

## OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on 17 June 2008.

**PRESENT:** Councillor Brunton (Chair), Councillors Cole, Cox, C Hobson, J Hobson, Ismail, Khan, Mawston, Purvis, Sanderson, J A Walker and Williams.

**OFFICIALS:** J Bennington, S Cartlidge, P Clark, A Hussain and P H Metcalfe.

**\*\* PRESENT BY INVITATION:** Councillor Budd, Executive Member for Regeneration and Economic Development

Councillor Hubbard (originator of the request to Call-In the decision).

**\*\* PRESENT AS AN OBSERVER:** Councillors McPartland, Rehman and K Walker.  
Colin Bage (representative of the Southlands Centre communal workshop users).

### **\*\* DECLARATIONS OF INTEREST**

No declarations of interest were made at this point of the meeting.

## **SOUTHLANDS CENTRE –COMMUNAL WORKSHOPS**

A report of the Senior Scrutiny Officer had previously been circulated regarding the meeting, which had been arranged in accordance with the Council's Call-In procedure. The Call-In related to decisions made at an Individual Executive Decision Making meeting of the Executive Member for Regeneration and Economic Development held on 20 May 2008 relating to a review of the Southlands Centre Communal Workshops.

The main components of the report of the Senior Scrutiny Officer included the following: -

- a) a copy of the report entitled Review of Southlands Centre Communal Workshops considered at the Individual Executive Decision Making Meeting of the Executive Member for Regeneration and Economic Development held on 20 May 2008 which set out the following:-
  - i) The purpose of the report had been to seek approval to withdraw the communal workshop facility within the Southlands Centre, to enable usage of the space to be better aligned with Economic Development objectives, and to improve financial efficiency.
  - ii) The report presented to the Executive Member, illustrated that while the enterprise centre units and the leisure facilities within Southlands Centre were all meeting Key Performance Indicator targets, the communal workshops were not well used and were not making any contribution to income.
  - iii) The outcome of consultation, which had taken place, had not changed the conclusion that the facility was not sufficiently used for economic purposes for local residents to access training, employment or self-employment, to justify the continued cost to Economic Development.
  - iv) The report stated that in financial terms, the closure of the communal workshops would create a financial efficiency. Further efficiency would be gained from re-letting the space, with a cost for refurbishment. The total financial benefit from the closure of the communal workshops and the re-letting of the space was reported as being substantial.

- b) the decisions taken at the Individual Executive Meeting held on 20 May 2008 were as follows:-
- i) That the closure of the Southlands Centre communal workshops, which would lead to the financial efficiencies indicated be approved.
  - ii) That discussions with Unity City Academy and Secondary Schools Education Improvement Programme will continue to bring their proposals forward. Should these plans be viable then the former workshop space could be made available for educational usage; and community usage will be secured if possible. Should these plans not be viable then the former workshop space will be let for business usage.
- c) details of the Call-In procedure;
- d) the reasons given to the Authority's Proper Officer, which had initiated the Call-In procedure as follows:-

'That the Executive Manager was not provided with options when presented with the report on the communal workshops. Options, including closure of the garage and woodwork units and retention of the metalwork room would ensure the public could continue having use of the facilities while also releasing units for business use and improve the financial efficiencies.'

The Chair welcomed all to the meeting and following introductions explained the procedure to be followed at the meeting.

The Executive Member for Regeneration and Economic Development introduced the Head of Economic and Community Regeneration who outlined the rationale of the proposals to withdraw the communal workshop facility which included the following key issues: -

- a) the review of the communal workshops had been part of an ongoing process to assess effectiveness to ensure that Government targets were being met and achieve financial efficiency;
- b) there was a need to ensure that resources were being focused on economic development activities which most effectively delivered Council objectives in particular that the original objectives of the communal workshops were being met to assist local residents in accessing training, employment or self-employment;
- c) whilst the other facilities in the Southlands Centre were shown to be meeting KPI targets the communal workshops were shown to be not well used and not making any contribution to income;
- d) a brief summary was provided of the subsequent consultation exercise which had resulted in a range of letters and emails from various representatives including community, workshop users, and businesses;
- e) the consultation process had also resulted in a petition signed by 400 people opposing the closure;
- f) reference was made to a consultation briefing held on 19 March with local Ward Members and representatives of the users of the workshops with the aim of assisting the users in gaining a better understanding of the issues involved in proposing the closure of the communal workshops;
- g) the information arising from the consultation had concurred with the initial conclusion that the communal workshops were not sufficiently used for economic purposes;
- h) on the basis of the responses received from businesses based at the Southlands Centre the funding of the workshops through the usage by such businesses was not considered to be viable;

- i) reference was also made to discussions which had been held with Unity City Academy and Secondary Schools Education Improvement Partnership (SEIP) regarding possible use of the workshops;
- j) it was noted that owing to a lack of required funding that SEIP had withdrawn their interest;
- k) it was acknowledged that a difficult decision had to be made given that the workshops were undoubtedly valued by its users;
- l) in conclusion, it was reiterated that the Council had to ensure that the economic development objectives were being met in that local residents were accessing training, employment or self-employment to justify the continued resources to economic development.

The Executive Member for Regeneration and Economic Development confirmed that in making a decision full consideration had been given to the outcome of the consultation process as outlined in the report. It had been concluded that there had been little evidence that the workshops had been used for their original purpose and were not meeting the economic development objectives.

Councillor Hubbard was afforded the opportunity of asking questions of the Executive Member for Regeneration and Economic Development and Officers during which the following points had been raised:

- i) the Executive Member for Regeneration and Economic Development confirmed his awareness of the background paper to the report submitted entitled Managed Workspace Portfolio 2002 but indicated that many of the aspects were essentially out of date;
- ii) the Executive Member for Regeneration and Economic Development confirmed that he was aware of the opinion of the users regarding the changed location of the signing in book;
- iii) the Executive Member for Regeneration and Economic Development confirmed that the attendance figures were one of the major factors in taking the decision.

Colin Bage, representative of the workshop users was afforded the opportunity of addressing the Board, and included the following points: -

- the users of the communal workshops were extremely disappointed with the decision to close such a facility, a decision which they felt had been based on inaccurate information provided by the Southland's Centre management regarding attendance at the workshops;
- it was considered that further efforts should have been made to ascertain more accurate attendance figures which would also be required for health and safety requirements;
- it was considered that the statement in the report that the users of the facility were predominantly retired people was incorrect as the usage of such facilities covered the full spectrum of the community;
- insufficient account had been taken of the petition (with over 400 signatures), letters from the Euro MP, Councillors, MPs and letters from many individuals and small business representatives opposing closure;
- the removal of what was regarded as the community element was seen as detrimental to the ethos of the Centre as reflected in the objectives displayed in the entrance to the Centre;
- indications were given of the support given amongst users and members of the public using the facility.

Councillor Hubbard outlined the reasons for invoking the Call-In procedure emphasising the following key issues: -

- i) reference was made to the clearly stated aims and objectives as displayed in the hallway of the Southlands Centre a copy of which was circulated at the meeting and in particular the statement that 'the involvement of the whole of the East Middlesbrough community in the activities in the Centre and the need to take account of community involvement in the decision making process affecting the operation of the Centre' which were considered even more relevant given the Government's direction of 'empowering the community';
- ii) lack of investigation into and subsequent refusal of a suggestion to move the woodwork equipment into the metalwork room thus providing more space whilst still allowing three workshops for enterprise initiatives;
- iv) specific reference was made to the impact of statements within the Managed Workspace Portfolio Review report 2002, extracts from which were circulated at the meeting, which stated that the communal workshops were under-utilised owing to lack of staff to supervise the facilities and that it would be ideal to suggest moving Stockton Street operations to the Southlands site information on which had not specifically referred to in the report submitted to the Individual Executive Decision Making meeting on 20 May 2008;
- v) the Board's attention was drawn to other indications within the above named report in (iv) above which had not been mentioned at the Individual Executive Decision making meeting held on 20 May 2008;
- vi) it was considered that the only evidence that Middlesbrough Council had to offer for the workshops being under-used was the signing in book which in October 2006 had been re-located from the workshops to the business reception desk which was regarded as being out of the way;
- vii) despite making enquiries regarding the reasons for re-locating the signing in book no further information had been provided;
- viii) as the data used to determine the level of usage of the workshops was from the time when the book had been re-located it was felt that further investigations should have been carried out to determine a more accurate level of usage;
- ix) in relation to the statements made of creating a financial efficiency saving as outlined in the report submitted to the Individual Executive Decision Making meeting held on 20 May 2008 it was suggested that the workshops were not there to create financial capital but were formed for the sole purpose of community engagement;
- x) in conclusion the suggestion to move the woodwork equipment into the metalwork room which would allow three workshops for enterprise initiatives was reiterated.

The Executive Member for Regeneration and Economic Development and the Head of Economic and Community Regeneration were afforded the opportunity of asking questions of Councillor Hubbard. The main points arising from such discussion and issues of clarification were as follows: -

- Councillor Hubbard confirmed his awareness of subsequent reports to the Managed Workspace Portfolio Review, 2002 and acknowledgement that such a report had been provided in the context of background information and that in view of changed circumstances was not all applicable;
- no precise details could be provided as to the number of people who following training at the facility had gained employment;

- there was acknowledgement that since the determination of the aims and objectives of the Southlands Centre (18-20 years ago approx.) Middlesbrough had changed in order to respond and tackle changing needs and priorities;
- confirmation was given that the service users were aware of the location of the signing in book and of the requirement to sign in as part of the health and safety regulations.

Members of the Overview and Scrutiny Board posed questions of all parties the responses from which focussed on the following: -

- a) Councillor Hubbard confirmed that he could not give an accurate figures on attendance;
- b) details were provided of the precise location of the signing in book which had been placed in the reception area for the Enterprise Centre which the communal workshops were part of ;
- c) in relation to the suggestion to move the woodwork facility into the metalwork room the Board was advised that less workspace did not necessarily mean reduced costs as there was a need for supervising staff in accordance with health and safety regulations;
- d) from the responses to the consultation it was reported that three persons had gained employment based on qualifications achieved following training at the workshops;
- e) although precise details could not be provided it was pointed out that not all the signatories on the petition referred to were residents of East Middlesbrough;
- f) confirmation was given that unlike the managed workspace, enterprise centre units and leisure facilities the communal workshops were not meeting KPI targets;
- g) reference was made to dramatic changes since 1998 and various support and training which were now accessible such as Learning and Skills Council, Job Centre Plus and other programmes which now provided more appropriate facilities to assist in employment opportunities;
- h) in terms of the future use of the vacated space it was noted that although SEIP had withdrawn their interest, discussions were to progress with the Unity City Academy on maintaining some provision;
- i) although regular interest was shown from businesses no definite interest had currently been received from businesses although it was noted that a specific marketing exercise had not yet been undertaken;
- j) clarification was sought regarding the figures relating to the total financial efficiency from the closure of the communal workshops and the re-letting of the space which was reported as £66,000 maximum per annum;
- k) details were provided of the operational arrangements in terms of the opening hours of the facility which could cater up to a maximum of 14 people and of the different charging rates;
- l) confirmation was given that there was no external funding involved in respect of the facility.

Following closing submissions of the Executive Member for Regeneration and Economic Development, the Head of Economic and Community Regeneration and Councillor Hubbard the Board discussed the evidence received the main observations of which were as follows:

- i) some Members considered that more detailed information should have been provided with particular regard to the use of the facility although it was acknowledged that the recorded evidence reflected that the communal workshops were not well used and did not generate the desired level of income;

- ii) the view was expressed that the facility was not fulfilling the economic development objectives for the East Middlesbrough community and that the need to improve financial efficiency was an important consideration and for the Town as a whole;
- iii) there was acknowledgement of changing times and that greater economic development opportunities and improved financial benefit could be achieved by means of the closure of the communal workshops and subsequently re-letting the space;
- iv) there was considered to be a lack of evidence that the communal workshops were meeting the economic development objectives in terms of training and skills being used to access employment;
- v) it was considered that the facility was not providing what was required from a modern day training facility;
- vi) given the changing times there were now different pathways for residents of East Middlesbrough to access training and employment opportunities;
- vii) it was agreed that there was a need ensure that the requirements in relation to the signing in book were being met in accordance with health and safety regulations.

The Board considered the evidence and voted upon its decision.

**ORDERED** that the decision taken at the Individual Executive Decision Making Meeting by the Executive Member for Regeneration and Economic Development on 20 May 2008 be not referred back on the basis of the evidence presented.