

MINUTES OF A MEETING OF THE
COMMUNITY SCRUTINY COMMITTEE
HELD IN THE WAYTEMORE ROOM,
BISHOP'S STORTFORD ON TUESDAY,
7 APRIL 2009 AT 7.30 PM

PRESENT: Councillor C Woodward (Chairman).
Councillors P Ballam, K Darby, A D Dodd,
P Grethe, Mrs D M Hone, M Wood (substitute for
A M Graham).

ALSO IN ATTENDANCE:

Councillors P Ruffles and M Tindale.

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Committee Secretary
Mark Kingsland	- Health and Fitness Development Officer
Marian Langley	- Scrutiny Officer
Alan Madin	- Director of Internal Services
Will O'Neill	- Head of Community and Cultural Services
Mekhola Ray	- Community Projects Team Leader
George A Robertson	- Director of Customer and Community Services
Lucy Shaw	- Arts Development Officer

ALSO IN ATTENDANCE:

Duncan Jefford	- SLM Limited
Neil King	- SLM Limited

683 APOLOGIES

Apologies for absence were submitted from Councillors
N Clark, A Dearman, A M Graham and J J Taylor. It was

noted that Councillor M Wood was substituting for Councillor A M Graham.

684 CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed Duncan Jefford and Neil King of SLM Limited to the meeting. A presentation would be made by SLM on proposals for the Grange Paddocks and Hartham Leisure Centres.

The Chairman commented that Councillor M Tindale had been invited to attend the meeting as an expert witness in relation to Minute 688 (Development Proposals at Grange Paddocks and Hartham Leisure Centres (Leisure Contract Variant Bid 2)).

It was noted that Councillor L O Haysey had been invited to attend as an expert witness in relation to Minute 689 (Castle Hall Review and Development Plans) but was unable to attend. She had submitted her apologies.

685 MINUTES

In relation to Minute 540 (Developing the Council's Equalities Agenda), the Head of Community and Cultural Services advised that the document would be made available, on request in any language. It was noted that the Council did not receive many requests for such documents to be printed in other languages.

In relation to Minute 542 (Community Transport Initiatives and allocation of the Council's Bus Subsidies Budget from April 2009), it was agreed that paragraph eight, line seven, be amended so that the words "could use" be inserted after "increasing numbers".

RESOLVED – that the Minutes of the meeting held on 27 January 2009, as now amended, be confirmed as a correct record and signed by the Chairman.

686 HEALTH ENGAGEMENT PANEL: 23 MARCH 2009

Councillor K Darby, Chairman of the Health Engagement Panel (HEP), presented the Minutes of the meeting held on 23 March 2009. She commented that Members had discussed the Forward Plan extensively and it was anticipated that there would be a “select committee” style of meeting in October 2009, to look at how health issues are included in the drug and alcohol strategies of agencies within the local Crime and Disorder Reduction Partnership (East Herts Community Safety Partnership).

Councillor K Darby commented that Councillor Mrs D Hone had attended a Health Scrutiny Committee at Hertfordshire County Council recently on her behalf. The outcome of this meeting would be reported back to a future meeting of the Health Engagement Panel.

Councillor K Darby thanked Officers for their support on the work of the Panel.

RESOLVED – that the Minutes of the Health Engagement Panel meeting held on 23 March 2009, be received.

687 DECLARATIONS OF INTEREST

Councillor P Ballam declared a personal interest in Minute 691 (East Herts Cultural Strategy and Work Plan for 2009 – 2024 by virtue of the fact that she was a Trustee of Ware Museum.

Councillors M Wood and C Woodward declared personal interests in Minute 691 (East Herts Cultural Strategy and Work Plan for 2009 – 2024 by virtue of the fact that they were Trustees of the Rhodes Arts Complex.

688 DEVELOPMENT PROPOSALS AT GRANGE PADDOCKS AND HARTHAM LESIURE CENTRES (LEISURE CONTRACT VARIANT BID 2)

The Head of Community and Cultural Services submitted a report on plans for developing the Council's leisure facilities at Grange Paddocks and Hartham. The report also sought Members' views on the financial and cultural benefits arising from the proposals and invited Members to scrutinise the business case which had been circulated as a supplementary item and updated at the meeting.

The report set out the benefits which would accrue to both users of the service and the Council within the context of the Council's ongoing strategies should a decision be made to invest £3.6Million. It was noted that there would be a saving of £3.2Million in Management Fees over a 10 year period.

Mr Jefford and Mr King provided a presentation outlining the background to the company which was incorporated in 1987 with a turnover of £55Million, employing 5,000 staff at 60 sites nationally in partnership with 20 local authorities. The Company's ambitions under the "Everyone Active" brand were outlined. It was noted that children in the UK were three times more obese than 10 years ago. This was not because of an increase in calories but rather that they were less active that they had been historically. Mr King commented that the direct cost of obesity to the NHS was £1.8Billion and that if people wanted to be healthy, then one way they could improve their health chances was to do 30 minutes exercise five times a week.

The Company had undertaken a substantial amount of work to promote physical activity including securing the support of political parties. It was noted that within East Herts, there were 28,000 residents claiming to be active. SLM's commitment was to increasing participation and hoped to introduce a "user / reward" scheme. Bespoke IT software would provide Members with the ability to analyse information accrued.

Proposals for Hartham and for Grange Paddocks were outlined and samples circulated showing refurbishment materials.

It was noted that the total cost to develop both Hartham and Grange Paddocks Leisure centres was £3.51Million. The impact of the investment in financial terms was set out in a supplementary report and updated at the meeting.

Councillor A D Dodd thanked the company for their presentation. In response to an earlier query about the Council diverting customers from local private leisure providers, he commented that he was less concerned with the impact of the new leisure centres on current private providers. He commented that he was concerned about Hartham's changing facilities and whether the improvements would bring in the projected interest. SLM outlined what was proposed for the site. They were confident that with the improved changing facilities, development to the gym, inclusion of a dance studio and other improvements, the projected figures for increased usage would be achieved.

Councillor M Tindale commented on the small windows at Hartham Pool. He was advised that the drawings were not to scale and not defined.

Councillor K Darby referred to the financial breakdown and the use of taxpayers' money. She commented that it would be prudent to have the business model proposed by SLM and the assumptions used, independently challenged by a third party.

In response to a query from Councillor A Dodd about development timescales, SLM commented that they anticipated commencing work in May 2009 if they were to complete the refurbishments by December 2009. These dates were critical to the assumptions in the business plan. It was noted that throughout the process, the facilities would be kept open as much as possible as this had less of an impact than a close down. Users were more likely to stay and it was more difficult to get people to return to use

the facility after a closedown. The loss of income as a result of refurbishment disruption was approximately £300,000.

In response to queries from Councillor K Darby and Councillor P Grethe, SLM confirmed that they worked closely with the NHS and PCTs taking GP referrals and actively encouraged 11-16 year olds to use the gym. The publicity highlighting the refurbishment of the gyms would be a co-ordinated effort between the Council and SLM.

The Chairman reminded Members of the options contained in the business case. On behalf of Members, he thanked representatives of SLM for coming. Representatives of SLM left the meeting and the issues were debated further.

Councillor M Tindale commented that the original bid for the development of both sites, was for £3.2Million. This had increased to £3.6Million following the receipt of design and tendered proposals. The revenue benefits and impact of the development and investment proposals were explained. Members were reminded that with the current rate of interest at half a percent, it made sense to use some capital to gain revenue benefit. Councillor Tindale commented that Members needed to decide what they would wish to do in terms of challenge and scrutiny for the proposed capital investment.

Councillor K Darby commented that she wanted to make sure that the Council had taken all reasonable steps to check the validity of the assumptions underpinning the financial implications before a decision was taken to invest £1.8Million in Grange Paddocks and £1.6Million at Hartham and whether this would bring forth the projected returns. She commented that projects regularly ran over in terms of costs and questioned who would be responsible for any additional costs. It was noted that the Council would still own the properties and have the benefit of the improved and enhanced facilities at the end of the 10 year contract.

The Director of Internal Services suggested that one option might be that the investment advisory arm of the Council's

external auditors, Grant Thornton, could be used to validate the financial impact of the investment proposal. Alternately, there may be an organisation with leisure industry experience who could undertake some independent challenge.

The Director of Customer and Community Services commented that the bidders for the refurbishment proposals had, through the procurement process, been market tested. SLM had worked with each of the bidders on previous occasions and were satisfied with their capacity to deliver. He commented that they would have to deliver the finished product within the specified timeframes to minimise the risk on revenue of a time overrun, although the risk would be borne by SLM.

The Director of Internal Services suggested that an independent opinion could be sought on the validity of the figures as presented by SLM. He commented on the impact on the management fees, if the projections were fulfilled. He suggested that questions which Members might want to seek an opinion on might include:

- (A) whether the figures produced were reasonable or overly optimistic;
- (B) what were the assumptions made by SLM and how robust they were;
- (C) if the figures were not achieved, what would the likely impact be on the Council generally and in relation to the management fee;
- (D) the impact on competitors; and
- (E) the period of recovery in terms of the capital investment and whether after 10 years, what expectation would there be, that the improvements would continue to have a beneficial influence on the management fee a contractor might propose.

The Director of Internal Services commented that Members needed to evaluate the risk of investing in both the facilities or whether the Council should support the refurbishment of only one facility as the Chairman had suggested.

In response to a query from Councillor A D Dodd concerning a review of the contract price if the Council only supported one development, the Director of Customer and Community Services commented that there may be a small premium to be added, in the order of £50,000 but this would need to be clarified.

Councillor P Grethe supported the refurbishment of Hartham Pool. She commented that there were a lot of new properties being built and that there was already a shortage of leisure provision in Hertford.

Councillor M Tindale commented that there was always a risk of cost over-run. He suggested that there may be an opportunity to refurbish one facility and consider the lessons learnt. He commented on the financial projections in terms of income for both Grange Paddocks and Hartham and whether this might be ambitious. The Director of Customer and Community Services explained how the income model had been determined in terms of the number of projected "stations" for both developments, informed by market research data which was available.

Councillor M Wood commented that residents saw Grange Paddocks as a 1960s "edifice" and were of the view that it should be demolished. He commented that it was built to accommodate a town of 20,000 people. Since that time, the population had doubled. He commented that Grange Paddocks was a well used facility and at weekends was well supported by local football teams. Councillor Wood commented that there was a need to provide better facilities and that now was the right time, given the current economy, to spend some money on Grange Paddocks so that residents would see that the Council had invested in it.

In response to a query from Councillor K Darby about the impact on Castle Hall if the Council was to invest in both

Grange Paddocks and Hartham, Councillor M Tindale commented that if the Council was to invest in both leisure facilities, there would not be enough in the earmarked leisure capital sum alone to support significant spend on Castle Hall.

Councillor M Tindale commented that if Members were minded to support only one facility, Grange Paddocks had the greatest need and might therefore, be the most appropriate option. He commented that with Hartham there may be an opportunity to spend less and to look at alternative levels of refurbishment.

The Director of Customer and Community Services commented that while he would welcome the refurbishment of both facilities, there would be a greater premium to be paid were the Council to invest in Hartham than were it to invest in Grange Paddocks. Hartham was considered to be acceptable in its current condition, although it could provide a significantly better service to customers with some lesser scale improvements.

The Chairman suggested that if the works to Hartham were to be reconsidered in say, two years time, then Members would have a better, informed view and some experience of how the contract with SLM was working.

Members received the report and requested that the Executive be informed of Members' support for a proposal to refurbish Grange Paddocks as a priority with some lesser improvements to Hartham Leisure Centre to be considered. Members also requested that Officers obtain a validation of the financial analyses and assumptions provided by SLM Limited contained within the business case.

RESOLVED – that (A) the Executive be advised of the views of Community Scrutiny as detailed above;

(B) a proposal to refurbish Grange Paddocks as a priority with some minor works to Hartham Leisure Centre be supported; and

DCCS/DIS

(C) Officers be requested to seek an independent validation of the financial analyses and assumptions provided by SLM Limited on the Grange Paddocks bid.

DCCS/DIS

689 CASTLE HALL REVIEW AND DEVELOPMENT PLANS

The Head of Community and Cultural Services submitted a report on the review and development proposals for Castle Hall. The background to the report was set out in the report now submitted. It was noted that the work of the Castle Hall Way Forward Group (CHWFG) had focused on maximising its potential as an arts and entertainment venue within a new strategic five year plan. The report now submitted, reviewed the work of the CHWFG in terms of what actions and approvals were needed to take the development plan forward.

It was noted that there were no Performance Indicators currently collected for this service area and that these would be needed for monitoring success of any development. Officers were also seeking support for a capital sum of £6,000 to provide exhibition screens so that the venue could be used for promoting art and other exhibitions in advance of re-modelling and refurbishment work.

The Head of Community and Cultural Services commented that once the works had been completed and before the venue was opened, a management committee should be established to oversee future performance and development. This was in line with other arts and entertainment venues such as the Rhodes Arts Complex in Bishop's Stortford.

In response to a query from Councillor P Ballam concerning the fee structure, the Head of Community and Cultural Services explained that the current schedule of pricing of concessionary hire rates was estimated to reduce revenue income to the Council by £58,185 for 2008/09. He commented that it was the intention to provide a new peak / off peak structure and to allow local management flexibility

to negotiate with interested groups.

The Director of Customer and Community Services commented that the aim was to achieve flexibility and allow managers discretion in reviewing requests from smaller and larger charities.

Councillor M Wood commented that income at the Rhodes Arts Complex was increasing and that it no longer relied on hirings. He further commented that there was a need for managers to be flexible and to be able to negotiate.

In response to a query from Councillor K Darby about identifying part of the foyer as a tourist information centre/point, the Head of Community and Cultural Services commented that this had been an early idea for consideration and that he had now spoken with the Town Clerk about this. Indications were that Hertford Town Council would be happy to explore this option in the longer term.

In response to a query from Councillor P Grethe, the Head of Community and Cultural Service explained how the Council's net revenue subsidy for the operation of Castle Hall during 2008/09 was applied.

In response to a query from Councillor A Dodd concerning a suggestion to improve the look and feel of the building and whether any representations had been made to the Arts Council for grants, the Head of Community and Cultural Services explained that design proposals from architects would be submitted to the Council in due course. Initial proposals already included making a space for a dance studio. Applications to the Arts Council would be made in due course.

Councillor A D Dodd hoped that in relation to the proposals for a management committee that there would be a broad selection of people invited.

Members received the report and supported the recommendations as detailed.

RESOLVED – that (A) the mission statement and five year strategic plan be supported;

(B) following the assessment and selection of design proposals in April 2009, the Castle Hall Way Forward Group would be submitting to the Executive, the preferred design proposal and business case seeking capital investment for the refurbishment of Castle Hall; DCCS

(C) a range of performance indicators be adopted from those set out in the appendix to the report now submitted and reported annually to Community Scrutiny Committee by the Head of Community and Cultural Service; DCCS

(D) the Executive and Council be requested to approve an additional allocation of £6,000 to purchase portable exhibition screens; and DCCS

(E) the intention to support a Castle Hall Management Group with responsibility for overseeing the future development of the venue be endorsed.

690 EVERYONE MATTERS – A SUSTAINABLE COMMUNITY STRATEGY FOR EAST HERTS (2009-2024)

The Head of Community and Cultural Services submitted a report concerning the Council's progress in developing a Sustainable Community Strategy. The Community Projects Team Leader provided background to the development of the initiative. She commented that the document set out the Council's strategic direction and was strongly evidence based.

It was noted that the Strategy, attached to the report now submitted, set out the Local Strategic Partnership's (LSP) overarching vision and shared ambitions for East Herts over the next 15 years, together with an Action Plan outlining how the aims and ambitions would be realised. Consultation had taken place with a number of partners

and stakeholders via the LSP in terms of identifying and addressing gaps. The strategy also showed how it interlinked with the County Council's own strategy and in identifying national indicators.

Councillor K Darby praised the document and stated that this would play an important part with the work of the Audit Committee in showing how the Council worked with its partners.

Councillor P Ballam expressed concern about access to services in rural areas by elderly and vulnerable people.

The Chairman commented on the strong link with the Local Development Framework (LDF). He commented on the important role of pubs as a community venue and was happy to see this reflected in the strategy.

Councillor P Grethe commented on community centres and unruly children. She commented on the need to secure Youth Leaders to ensure that a standard of behaviour was set and that the implementation of Child Protection policies in relation to the usage of community centres was extreme and greatly limited the activities and arrangements which could be set up.

Members supported the strategy and requested that the Executive adopt the strategy attached to the report now submitted.

RESOLVED – that (A) the Executive be requested to adopt the Sustainable Community Strategy and Action Plan for implementation across the Council;
and

(B) the Local Strategic Partnership adopt the “Everyone matters: the Sustainable Community Strategy for East Herts”, the Action Plan / Delivery Plan.

691 PROGRESS AGAINST EAST HERTS COUNCIL'S
CULTURAL STRATEGY AND WORK PLAN 2008/09

The Director of Customer and Community Services submitted a report on the progress made so far, in delivering the Council's Cultural Strategy and Work Plan.

The Community Projects Team Leader commented that this had been submitted to Members in 2007 and the action plan, attached to the report now submitted, detailed what had been achieved. It was noted that ongoing changes would be made as necessary.

The Chairman requested that where there was no specific end date and the action plan indicated 'on-going', milestones should be added in to the Action Plan, reflecting what progress was being made as events moved forward.

Members received the report and the progress made so far.

RESOLVED – that the progress on the Work Programme for 2008/09, as now submitted, be noted and future programmes include milestones as requested.

692 COMMUNITY SCRUTINY HEALTHCHECK – DECEMBER
2008 TO JANUARY 2009

The Director of Customer and Community Services submitted a report on performance indicators relating to Community Scrutiny Committee for the period December 2008 to January 2009.

Updates were provided in relation to a number of Performance Indicators which had changed or moved off target. It was noted that indicators in relation to Building Control would be reported to Environment Scrutiny in future, following the recent agreement to amend the terms of reference for scrutiny committees as part of the wider review of the Constitution.

Members received the report.

RESOLVED – that the report be received.

693 ANNUAL REPORT 2008/09 AND WORK PROGRAMME
2009-2010

The Chief Executive submitted a report which reviewed its work programme for 2008/09 in the context of a draft copy of the Scrutiny Annual Report and in planning the future work programme for 2009/10. Members' comments were sought in relation to the draft report and on the proposed scrutiny topics for inclusion on next year's programme.

In response to comments earlier in the meeting, the Scrutiny Officer commented that the Work Programme could be amended to include the following:-

- an update on the implementation of the Equalities Scheme and action plan (October 2009); and
- an update on the Sustainable Community Strategy and action plan (April 2010).

It was noted that information had been received from the Home Office about scrutiny's role in relation to Crime and Disorder matters. New legislation arising from the Police and Justice Act 2006 required that a nominated Scrutiny Committee must receive and discuss a report on such matters twice a year. Community Scrutiny Committee already had this area assigned to it under existing terms of reference. It was anticipated that the Community Safety Team would bring a report to Members on public consultation on this topic in July 2009 and a second agenda item could be scheduled later in the year. Councillor A Dodd suggested that a representative from Hertfordshire Constabulary and the Policy Authority be invited to attend that meeting.

Members suggested that Markets in East Herts could be the subject of a Task and Finish group. This would be

discussed at the first meeting of 2009/10.

Members approved sections of the draft Annual Scrutiny Report within the remit of the Committee and supported suggestions for review by Community Scrutiny Committee within the context of the Work Programme for 2009/2010.

RESOLVED – that (A) the sections of the draft Annual Scrutiny Report within the remit of Community Scrutiny Committee for 2008/09 be approved and submitted to Council for ratification; and CE

(B) the Work Plan as amended for 2009/10 be approved. CE

The meeting closed at 9.50 pm.

Chairman
Date