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| MINUTES OF | SCRUTINY BUDGET AND PERFORMANCE PANEL |
| MEETING DATE | Thursday, 2 July 2020 |
| MEMBERS PRESENT: | Councillors David Howarth (Chair), Will Adams, Colin Coulton, Colin Sharples and Karen Walton |
| CABINET MEMBERS: | Councillor Paul Foster (Leader of the Council and Leader of the Labour Group) and Councillor Mick Titherington (Cabinet Member (Health, Leisure and Wellbeing)) |
| OFFICERS: | Darren Cranshaw (Assistant Director of Scrutiny & Democratic Services) and Charlotte Lynch (Democratic and Member Services Officer) |
| GUESTS: | Councillor Harold Hancock, Councillor Angela Turner, Gary Hall (Interim Chief Executive), James Thomson (Deputy Director of Finance), Jennifer Mullin (Director of Neighbourhoods and Development), Andrew Richardson (Assistant Director of Neighbourhoods), Neil Anderson (Assistant Director of Projects and Development), Greg Clark (Landscape Officer), Councillor Paul Foster (Leader of the Council and Leader of the Labour Group), Councillor Harold Hancock (Mayor) and Councillor Angela Turner |

6 Apologies for Absence

None.

7 Declarations of Interest

None.

8 Coach House Lottery Project

The Panel considered a report of the Director of Neighbourhoods and Development which detailed the costs of the restoration of the Coach House building in Hurst Grange Park, Penwortham.

The Interim Chief Executive, the Director of Neighbourhoods and Development, the Assistant Director of Neighbourhoods, the Assistant Director of Projects and Development and the council's Landscape Officer attended the meeting to answer members' enquiries. Councillor Mick Titherington, Cabinet Member for Health, Leisure and Wellbeing, and Councillor Paul Foster, the Leader of the Council, were also in attendance.

The report was to be considered by the Scrutiny Budget and Performance Panel as a result of members' concerns regarding an increase in expenditure on the project

and at the request of the Leader. A grant of £513,100 from the National Lottery Heritage Fund had been awarded for the project and supplemented by £17,000 raised by the Friends of Hurst Grange Park and a proposed contribution of £253,000 from South Ribble Borough Council as part of an overall project cost of £783,625.

Members were keen to ascertain the level of involvement of the Cabinet Member for Health, Leisure and Wellbeing in the project and were informed in response that the Cabinet Member was aware of the project prior to his appointment as portfolio holder and that he had been taken part in a Full Council vote to approve the application for National Lottery funding.

It was acknowledged that the council had not yet accepted the funding offer by the National Lottery and that this would be a decision for Full Council. It was suggested that the council could accept a portion of the offered funding, but this was unlikely due to the significance of the achievements in being offered the funding.

Some concern was expressed that the project had not been included in the council's Corporate Plan and the impact that this would have on monitoring the project. In response, members were advised that the project was incorporated into the wider objectives for parks and that contingencies had been included into the funding bid for monitoring. The Scrutiny process could also be used to monitor the project.

Discussion focused on the lack of transparency around the increase in costs of the project. It was acknowledged that the increased costs had been reported to Full Council in February 2019 and February 2020 and to Cabinet in June and October 2019 but that this was not readily identifiable within the reports.

The Panel also queried the level of stakeholder engagement in the project. Regular progress updates were provided to the supporting officer to relay to members of Penwortham Neighbourhood Forum and a meeting was held on 30 October 2019 to brief Forum members.

It was conceded that this meeting had clashed with a mandatory safeguarding training session for all members and that only one member attended the Forum meeting.

Minimal engagement had taken place with Penwortham Town Council and a need for better consultation was acknowledged.

Consequently, the Interim Chief Executive suggested that further consultation could be undertaken prior to a decision being taken by Full Council. Members of the Panel were receptive to this.

In response to queries regarding the reason for the rising costs of the project, it was explained that the initial figure reported in 2018 had been based on a funding level of 5% of the anticipated building cost. Since then, the council had been permitted to apply for full Heritage funding and, consequently, needed to increase the match funding level to compete with other bids. Additional contingencies and building works were largely responsible for the increase.

Reassurance was provided that these contingencies would limit the total cost of the project.

Members also questioned the evidence base for the project considering the number of similar venues in South Ribble. Whilst a change in stock and availability had changed over time, officers were confident that a need for and interest in the building remained. The impact on Hurst Grange Park and the wider community had also been considered.

Consultants for the project had created an activity plan which considered other provisions in the area but emphasised how the Coach House could complement the park.

Assurances were provided that the income projections were conservative and could be met. Initial discussions regarding tenancy had taken place with local social enterprises.

Concern was expressed that the implication contained in the report that a rejection of the grant by Full Council '*could generate negative publicity for the council*' was unwarranted given the lack of engagement with members. It was agreed that this comment would be revised.

The Panel queried the lessons learnt as a result of the meeting and a lack of transparency and stakeholder engagement was acknowledged. Commitment to improvements in these areas was provided.

The ward members for Broad Oak were also present at the meeting and also asked questions of the Cabinet Member and officers.

Concern was expressed that the tender process for works to the Coach House did not mention commercial category pricing for bidding contractors. This would protect the council's financial liability and needed to be incorporated.

In response to a query about what would happen if the project was refused by Full Council, members were advised that the project scope would be reviewed in this event.

The Chair of the Panel thanked those in attendance and commended the Friends of Hurst Grange Park, Councillor Mick Titherington and Greg Clark for their work.

RESOLVED: (Unanimously)

That

1. the Council reviews its scheme of delegation to Members and Officers to clarify roles and responsibilities for decision-making, including documenting decisions and ensuring they are open and transparent.
2. a review of the process for bidding for and accepting external funding takes place to ensure that approvals are in place and risks are effectively managed.
3. the Project Management Framework is reviewed with a view to strengthening project approvals, monitoring and dealing with any deviations.

4. future reports agreeing the capital programme provide greater details of each project to ensure Members are making informed decisions.
5. members are briefed and engaged in key the projects and activities taking place in their ward and local area.
6. greater links are established between the new My Neighbourhood Forums model and key projects as part of the Council's commitment to putting communities at the heart of everything we do.
7. the Scrutiny Panel urges the Cabinet Member to re-visit the project and scale it down to make it more affordable whilst restoring the existing Coach House structure.
8. any items committing the Council to significant costs or expenditure be approved by Cabinet or Council as appropriate.

Chair

Date