

SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3 - THURSDAY, 24 JANUARY 2019

**MINUTES OF A MEETING OF THE SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3
HELD IN COUNCIL CHAMBER - CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB
ON THURSDAY, 24 JANUARY 2019 AT 10:00**

Present

Councillor JC Spanswick – Chairperson

N Clarke	DG Howells	A Hussain	DRW Lewis
RME Stirman	E Venables	DBF White	JE Williams

Apologies for Absence

SE Baldwin, P Davies, DK Edwards, JC Radcliffe, G Thomas and MC Voisey

Officers:

Sarah Daniel	Democratic Services Officer - Scrutiny
Julie Ellams	Democratic Services Officer - Committees
Fiona James	Senior Development Surveyor
Zak Shell	Head of Neighbourhood Services
Guy Smith	Community Asset Transfer Officer

Invitees:

Carly McCreesh	Wales Cooperative Centre
Councillor Hywel Williams	Deputy Leader
Councillor Richard Young	Cabinet Member Communities

61. DECLARATIONS OF INTEREST

The following declarations of interest were made:

Councillor N Clarke declared a personal interest in agenda item 5, Community Asset Transfer, because she was a member of Porthcawl Town Council and currently involved in the CAT process.

Councillor R Stirman declared a personal interest in agenda item 5, Community Asset Transfer, because she was a member of the Garw Valley Community Council.

62. APPROVAL OF MINUTES

RESOLVED: That the Minutes of a meeting of Subject Overview and Scrutiny Committee 3 dated 22 October 2018, be approved as a true and accurate record.

63. FORWARD WORK PROGRAMME UPDATE

The Scrutiny Officer presented the feedback from previous meetings of the Subject Overview and Scrutiny Committee 3 and asked members if any additional information was required regarding Empty Properties, due to be considered at the 25th February 2019 meeting. Members asked if an update could be provided on the timescale for an officer to investigate and if a protocol could be provided. Members also asked for the number of empty properties in Bridgend and the number of homeless in the same area. The Scrutiny Officer explained that a report on the Homelessness Strategy would be presented to a future meeting.

The Scrutiny Officer added that in addition to the feedback contained within the report, a letter had been sent to One Voice Wales regarding an invitation to the 22nd October meeting where Collaboration with Town and Community Councils was considered. A representative from One Voice Wales replied that the invite had been forwarded to the CEO and it was then unfortunately overlooked but he stated that he would like to engage in future meetings.

Cllrs Venables and Howells submitted apologies for the February meeting. A member requested a progress report on littering and dog fouling. He was advised to complete a referral form.

- RESOLVED:** The Committee:
1. Approved the feedback from previous meetings of the Subject Overview and Scrutiny Committee and noted the responses still outstanding.
 2. Requested further information in relation to the feedback as detailed above.
 3. Identified additional information they wished to receive when considering items delegated to future meetings.

64. **COMMUNITY ASSET TRANSFER**

The Head of Operations, Community Services presented a report updating the Committee on the work of the Community Asset Transfer Task and Finish Group, the implementation of recommendations made by the Overview and Scrutiny Committee 3 in January 2018, proposed changes to the Council's CAT policy and processes and current and future CAT activity. He outlined recent changes to the staff structure within the Communities Directorate including changes to roles and the reporting lines. He provided a background to CAT and explained that it was imperative that the Council continued to work in collaboration with the voluntary sector organisations to safeguard the services of value to the communities. He referred to the report relating to Playing Fields, Outdoor Sports Facilities and Parks Pavilions which had been considered by both the Subject Overview and Scrutiny Committee 1 and Cabinet seeking approval to undertake a consultation exercise on proposals to make the Council's provision of playing fields, outdoor sports facilities and sports pavilions more financially sustainable moving forward. This consultation would be circulated in due course.

The Head of Operations, Community Services explained that updated guidance on CAT had been circulated in October 2015 and it was based on the Best Practice Guide issued by Welsh Government. The CAT Task and Finish Group were recommending changes to the process which were not in line with the Best Practice Guide. He confirmed that the Corporate Management Board had agreed to extend the contract for the CAT officer for a further 3 years.

The Head of Operations, Community Services outlined CAT activity, the financial incentives and other support, the work of the CAT Task and Finish Group including a list of interim recommendations. He added that the final recommendations would be submitted to Cabinet to coincide with the report outlining the outcome of the public consultation and the proposed introduction of full cost recovery. A member asked for more information regarding the timescales for the consultation. The Head of Operations, Community Services explained that it was likely that the consultation would last for 12 weeks, it would take approximately a month to collate the results and prepare a report to Cabinet for a decision on the way forward.

The CAT Officer explained to the Committee that the availability of the 80% subsidy was preventing interested parties committing to the process, however they were aware of the process and engaging with the authority. He added that there were 40 pavilions, 6 to 7 bowling clubs and 4 to 5 playing fields although not all were suitable for CAT. Members requested that a full up to date list of assets be made available to all members so they could see what assets were available for transfer.

A member suggested that because of the time taken to complete 4 transfers the Council should give up on the idea of CATs and start to be responsible for running its own services. Many of the groups would never have the knowledge or expertise to engage in the process and the amount of money spent on CAT was far in excess of what had been saved.

The Head of Operations, Community Services explained that as an officer responsible for a budget affected by the MTFs proposals he had to find a way forward. The Cabinet Member Communities added that they did not have the money to continue to offer these facilities to the public. There was no statutory responsibility to provide these services but CAT provided an opportunity to keep the assets open to the public to continue the use of the facilities. There had to be due diligence to protect both the organisation and the Council, however the CAT Task and Finish Group had found a way forward where they could speed up the process.

The Head of Operations, Community Services explained that there was generally a level of confidence in the organisations and this confidence had been bolstered by evidence from neighbouring authorities such as Neath Port Talbot (NPTCBC) where the majority had been transferred and very few had come back. The Senior Development Surveyor added that during a two year period, between 50 and 60 had been transferred. NPTCBC did not follow WG best practice, they used a standard lease and the majority were still up and running. Members asked for the CAT figures of NPTCBC that had been undertaken, including how many had been transferred and how many remained open after the transfer had taken place.

The Wales Co-Operative Centre representative stated that they could provide support around all aspects such as finance, trading and performance. Members recommended that officers work with other third party organisations to put together guidance on what support / grants were available to potential interested parties to support them through the CAT process so groups were fully informed of what funding streams and non-financial support were available to them.

A member asked for a breakdown of the projected figures on the cost of the CAT programme against the savings which could be potentially returned if all CATs were successful. Members asked that this include the officer time and resources on processing CAT.

A member asked what processes were in place in the event an organisation took on an asset then later folded and if this had been considered. The Head of Operations, Community Services explained that this had been discussed and it depended on the asset. The reality was, if an asset came back post transfer, there would be no budget to run it and it would be a surplus asset. If no parties wanted to run it, they would have to determine if it could be demolished or sold as a development potential

A member asked how this complied with the Wellbeing of Future Generations Act. The Head of Operations, Community Services explained that the loss of the provision would be an issue and that in order to comply with the Act, CATs were the way forward. Members asked to receive further guidance on how the potential of closing assets where a CAT was not undertaken complied with the Future Generations and Wellbeing Act.

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A member questioned the number of surveys carried out at a cost of more than £122,000 and asked if they were all necessary at this stage. The Cabinet Member Communities explained that the authority was unable to maintain these facilities and if nothing was done they would close anyway because they would deteriorate to such an extent, the public would not be allowed to use them. The CAT Officer added that it was costly to commission a survey, however the authority was responsible for making groups aware of their responsibility before they took an asset on.

Members recommended that before progressing a CAT to a stage where costs were incurred such as undertaking a condition survey of a building that the viability of the group/ community being able to progress a CAT be explored prior to costs being incurred.

A member asked if some groups could access funding not available to the Local Authority. The CAT Officer explained that as long as there was a long term lease, over 10 years they could apply for funding. Another benefit was that these organisations could use tradespeople and access building works at cost.

A member raised the issue of responsibility for bus shelters. The Head of Operations, Community Services explained that some were on land that belonged to the Borough Council and some to the Town Council and some were on a lease for advertisements. He was concerned about the financial viability of CATs and bus shelters because there were a high number of them and the savings would be low.

A member asked what progress had been made regarding the development of webpages to promote CATs and to provide basic information. The CAT Officer explained that there had been initial discussions and the policy was being updated, however it would not be available until March. The policy would then be submitted to Cabinet before being uploaded to the website where it would be accessible to all groups.

The Head of Operations, Community Services explained that the Task and Finish Group had concentrated on streamlining the CAT process including the provision of information upfront and the use of standard templates. This was a move away from the Welsh Government (WG) business model to a more risk based approach. They would still expect a level of financial planning but the amount of work required would reduce in many cases. He stressed that this was a move way away from best practice and asked for the Committee to give the Task and Finish Group a steer on this approach. The Senior Development Surveyor added that this would not apply to all cases and the existing policy would continue for the more complex cases. A member asked what the significant differences were and the implications for the authority if they moved away from WG best practice. The Head of Operations, Community Services explained that Wales Audit Office could look at council practice and criticise the Council for not adopting WG best practice. The CAT Officer added that the revised process they were looking at placed more emphasis on the organisation's capabilities to sustain the asset in the long term. A member suggested the authority should write to WG explaining that a more workable strategy was required. The Head of Operations, Community Services replied that there was a place for WG best practice when it came to the transfer of larger models but not necessarily for smaller models. It was noted that the guidance from WG on CAT was not statutory, therefore members asked that officers write to WG to ascertain if there had been any negative feedback from Authorities that had moved away from the best practice model. Members were in favour of officers moving away from suggested WG best practice as detailed in para 4.32 of the report to streamline the CAT process to avoid closure of assets and to allow groups to take over the running of the assets in a timelier manner.

A member asked if the transfer of facilities to a not for profit company had been considered. The Head of Operations, Community Services explained that any

organisation would face the same problems in that income would not be enough to cover costs. Members asked that officers fully explore the option of a not for profit organisation being established such as Awen, to undertake a transfer of the assets in the Borough and give them the best possible chance of remaining open after the transfer had taken place and to achieve the savings in the MTFS. Members asked if any other Local Authorities had undertaken this type of transfer.

Members discussed the savings required over the next few years. The Deputy Leader explained that they had to balance the books and the outcomes from the consultation regarding the budget and priorities, indicated that playing fields were not a priority. The intention was to give organisations a fair chance to take over sustainable facilities and to come forward with solutions.

Requests for Further Information and Conclusions

Members thanked the officers for their time preparing the report and attending the meeting to answer questions.

Further Information

- Members requested a full up to date list of assets to be made available to all members so they could see what assets were available to be transferred.
- Members asked for the CAT figures of NPTCBC that had been undertaken, including how many had been transferred and how many have remained open and successful after the transfer had taken place.
- Members asked for a breakdown of the projected figures on the cost of the CAT programme against the savings which could be potentially returned if all CATs are successful. Members ask that this include the officer time and resources on processing CAT.
- Members asked to receive further guidance on how the potential of closing assets where a CAT is not undertaken complies with the Future Generations and Wellbeing Act.

Recommendations

- It was noted by members that the guidance from WG on CAT was not statutory, therefore members asked that officers write to WG to ascertain if there has been any negative feedback from Authorities that have moved away from the best practice model.
- Members were in favour of officers moving away from suggested WG best practice as detailed in para 4.32 of the report to streamline the CAT process to avoid closure of assets and to allow groups to take over the running of the assets in a timelier manner.
- Members recommended that before progressing a CAT to a stage where costs are incurred such as undertaking a condition survey of a building that the viability of the group/ community being able to progress a CAT is explored prior to costs being incurred.
- Members recommended that officers work with other third party organisations to put together guidance on what support / grants are available to potential interested parties to support them through the CAT process so groups are fully informed of what funding streams and non-financial support are available to them.

Members asked that officers fully explore the option of a not for profit organisation being established such as Awen, to undertake a transfer of the assets in the Borough and give them the best possible chance of remaining open and successful after the transfer had

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taken place and achieve the savings in the MTFs. Members asked to explore if other Local Authorities had undertaken this.

65. **URGENT ITEMS**

None

The meeting closed at 12:30