

Policy Development Scrutiny Committee



Date	21 February 2011
Venue	Town Hall, St Annes
Committee members	Councillor Kiran Mulholland (Vice-Chairman) Councillors Brenda Ackers, Ben Aitken, Frank Andrews, Tim Ashton, David Chedd, Leonard Davies, John Davies, Paul Hayhurst, Karen Henshaw JP, Dawn Prestwich, Elizabeth Oades, Elaine Silverwood, Roger Small
Other Councillors	Susan Fazackerley, Barbara Pagett, Maxine Chew, Ken Hopwood, Kath Harper, Linda Nulty
Officers	Joanna Scott, Clare Platt, Ian Curtis, Annie Womack
Others	Members of the public; press

1. Declarations of interest

Members were reminded that any personal/prejudicial interests should be declared as required by the Council's Code of Conduct adopted in accordance with the Local Government Act 2000.

Councillors Oades and Silverwood declared a personal interest as councillors for Kirkham Town Council.

2. Confirmation of minutes

As this was a special call-in meeting, there were no previous minutes to confirm.

3. Substitute members

The following substitutions were reported under council procedure rule 22.3:

Councillor Tim Ashton for Councillor George Caldwell
Councillor Roger Small for Councillor Fabian Craig-Wilson
Councillor Paul Hayhurst for Councillor Heather Speak
Councillor Dawn Prestwich for Councillor Patricia Fieldhouse

4. Request for Call-in – Transfer of Assets

Ten members of the council had invoked the recovery and call-in procedure to question a cabinet decision made on 19 January 2011 concerning the Transfer of Assets to Town and Parish Councils. The decision in question related to the recommendations of the Policy Development Scrutiny Committee on the subject, made on 6 January 2011. Cabinet had not approved the recommendations as they stood and had amended them. Members of the committee were required to consider whether the decision made was not in the interests of the inhabitants of the borough and ought to be reconsidered.

The Chairman invited the lead signatory, Councillor Elizabeth Oades, to explain why she felt that the decision was not in the interests of the residents of the borough and ought to be reconsidered.

Cllr Oades proposed to cover the call-in request as two issues, the first with reference to the transfer of open space assets to Kirkham Town Council, and the second to cover the issue of strategic assets.

She reminded the committee of the background to the proposed transfer to Kirkham Town Council (KTC), and then moved on to the current proposal that KTC, upon transfer of open space assets, should retain and pay for the services of Fylde Borough Council (FBC) to maintain those assets for a 3 year period.

Cllr Oades argued that this would be extremely onerous for Kirkham and would fetter KTC's ability to find a best value solution, that it was uncompetitive, and that they should have the option to test the market for the best service for the best price.

She felt that there was ambiguity surrounding parish precepts and special expenses and outlined her concerns, which were articulated as a potential for double-rating residents for the parks service. She disputed the costs mentioned in the report for central support costs and suggested that future costs at Kirkham would be covered by the existing administrative set-up.

Cllr Oades did not believe that it was in residents' interests for FBC to control what happened to Kirkham's assets after transfer. She said that if KTC was permitted to go out to competitive tender they would be able to show localism, deliver efficiencies and value for money services, and show a strong culture of local service delivery.

She requested that the committee recommend to Cabinet that the assets be transferred to Kirkham Town Council during the course of the next financial year and that FBC continue the maintenance until end of March 2012.

Cllr Oades went on to talk about the second issue, strategic assets. She said that historically the Town and Parish Councils had objected to subsidising the maintenance of Kirkham, Lytham and St Annes parks and gardens whilst at

the same time paying for their own open spaces through parish precepts. This was resolved by giving them grants towards the cost.

This arrangement had continued until 3 years ago when equitable taxation had been agreed and the Town and Parish councils were advised that they would no longer have to pay towards maintenance in Kirkham, Lytham and St Annes. It was agreed that these areas would pay for their own upkeep through special expenses. Cllr Oades suggested that the grants had been withdrawn, but remained in the budget.

She said that FBC intended to identify certain facilities in Lytham St Annes as strategic assets, which would mean that all areas of the borough will pay towards their upkeep. Town and Parish councils had already reached an agreement 3 years ago that they would no longer be required to subsidise Lytham St Annes facilities, but Cllr Oades said that under the plan for designating some assets as strategic, they will not only pay for their own facilities in their entirety they will also be paying towards those in Lytham St Annes, but will not have any grants made available to them

Cllr Oades concluded by asking that the committee recommend to Cabinet that the whole question of strategic assets be looked at again.

The Chairman asked Councillor Susan Fazackerley, Portfolio Holder for Leisure and Culture, to respond.

Councillor Fazackerley addressed the issues raised and acknowledged that although the recommendations of the Policy Development Scrutiny Committee of 6th January had been amended by Cabinet on 19th January the intention had been to try to ensure that the timing and terms of that transfer were acceptable to both parties.

She pointed out that the report from X Associates had indicated that significant residual costs would remain with Fylde Borough Council following the transfer of assets to Kirkham Town Council, including staffing costs, early termination penalties for vehicle leasing and central support services. The report had also identified the risks and opportunities of asset transfer and had suggested ways to manage them, through a phased management and maintenance arrangement.

In view of these issues, Cabinet had felt that the Council needed some time to reduce the costs in a managed way, and the report had recommended a transitional period of 3 years.

However, Cllr Fazackerley said that after negotiation with representatives of KTC it was now felt that transition could be facilitated much sooner and that a date of April 2012 would be achievable, which she hoped would prove acceptable to both parties. She therefore proposed that the maintenance of grounds owned by FBC in Kirkham would continue to be provided by FBC until 31 March 2012. During 2011/12 work would progress to transfer the ownership of those assets, so that on 1 April 2012 they would transfer to the ownership of KTC, when the Town Council will have agreed and implemented

ongoing maintenance arrangements, in line with their aspirations. Similarly, during this twelve month period officers of FBC would be working hard to reduce the residual costs remaining with FBC.

She also assured the committee that, as previously recommended by the Policy Development Scrutiny Committee, and agreed by Cabinet, the issue of strategic assets and the associated budgetary options would also be progressed.

At this point, prior to the committee debating the topic, the Chairman asked Cllr Fazackerley to leave the room.

After a debate of the various issues raised, and following a recorded vote, the committee RESOLVED:

- 1 That the decision of Cabinet should be called in.
- 2 That the original recommendations of the Policy Development Scrutiny Committee from 6 January (***appended below*****) should be referred back to Cabinet for reconsideration, with the following additional provisions:
 - (a) that with reference to the transfer of assets to Kirkham Town Council (*original recommendation 1 below*), when considering the referral from the committee Cabinet should have regard to the statement of the Portfolio Holder that transfer could be effected by April 2012, and that Kirkham Town Council would have implemented ongoing maintenance arrangements.
 - (b) that with reference to the identification of strategic assets, and the budgetary and governance arrangements (*original recommendations 2 (a) and (b) below*), a cross-party working group be appointed which will report back to members.

****Original Recommendations**

1. That officers explore Asset Transfers further in relation to Kirkham Town Council, allowing the Town Council to go out to competitive tender for the parks and open space maintenance with outcomes showing localism, and delivering efficiencies and value for money services.
2. That officers be requested to bring forward further reports on:
 - (a) Identification of which assets constitute strategic assets
 - (b) The budgetary and governance implications of open space transfer to Town Councils, separate to the budgetary options in relation to the strategic assets.

Votes for a call-in (12) Cllrs Aitken, Andrews, Chedd, J Davies, L Davies, Hayhurst, K Henshaw, Mulholland, Oades, Prestwich, Silverwood, Small

Votes against a call-in (1) Cllr Ashton

Abstentions (1) Cllr Ackers
