree the letting of the contract for the construction of the hard landscaping scheme and associated improvement works to Landscape Engineering Ltd in the sum of £107,149.05 plus a contingency of £5,357.45 for a total of £112,506.50, subject to the scheme addition of £130,000 to the 2017/18 capital programme, being approved by the Finance & Democracy Committee.

6. Blue Flag Beach Award

Mark Wilde, Head of Parks, Leisure and Culture, and Lisa Foden, Parks and Coastal Services Manager, presented a report regarding the criteria and requirements necessary to achieve Blue Flag accreditation for the two beaches in St Annes.

Mr Wilde advised that the bathing water quality needed to be excellent to achieve the criteria. The ability to meet the requirement was not solely within the Council's gift. The current standard for water quality at both bathing waters was good. The Fylde Coast Peninsular Group, of which the Council was a member, met regularly to achieve improvements in the water quality.

Other key criteria for achieving Blue Flag status included environment education and information; environment management; and safety and services.

Mr Wilde advised that leaving water quality to one side, there was work to be undertaken to achieve the remaining criteria and he sought the thoughts and direction of the committee.

The committee discussed the criteria required to achieve the Blue Flag status. The committee commented that improvements to facilities at the beaches would improve the experience for residents and visitors, and as such should be welcomed. It was acknowledged that the provision of toilet facilities at North Beach car park would be a large expense, but it should be considered further.

With no further questions or comments, it was RESOLVED:

1. To note the list of requirements that would need to be fulfilled to allow a competent application for Blue Flag accreditation for the two beaches;
2. Agreed that the list of requirements were to be further detailed and costed, and to be presented in a future report to the Committee; and
3. To offer 'in principal' support to any future capital bids and/or revenue increases based on a more detailed list of requirements in a future report.

7. The Island Regeneration Working Group

Paul Walker, Director of Development Services, presented an update on the progress of The Island Regeneration project. He explained that a number of expressions of interest had been received and had been evaluated by an estates surveyor from Blackpool Council and initially considered by the member working group. He advised that it was proposed to receive presentations from these interested parties at a future meeting of the Island member working group. In addition to the current members of the working group, it was proposed to include the Leader of the Council to provide a strategic overview of any proposals.

Following a brief discussion it was RESOLVED to

1. Note progress with The Island Regeneration project; and
2. Agree that membership of the working group be extended to include the Leader of the Council

8. Appointment to Outside Bodies/Working Groups

The Committee were invited to recommend nominations to the various outside bodies/working Groups (within the remit of the committee) for consideration at Full Council. In addition, copies of

reports received from members currently serving on outside bodies were also included as an appendix to the report for information.

Following consideration of each outside body in turn, it was RESOLVED to

1. Recommend the following nominations to the outside bodies for consideration by council:
 - Lowther Trust – Councillor Brenda Blackshaw
 - Lytham Town Trust – Councillor Tim Ashton
 - Fylde Coast YMCA Partnership Board – Councillor Sandra Pitman
 - Fylde Arts Association – Councillor Raymond Thomas
 - St George's Day Festival Committee – Councillor Richard Fradley
 - Arts Partnership for Lytham – Councillor Raymond Thomas
 - Arts Working Group – Councillor Vince Settle
2. Confirm the continued establishment of (i) The Arts Service Review working group comprising Councillors Christine Akeroyd, Julie Brickles, Maxine Chew, Sandra Pitman, Vince Settle and Raymond Thomas; and (ii) The Island Regeneration working group comprising the Chairmen of Tourism and Leisure, Planning, Operational Management and Finance and Democracy Committees and the Leader of the Council; and
3. Note the reports from members currently serving on outside bodies.

Information Items

9. St George's Day Festival

The committee received a presentation from three representatives of the St George's Day Festival committee regarding the event. Mr Tim Lince, Chairman, spoke about the events organised for each day of the Festival, with a wide and varied mix to appeal to a wider audience.

Philip Naylor, North West Representative from ABF The Soldier's Charity, and Michelle Lonican, Community Fundraiser from Trinity Hospice spoke about the difference the money raised by the Festival made to their respective charities.

The committee asked questions regarding litter and the damage to Lytham Green. Mr Lince advised that the organising committee had entered an agreement with Biffa and the Council's Park's department to ensure that the Green was returned to its original state as soon as possible.

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