

## **SCRUTINY COMMITTEE**

**MONDAY, 13 OCTOBER 2014**

**PRESENT:-** Councillors Robert Wright (Chair), Michael Bray, John Ballman, Mark Dempsey, Oliver Donachie, Toby Elliott, Colin Lovell, Cindy Matthews, Kevin Parry, Maureen Penny, Stan Pajak, James Robbins and Steve Weisinger.

Councillor Garry Perkins, Cabinet Members for Economy, Regeneration & Skills, was in attendance.

Apologies for absence were received from Councillors Mary Martin (Vice-Chair) and Vera Tomlinson.

### **24. Declarations of Interest**

The Chair reminded Members of the need to declare any known interests in any matters to be considered at the meeting. No declarations were made.

### **25. Public Question Time**

Mr Terrence Reynolds, a local resident, asked three questions regarding the Oasis Leisure Centre Commissioning arrangements. At the Chair's invitation, the Council's Head of Property Services responded to Mr Reynolds' questions. It was agreed that a written response should be provided to Mr Reynolds' third question, concerning monies being paid by the new leaseholders, once he provided more precise details of the information that he was seeking.

### **26. Minutes**

Resolved – (1) That the minutes of the meeting held on 15<sup>th</sup> September 2014 be confirmed and signed.

(2) That, in response to a question put by Councillor Toby Elliott, at the meeting on 15 September, it be noted that 63 Council houses had been sold to tenants under the Right To Buy scheme over the period of the last year. That a written response be sought to a question put by Councillor Maureen Penny, at an earlier meeting, regarding the leisure centres transfer and the cost and details of outstanding backlog maintenance works.

### **27. Commissioning - Oasis Leisure Centre**

The Committee received a report reviewing the commissioning procedure utilised by the Council in relation to the transfer of the Oasis Leisure Centre. It was noted that the transfer of the Oasis Leisure Centre had been progressed to achieve the following One Swindon and Corporate Objectives:

- "Improve health and wellbeing for all by increasing and widening participation in sports, leisure and culture."
- "More young people are supported to take part in sports, leisure and culture."
- "We can all benefit from a growing economy."
- "I like where I live."
- "Make best use of Swindon's resources inside and outside the Council."

The report sought to identify good practices within that process that might be adopted elsewhere in the Council and also any lessons that might have been learnt from the process.

Councillor Garry Perkins, Cabinet Member for Economy, Regeneration & Skills, introduced the report, summarising the background to this initiative to enhance district leisure facilities, through either the refurbishment and improvement of the existing facilities or by the provision of a new build facility, and took the Committee through the various elements of the commissioning process, in the period from inviting expressions of interest from interested parties in developing a leisure destination on the Oasis site to the Cabinet decision to enter into a collaboration agreement with the winning bidder 'Moirai', in February 2012. Councillor Perkins summarised the particular areas of good practice that had been identified in relation to the process and experiences that might positively influence the on-going and future transfer of other Council leisure services and facilities.

Following his presentation of the report, Councillor Perkins, supported by the Head of Property Assets and other officers, responded to questions put by members of the Committee and Councillor Des Moffatt on the issues raised in both the report and the presentation, including:

- The level of cross party support for the transfer of the Oasis Leisure Centre.
- The Cabinet Member's level of involvement in establishing the commissioning procedure utilised in relation to the transfer of the Oasis Leisure Centre.
- The application of best practice to the commissioning process and the Cabinet Member's assessment of where such application had proven to be most successful.
- The composition of the cross-party working group established to oversee the commissioning process.
- The effectiveness of due diligence in relation to the parties invited to submit proposals, in light of the necessity for the deed of variation subsequently required by the winning bidder to facilitate access to working capital.
  - Due diligence in relation to new or recently-founded companies.
  - The funding arrangements for the improvement of the Oasis Leisure Centre and the effectiveness of the commissioning process in identifying potential problems that might be associated with a developer's ability to access working capital.
  - The decision to remove from the BTA the Council's ability to "buy-back" the facility.
- The performance of the winning bidder in relation to the achievement of milestones in the Business Transfer Agreement (BTA) for the delivery of key activity and allegations that monies owing to local businesses had not been paid.
- The efficacy of using delegated authority and the Cabinet Member Briefing Note process to authorise the variations to the BTA referred to in paragraph 3.15 of the report.
- The projected timeframe for the submission of planning applications for the Arena and Snow Dome elements of the proposed development.
- The due diligence criteria utilised by the Evaluation Panel established to consider and evaluate written bids and presentations for the delivery of a new leisure centre on the former Clare's site.

- The timeframe that plans have existed for the development of an Arena and Snow Dome.
- The average timeframe for proposals for the regeneration of a town centre or similar large scale development to come forward.
- The cost to the Council of running the Oasis Leisure Centre if the transfer had not taken place and the cost to the Council subsequent to the transfer.
- The standard practice of developers sourcing funding only after initial plans have been produced.
- The breakdown of the £1.5m expenditure on the site attributable to Moirai, GLL and grants from central government, charities and other groups.
- Variations to the BTA requested by Moirai but not accepted by the Council.
- The possible implications of the lost opportunity cost to the Council of leasing the undeveloped land to Moirai.
- The Cabinet Member's knowledge of the circumstances of the purchase of "Oasis Operations" by a particular named individual
- The officers' view of the likelihood that funding for this project might have been secured without the requisite changes to the BTA.

Resolved – (1) That the report, and the presentation of that report by Councillor Garry Perkins, Cabinet Member for Economy, Regeneration and Skills, be noted. That the experience gained by Members and officers arising from the Oasis Leisure Centre commissioning process, and how this has been applied in regard to the on-going transfer of the Council's six leisure centres and two golf courses (as set out in paragraphs 3.16 - 3.18 of the report), be also noted.

(2) That officers, through the auspices of the Member Development Working Group if appropriate, arrange a workshop for members to enhance their understanding of the various issues raised by members during the Committee's debate of the Oasis Leisure centre Commissioning process.

(3) That the Corporate Governance Working Party be asked to consider the existing governance arrangements applied in respect of the variations to the Oasis Leisure Centre Business Transfer Agreement and, in particular, the Scrutiny Committee's recommendation that variations of the "size and magnitude" referred to in the report, should, in future, require formal Cabinet approval.

## **28. Cabinet Member Question and Answer Session - Cabinet Member for Economy, Regeneration and Skills**

Councillor Garry Perkins, Cabinet Member for Economy, Regeneration and Skills, was in attendance and presented a detailed report summarising progress and performance in respect of each of the following service areas within his portfolio of responsibility:

- Economic Development, Regeneration (except Wichelstowe and Village Centres project) and Forward Swindon Limited (FSL) Client Lead Member
- Museums, including Steam
- Arts and Culture
- Specific responsibility for Lydiard Park Project
- Superfast Broadband
- Strategic Property Portfolio
- Changes to the Borough's boundaries to support economic development
- Lifelong Learning

- Tertiary education
- Skills.

At the request of the Chair, Councillor Perkins, in his presentation of the report, commented specifically on those elements within his portfolio which he felt had been most successful, those where a different approach might have produced better results and the lessons that might have been learned as a consequence, and the challenges he expected to be faced by the Council relation to these service areas in the coming year and beyond, particularly in relation to on-going budgetary constraints.

Following his presentation of the report, Councillor Perkins responded to members' specific questions and observations on the issues raised in the presentation and also in the accompanying report.

Resolved – (1) That Councillor Perkins, and his support team of officers, be thanked for attending the meeting to present this performance report and for their full and open responses to members' questions and observations on the issues raised.

(2) That information requested by members during the course of the Committee's consideration of this item be forwarded to members via the Committee Clerk.

## **29.**

### **Work Programme Update**

The Committee received a report providing an update on the Scrutiny work programme for 2014/15, including a proposal by the Chair that a cross-party Task Group should be established to review the processes followed by the various relevant agencies in response to the fire at the Averies Recycling Centre. It was noted that the purpose of the Task Group was to provide a report to Council in response to the motion, agreed at its meeting on the 18th September 2014, inviting the Scrutiny Committee to "review the Local Resilience Forum's independent, multi-agency debrief of the Averies Fire incident."

Resolved – (1) That the work programme update report be noted.

(2) That, in compliance with the agreed motion at the Council meeting on 18<sup>th</sup> September 2014, a Task Group, comprising Councillors Dempsey, Pajak, Elliott, Matthews, Weisinger and Penny, be established to review the Local Resilience Forum's independent, multi-agency debrief of the Averies Fire incident and to submit a review report to a public meeting of the Scrutiny Committee (to be arranged).