

Minutes of a meeting of the Adults and Communities Overview and Scrutiny Committee held at County Hall, Glenfield on Tuesday, 13 January 2015.

PRESENT

Mrs. R. Camamile CC (in the Chair)

Mr. M. H. Charlesworth CC  
Mr. S. J. Hampson CC  
Mr. D. Jennings CC  
Mr. J. Kaufman CC

Mr. P. G. Lewis CC  
Mr. A. E. Pearson CC  
Mr. R. Sharp CC  
Mr. L. Spence CC

51. Minutes.

The minutes of the meeting held on 17 November 2014 were taken as read, confirmed and signed.

52. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

53. Questions asked by members under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

54. Urgent Items.

There were no urgent items for consideration.

55. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No such declarations were made.

56. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.

There were no declarations of the party whip.

57. Presentation of Petitions under Standing Order 36.

The Chief Executive reported that no petitions had been received under Standing Order 36.

58. Snibston.

The Committee considered a joint report of the Director of Adults and Communities and the Director of Corporate Resources to be considered by the Cabinet on 14 January. The report outlined the additional information received from the Friends of Snibston (FOS) in support of their business case and the evaluation of the FOS Business Case and the County Council's proposals in relation to Snibston. A copy of the report marked 'Agenda Item 8' is filed with these minutes.

The Chairman advised the Committee that since the report had been published a number of minor errors had been identified in relation to figures contained in paragraphs 20, 36 and 92 of the report. A paper showing those errors as track changes was tabled at the meeting and is also attached, **marked 1**.

The Chairman welcomed to the meeting Mr Richard Blunt CC, the Cabinet Lead Member for Libraries, Heritage and Arts and officers from the Adults and Communities, Corporate Resources and Chief Executives Departments who were attending to present the report and answer questions. The Chairman also welcomed to the meeting, Dr T. Eynon CC, the local member and Mr B. Vollar, Chairman of the Friends of Snibston who had asked to address the meeting.

The Chairman then invited officers to present the report. The Director of Adults and Communities and Director of Corporate Resources in introducing the report highlighted the following points:-

- (i) In light of the decision in the MTFS taken on 19 February 2014, the Cabinet agreed in April 2014 to undertake formal consultation on the proposed new offer from the County Council of a mining museum and invited other options. On 19 September 2014 the Cabinet received the outcome of the consultation and information from the FOS and a proposal from Mr Suleman of the Derby Museums Trust. As a consequence, officers were asked to assess the Business Plan put forward against the framework of the Localism Act, conduct a feasibility study and equalities and human rights impact assessments as well as an assessment of the implications of either offer on the collections. On 11 December the Cabinet was advised that, on the basis of information provided by the FOS, it could conclude that the business case presented by the FOS was not a valid expression of interest. The Cabinet accepted that the FOS proposals could be considered as an alternative to the County Council's offer and agreed to give the FOS additional time to respond to the concerns raised in the report. The report now before the Committee and the Cabinet included an assessment of additional information submitted by the FOS;
- (ii) With regard to the business case submitted by the FOS, officers advised that the key deficiencies related to the following:-
  - 1) It did not adequately reflect the costs to the County Council as the landlord of the site and the lease back of part of the property at a full market rental;
  - 2) It failed to address the issue of match funding which would be a requirement of any Heritage Lottery Fund bid. Linked to this would be the issue of contingent liabilities for the County Council as landlord;
  - 3) The business case was built on an unrealistic assumption of an 80 percent (£540,000) increase in income over a three year period. This was largely based

on a 60 percent increase in visitor numbers with no clear indication of how and why this should be the case;

- 4) It had unrealistic estimates of reductions in expenditure;
- 5) It required significant Capital Investment at the site. It assumed that all capital costs would be met by external sources including match funding. This was unrealistic.

- (iii) Members were also reminded that the proposals had been considered by an independent financial assessor nominated by CIPFA who had concluded that in her opinion the business case submitted by the FOS was “not financially viable”.

The Cabinet Lead Member, Mr R. Blunt CC, advised the Committee that the Council had followed an open and exhaustive process which included consultation and dialogue with the FOS. Had the FOS come up with a credible plan the Council would have welcomed it. He reminded the Committee that this was the third attempt by the FOS to produce a credible plan but they had failed to do so. He believed that after a year of deliberations it was now necessary to take a decision on the matter.

With regard to the County Council’s proposals for a smaller mining museum he advised that the Council would need to look at this in the context of the expected Comprehensive Spending Review by the next Government later in 2015.

Finally, Mr R. Blunt CC paid tribute to the work that had been put in by the FOS and by volunteers working at the Snibston site and stated that the tough choices the County Council faced were the consequences of the very difficult times we lived in and not a reflection of the efforts of staff and volunteers.

The Chairman then invited Mr B. Vollar, the Chairman of the Friends of Snibston to address the Committee. Mr B. Vollar read a statement to the Committee, a copy of which is attached to these minutes, **marked 2**.

The Chairman thanked Mr B. Vollar for his comments and then invited Dr T. Eynon CC, the local member to address the Committee. Dr T. Eynon CC read a statement to the Committee, a copy of which is attached to these minutes, **marked 3**.

The Chairman thanked Dr T. Eynon CC for her comments and invited members to comment. In the ensuing discussion a number of points were made and responded to as follows:-

- (i) In relation to the issue of promoting local history and heritage, members were advised that the County Council’s offer, focused as it was on mining, sought to do this. There was also a role for the local district and town councils to support such activity;
- (ii) With regard to the collections it was noted that only a proportion of these were currently on display. The concerns of all members to ensure that the collection currently on display or stored at Snibston should be retained and made accessible was noted. Given ongoing discussions with the FOS regarding their business case, it had been agreed that no action would be taken until such time as a decision had been reached on the FOS proposals. If the Cabinet agreed the recommendations in the report, the Director of Adults and Communities would undertake an audit and condition assessment of the collections currently stored or displayed at Snibston and

elsewhere and would identify opportunities for the display of those collections in alternative appropriate locations;

- (iii) In relation to volunteers currently working at the Snibston site, it was hoped that such volunteers would continue to work at the site under the County Council's revised offer. In addition, the County Council would explore alternative volunteering opportunities at other service points and facilities that it operated in line with its volunteering policy;
- (iv) No discussions had taken place with British Coal regarding covenants on the site. The potential capital receipts from any sale were an estimate. Once a decision was made the County Council would enter into a commercial negotiation with British Coal regarding the covenants and apportionment of any capital receipts;
- (v) The County Council's offer was not predicated on any grant funding from an external body such as Heritage Lottery Fund which would carry contingent liability. This was in contrast to the business plan put forward by the FOS;
- (vi) With regard to paragraph 43 of the Cabinet report, the County Solicitor advised that in addition to the two criteria set out in that paragraph the other four relevant criteria within the legislation were:-
  - information about the financial resources of the relevant body;
  - evidence that demonstrated that by the time of any procurement exercise the relevant body submitting the expression of interest would be capable of providing or assisting in providing the relevant service;
  - Information about the relevant service sufficient to identify it and the geographical area to which the expression of interest related;
  - information about the outcomes to be achieved and in particular how the provision of assistance would promote or improve the social, economic or environmental well-being of the relevant authority's area and how it would meet the needs of the users of the relevant service.
- (vii) In relation to the comments made regarding the approach taken by the County Council on libraries, members were advised that the County Council would require any proposal received to run a community library to be supported by a robust and financially viable business plan. The County Council had worked with the FOS in providing information to support and develop their business case. The Director of Corporate Resources drew particular attention to a letter sent by the County Council dated 24 September 2014 and indicated that he would circulate a copy of the letter to all members of the Committee. A copy of that letter is attached to the draft minute for the sake of completeness (attached **marked 4**). In the letter the County Council offered the FOS the opportunity to meet with officers to explore further issues and concerns identified. In response, a meeting was arranged on 2 October 2014 following which a request was made by the FOS for further information which was supplied to them on 14 October 2014;
- (viii) Officers from the County Council had contacted Mr Suleman of the Derby Museums Trust regarding proposals that he had put forward but were advised by Mr Suleman that he did not wish to pursue these and that they were to be regarded as an expression of support for the FOS. As a result no further action was taken;

(ix) Members were advised that if the Cabinet was minded to agree the recommendations now put forward work would commence on:-

- 1) Refining the County Council's proposals for a smaller mining museum. In this regard members were advised that detailed financial schedules were already in place;
- 2) Linked to the above, identifying those services that were not related to the new County Council offer and developing a programme of action to stop such services;
- 3) Undertaking an audit and condition assessment of collections currently stored or displayed at Snibston and elsewhere;
- 4) Working with partners locally and regionally regarding the storage and display of such collections.

It was moved by Mr Sharp and seconded by Mr Spence:-

"That the recommendations in the Cabinet report be supported subject to recommendation (a) in the report of the Cabinet being deleted and recommendation (h) being amended to read as follows:-

- '(h) Agree to stop providing services at the current Snibston site which are not related to the proposed new County Council offer and authorise the Director of Adults and Communities to develop a programme to commence implementation of this decision and that in parallel agree to set up workshops which will involve officers and the Friends of Snibston meeting to consider how their current business plan can be made viable'."

The motion was put and not carried, four members voting for the motion and five against.

It was then moved by Mrs Camamile and seconded by Mr Jennings:-

"That the Cabinet be advised that this Committee having considered the representations and comments now made:

- a) Notes that the Friends of Snibston have been offered ample opportunity to develop and submit a robust business case but in the opinion of the professional officers of the County Council, and that of an independent financial expert nominated by CIPFA, have failed to do so;
- b) Supports the recommendations set out in paragraph 2 of the Cabinet report."

The motion was put and carried, five members voting for the motion and four against.

RESOLVED:

That the Cabinet be advised that this Committee having considered the representations and comments now made:

- a) Notes that the Friends of Snibston have been offered ample opportunity to develop and submit a robust business case but in the opinion of the professional officers of the County Council, and that of an independent financial expert nominated by CIPFA, have failed to do so;

b) Supports the recommendations set out in paragraph 2 of the Cabinet report.

59. Date of next meeting.

It was noted that the next meeting of the Committee would be held on Tuesday, 20 January at 2.00pm.

10.00 - 11.25 am  
13 January 2015

CHAIRMAN