

SOUTH RIBBLE BOROUGH COUNCIL

Scrutiny Committee

Meeting held at 6.00pm on Tuesday, 20 October 2015 in Shield Room, Civic Centre, West Paddock, Leyland PR25 1DH

Present:-

Councillor M Titherington (in the chair)

Councillors Mrs Ball, Mrs Blow, Martin, K Jones, Mrs B Nathan, M Tomlinson, Mrs K Walton, Watkinson, Wharton and Mrs Woollard

In Attendance:-

Darren Cranshaw (Scrutiny and Performance Officer) and Andy Houlker (Senior Democratic Services Officer)

Also in attendance:

Councillor Mrs M Smith (Leader of the Council) and Mike Nuttall (Chief Executive)

Public Attendance:-

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Other Members & Officers:-

Councillors Bennett, Mrs Mary Green, Hancock, Marsh, Mrs Moon, M Nathan, Nelson, Ogilvie, P Smith and Yates and 3 officers

Minute No.	Description/Resolution
20	<p>Apology for Absence An apology for absence was received from Councillor Coulton.</p>
21	<p>Declarations of Interest There were no declarations of interest.</p>
22	<p>Call-in – Delegated Decision No. 847 – Grant Funding to Cuerden Valley Park Trust The chairman welcomed the Leader of the Council and Chief Executive and thanked them for their attendance. He referred to the reasoning behind the call-in which had been re-produced on the agenda for the meeting.</p> <p>The committee was interested in the process that had led to the decision, unfortunately the delegated decision had not given this information and wondered if there was any other paperwork. The Chief Executive indicated he was privy to all the information the committee had received but there was no other paperwork than requested and provided. He confirmed that the business plan referred to was only a two page document.</p> <p>In respect of the request, had the appropriate questions been asked, such as was the scheme viable and/or an appropriate charity to financially support? The request letter dated 29 July 2015, referred to previous discussions and correspondence with Cuerden Valley Park Trust (CVPT). There were questions around where the financial figures in the CVPT business plan came from and substantiated. For example, £5,600 pa saving on running costs and a £44,000 surplus from activities in the centre/café would go towards the running of the park. Also in the plan how had £83,250 for other site costs been calculated and what was it actually. In respect of projected funding from other organisations, a number of those required very detailed submissions in order to be considered. There was no evidence the council had looked into this or requested such in respect of its grant of £7,000.</p> <p>The Leader commented that there had been one previous meeting some time ago on 24 September 2013 at the request of the Leader of Chorley BC. This had included the two councils' Leaders and the Trustees of the CVPT and discussed funding problems. She</p>

realised that most members now on this council would not be aware how old this was. This park had been created under an endowment to trustees to run it by the former Commission for New Towns (CNT) almost 40 years ago. At that meeting there had been discussion on the future/way forward including around other areas of support. The trustees had subsequently produced a business plan. The request received in July was the first this council had received for funding to support the park.

The Leader added that this council received very few requests and of those mostly were to give financial assistance to individuals. This request from CVPT was possibly unique and be looked at in a different way, because of how it was set-up and provided an amenity in part of South Ribble and, it was felt to contribute to/integrate with this council's new Central Park (around St Catherine's Hospice) and the Cuerden Strategic Site.

In respect of spending public money, the committee wondered if this council had looked at viability and requested more information. There was very little in the delegated decision. Councillor Mrs Smith indicate that until the recent request this council had not been aware the CVPT had wanted help other than it promoting the park and its activities. Whilst this council wanted the park to continue, this had not always been assured and the business plan was produced to take it forward. This envisaged a café with visitor/education centre. This council was conscious that about 90% of the park and most of its facilities were in the Chorley area. Chorley council had worked with the CVPT and given a grant. The Chief Executive confirmed that this council had not had a dialogue as such with the CVPT. Dialogue would have been the next stage after the delegated decision. This council before forwarding any monies would then have carried out checks and enquires about the CVPT's scheme (such as viability and commitment from other funders etc). He added that that morning he had heard that the scheme was committed and would happen. This council now needed to finalise its commitment. The Leader added that due to this council's history with the CVPT it already knew a lot about what was involved. If this had been another body the council had been unaware of, then yes, there would have been a lot more discussion/processing before such a decision. In respect of this request, there was a discussion and if the council had any funds available the process would move forward.

Whilst accepting the CVPT might be a unique case, the committee was interested to know the procedure/process followed regarding potential available funding and why was the decision made as a delegated decision. The Leader replied that she had discussed the request with the Chief executive and Councillor Bennett (Cabinet member for Finance & Resources) around what opportunities there might be to give a grant if monies were available. It was confirmed that the amount of grant was based on amount of land in South Ribble. This was about 10%. Chorley had given a grant of £65,000 and it was felt appropriate to make the amount of a grant from South Ribble pro-rata. It was confirmed that the consultation process had been between the Leader, Cabinet member for Finance & Resources and the Chief Executive and not included the chairman/vice-chairman of a My Neighbourhood Forum. The Leader added that possible financial streams were looked at and some available funding was identified. There was some Section 106 monies that had been received a number of years ago for a development on Kellett Lane.

The committee questioned about the use of those monies as it was suggested that the use of the Section 106 monies was for the replacement of lost public open space which was not the CVPT's scheme. Also there appeared to be a recurring theme from the My Neighbourhood Forums of concern about accessing available Section 106 monies in their respective areas. The My Neighbourhood Forum was not involved in this particular decision when it appeared there was such an obligation. The Chief Executive informed the committee that that specific Section 106 agreement imposed a requirement on the developer to pay the council a single sum of £20,219.10 when the first dwelling was occupied. The wording of Section 106 agreements could be quite loose and this one made no reference to what it was for. In respect of consultation on Section 106 monies, there was no requirement in the council's Constitution. The Leader added that there was no guarantee that granting of planning permission would subsequently lead to housing and then receipt of Section 106 monies. In

respect of this specific agreement she had only learned very recently that the council had as yet not received this amount. It was understood the developer was paying on the drip (about £250 per month). As a result the council had so far received in the region of £12,000.

The committee pondered what was meant by reference to consultation. Whilst it was not doubted that the CVPT was a laudable charity, if a decision to give a grant of £7,000 simply based on the fact that Chorley had given £65,000, it would not hold up to scrutiny. On what basis had Chorley given £65,000. It could be accepted that there was no breach of the Constitution but was it acknowledged that it might have been better to have spoken to the forum before this decision was taken. This was acknowledged in some respects it would have been, and the Chief Executive had subsequently had a conversation with the chairman of the forum. It was not felt that there had been anything untoward in the process.

It was suggested that there had been issues with wording in the report. If there had been more background information, level of consultation (such as the CVPT and local forum), justification of why £7,000 it may have been a more viable report. In future, maybe the council could look at how those reports were written with a little explanation of reasoning.

The Leader reminded the committee that the purpose of this meeting and her understanding for attending was to discuss the call-in of delegated decision no.847 based on the points listed on the agenda. In respect of the second point, the council might not have criterion as it very rarely received grant funding requests.

Councillor Yates (in the audience) commented on the preceding debate and that local councillors should be able to know where available funding was from and how much. The Cabinet member for Finance & Resources (in the audience) commented that he had very recently received a request for information on Section 106 monies and he had spoken to local councillors and offered to meet and openly discuss it. The Leader repeated her previous comments on the background with the CVPT and that she had heard a few months ago that it would receive a grant from Chorley BC. There was no consultation with forum chairmen/vice-chairmen. There was a reference in the council's constitution relating to area chairmen, but they no longer existed. The Leader confirmed that all forum chairmen had access to financial information and she had personally informed the local forum chairman where and what monies there were in that area.

The Chief Executive commented about transparency and that to date decisions to about Section 106 monies had either been through Cabinet or by delegated decision. In this instance it was not felt to warrant consideration by cabinet and a delegated decision had been felt more appropriate.

The chairman closed by again thanking the Leader of the Council and Chief Executive for their attendance, and for answering the committee's questions.

RESOLVED (unanimously) that:

1. delegated decision no.847 (Grant Funding to Cuerden Valley Park Trust) stands;
2. the committee recommends that future delegated decisions include more detailed information and evidence that due process has been followed, including consultations;
3. the committee recommends that a documented process for grants requests be developed, including due diligence on projects; and
4. the committee recommends a clear process for the allocation and spending of Section 106 monies be developed, including links and consultation with the council's appropriate My Neighbourhood Forum.

..... Chairman

(The meeting finished at 7.05pm)