



Minutes

FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE

MINUTES OF THE FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE HELD ON TUESDAY 19 DECEMBER 2017, IN MEZZANINE ROOM 1, COUNTY HALL, AYLESBURY, COMMENCING AT 10.35 AM AND CONCLUDING AT 11.25 AM.

This meeting was webcast. To review the detailed discussions that took place please see the webcast which can be found at: <http://www.buckscc.public-i.tv/core/portal/home>
The webcasts are retained on this website for 6 months. Recordings of any previous meetings beyond this can be requested (contact: democracy@buckscc.gov.uk)

MEMBERS PRESENT

Mr W Bendyshe-Brown, Mr T Butcher, Mr C Clare (Vice-Chairman), Mrs A Cranmer, Mr M Farrow, Mr D Martin, Ms J Ward and Mr D Watson (Chairman)

OTHERS IN ATTENDANCE

Mr R Ambrose, Mr J Chilver, Ms D Clarke, Ms G Quinton, Mrs K Sutherland and Ms S Turnbull

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

There were none. The Chairman welcomed Mrs Anita Cranmer to her first meeting of the Committee.

2 DECLARATIONS OF INTEREST

Mr Bendyshe-Brown declared an interest in agenda item 6 as he had been involved in the Bucks Sports and Social Club bid and he left the meeting.

Mrs Julie Ward declared an interest in agenda item 6 as she had supported the call-in of the decision to close the Bucks Sports and Social Club. She was advised that she could remain in the meeting but not participate in the debate.

3 MINUTES

The minutes of the meeting held on 14th November 2017 were agreed as a correct record.

4 PUBLIC QUESTIONS

There were none.

6 BUCKS SPORTS AND SOCIAL CLUB - CALL-IN UPDATE

The Chairman welcomed Mr John Chilver, Cabinet Member for Resources, Mrs Gill Quinton, Executive Director, Resources, Ms Deb Clarke, Interim Director of Organisational Development and Human Resources (OD&HR) and Mr Richard Ambrose, Director of Finance and Assets to the meeting.

The Chairman also welcomed Ms Sara Turnbull, Head of Democratic Services and the Council's Statutory Scrutiny Officer, who reminded Members that the Call-in process enabled the Select Committee to provide a robust check and challenge to decisions taken by Cabinet or Cabinet Members. The Call-in had been concluded at the 12th September meeting when the Committee recommended that the Cabinet Member should reconsider his decision to close the Bucks Sports and Social Club and in particular should reconsider Option 3, which was to consider transferring the management of the Club to an Alternative Delivery Vehicle, for example, a Community Interest Company.

The Chairman asked the Cabinet Member to outline the process he had undertaken following the 12th September meeting. During the presentation and in answer to subsequent Members' questions the following main points were noted:

- Following the 12th September meeting, the Cabinet Member had written to interested parties to invite them to submit proposals to take over management of the Bucks Sports and Social Club. A deadline of 20th November 2017 was set. A dedicated email address for consultation had been established.
- The Cabinet Member had regular meetings with the local Member to keep him updated throughout the process.
- Two proposals were received by the deadline and these were evaluated by an independent panel comprising of Legal, Procurement and Finance professionals.
- The Interim Director of OD & HR explained that she had met with the Bucks Sports and Social Club Members group, along with the Cabinet Member and on one occasion with the Commercial Director, to explain the required format for their submission and to answer any questions. She and the Cabinet Member met with the group approximately six times.
- Once the bids were received they were evaluated by the panel. The Cabinet Member advised that he chose not to look at the submissions in detail as he wanted the independent panel to evaluate them.
- Both bids had areas where further information could have been helpful and one bid did not include Profit and Loss details.
- However the view of the evaluation panel was that the community bid was over-optimistic about potential income levels, whilst also being unrealistic about costs. The Profit and Loss projected a very slim profit margin for the Club which meant that it would be difficult to build up any reserves for the future.
- The Director of Finance and Assets confirmed that he agreed with the financial assessment of the submissions. The business case from the Sports and Social Club members was very full but the financial risks to the Council remained. Assumptions around income and membership levels were optimistic and although the submission outlined various grants and donations that the Club hoped to secure, there was little evidence to support this. A very small surplus was forecast for the first two years but with no reserves the sustainability of the club was questionable.
- A Member expressed concerns that the community bidders may not have received sufficient advice for preparing their bids and the evaluation panel had not been

adequately briefed. The Director of OD and HR reiterated that one of the bids had been well-supported with a number of meetings with the Cabinet Member and officers. The Council had not been aware that a second bid was being prepared, but when that submission was received the deadline was extended to allow it to be reformatted to meet the requirements, but the bidder asked for the submission to be evaluated as it stood.

- In the interests of transparency, a Member asked for confirmation that all documents had been shared with the Committee. The Cabinet Member confirmed that all relevant information had been shared.
- A Member queried if the evaluation panel had asked for further information from either of the bidders. It was confirmed that the panel felt that on balance they could still reach a conclusion based on the information they had and they did not want to ask the groups to undertake further work.

In light of this discussion, the Chairman asked the Cabinet Member for Resources to confirm his decision. The Cabinet Member advised that as the evaluation report concluded that both bids represented an unacceptably high risk to the Council, the original decision to close the Bucks Sports and Social Club would still stand.

The Cabinet Member paid tribute to both bidders for the work they had put into their submissions and he thanked everyone who had submitted written representations. In reaching this decision, in addition to the results of consultation, the Cabinet Member had taken into account the evaluation panel's advice, the Equalities Impact Assessment, the Council's overall financial position and the fact that it was not a statutory duty for the Council to provide leisure facilities. The Cabinet Member thanked all the officers and the members of the Select Committee who had been involved in this process.

A Member commented that whilst he believed the decision to be the right one on financial grounds, local residents might still feel a sense of injustice because of the original lack of consultation which had been highlighted by the Committee at its 12th September meeting. It was suggested that the public might find it easier to accept the decision if feedback around the risks could be provided.

In conclusion, the Chairman commented that it was a difficult balance between commercial sensitivity and the need for transparency and openness. The Committee had played its part by scrutinising the original decision and recommending that it should be reconsidered.

7 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

8 CONFIDENTIAL MINUTES

The confidential minutes of the meeting held on 14th November 2017 were agreed as a correct record.

9 DATE AND TIME OF NEXT MEETING

Tuesday 6th March 2018 at 10am in Mezzanine Room 1, County Hall, Aylesbury.

Budget Scrutiny meetings will be held on 9th, 10th and 11th January 2018, at County Hall, Aylesbury.

CHAIRMAN