

REGENERATION, CULTURE AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

12 MARCH 2018

CALL-IN AND PETITION REFERRAL: CLOSURE OF DEANGATE RIDGE GOLF COURSE

Report from: Richard Hicks, Director of Regeneration, Culture, Environment and Transformation and Deputy Chief Executive

Author: Tomasz Kozlowski, Assistant Director Physical and Cultural regeneration
Ellen Wright, Democratic Services Officer

Summary

This report advises the Committee of a notice of call-in received from six Members of the Council of Cabinet decisions 23 and 24/2018 to:

23/2018	Close Deangate Ridge Golf Course and associated golf facilities on the basis of ongoing substantial financial loss, which is unsustainable, on 31 March 2018.
24/2018	Instruct officers to begin detailed planning for consultation and development of a new sports centre for the Hoo Peninsula.

The Committee must consider the Cabinet decision(s) and decide either to take no further action, to refer the decision(s) back to Cabinet for reconsideration or to refer the matter to full Council.

The Committee is also advised that petitions have been received concerning the closure of the Golf Course. The petitioners have asked for the matter to be considered by this Committee under the Council's Petition Scheme at the same time as the call-in.

1. Budget and Policy Framework

- 1.1 In accordance with Chapter 4, part 5, paragraph 15.3 of the Constitution with regard to decisions, Cabinet decisions 23 & 24/2018 have been called-in to this Committee.

2. Background

- 2.1 The Cabinet considered this matter on 6 February 2018 and the discussion and decisions are set out below. A copy of the Cabinet report is set out at Appendix A.

Cabinet – 6 February 2018

This report provided details of a proposal to close Deangate Ridge golf course on the basis of ongoing financial instability. The report also set out a proposal to begin detailed planning for the development of a new sports centre on the Hoo Peninsula to meet the modern needs of residents.

The report gave details of the annual total net budget costs for operating Deangate Ridge golf course in the past seven completed financial years and concluded that given the income generated at Deangate Ridge golf course currently compared to the running costs of the course and the national decline in golf participation, it was not possible to project a scenario where the annual net cost situation for the Council would improve materially.

The report stated that the Bowls Club would be unaffected by the proposal to close the golf course and would continue to operate from its current location. The remainder of the sports facilities at Deangate Ridge would also remain open.

A Diversity Impact Assessment had been carried out on this proposal and was set out in Appendix 1 to the report.

Councillor Filmer made representations on behalf of local residents and requested that the consideration of the matter be deferred to enable consultation with the local community.

<i>Decision number:</i>	<i>Decision:</i>
--------------------------------	-------------------------

23/2018	The Cabinet approved the closure of Deangate Ridge Golf Course and associated golf facilities on the basis of ongoing substantial financial loss, which is unsustainable, on 31 March 2018.
----------------	--

24/2018	The Cabinet instructed officers to begin detailed planning for consultation and development of a new sports centre for the Hoo Peninsula.
----------------	--

Note: In accordance with Council Rule 12.6, Councillor Filmer requested that his vote against decisions 23/2018 and 24/2018 be recorded in the record of decisions.

Reasons:

Currently, there is a need for an annual Council subsidy to operate the facility against a backdrop of a decline in the number of golf participants. On this basis, it is not possible to project a time when the centre will be self-sustaining.

It is the Council's intention to provide a modern sports centre for the Hoo Peninsula, which reflects the needs of present and future residents.

3. Call-in

- 3.1 The above decisions were subsequently called in by six Members of the Council. The reasons for the call in are as follows:

Although we are not principally opposed to the decision for the council to declare Deangate Ridge surplus we have concerns around two key areas:

1. The total lack of consultation prior to making the decision, both as regards the issue generally but also some of the detailed specifics such as the placing of loved ones ashes and memorial plaques & benches.

2. The financial justification for making the decision has serious consequences for all of Medway Council's remaining Leisure facilities and creates uncertainty for staff and service users. This demands further scrutiny.

4. Petitions

- 4.1 The Committee is also advised that a number of petitions have been received objecting to the closure of the Golf Club.

- 4.2 The basis of the paper petition is as follows:

'Medway Council propose to close the Deangate Ridge Golf Club in Hoo. They state that the club is running at a loss – average £200k per annum in the past 5 years. Whilst no one can suggest that the Council should be funding the Club at a loss, they have not demonstrated to local people that a fair attempt at trying to increase revenue has been undertaken. They have not opened up the club for other uses nor has there been any advertising campaigns to increase membership of numbers. They have not run well advertised golf days and competitions, not opened their doors for public events like fund days or considered other business models such as doubling up as a wedding venue. A cynic would wonder whether the Council has almost let it run into the ground to make the site viable for sale and redevelopment. This petition asks the Medway Cabinet to consider new business models to increase income or to tender the management of the Club to a private provider prior to a decision of closing the club as part of a viability assessment.'

4.3 In addition, letters dated 4 and 12 February 2018 were sent to Cabinet and Ward Councillors and a copies of these are attached at Appendix B.

4.4 The number of signatures on the petition can be broken down as follows:

Type of petition	Date received	Total signatures
Signatures on the paper petition	9 February 2018	1215
E-petitioners with valid signature and postal addresses provided	16 February 2018	426
2 nd paper petition	16 February 2018	2084
	TOTAL	3725*
* May be duplicates in paper and e-petition		

4.5 A large number of Freedom of Information requests have also been received and officers are in the process of preparing a consolidated response. This will be circulated as soon as possible.

5. Director's Response to the call-in

5.1 For ease of reference, the Director has responded to each reason for call in individually.

1. The total lack of consultation prior to making the decision, both as regards the issue generally but also some of the detailed specifics such as the placing of loved ones ashes and memorial plaques & benches.

5.1.1 Medway Council has a statutory duty to provide a balanced budget.

As stated in the Cabinet report of 6 February 2018, the provision of leisure services is an executive function. Therefore, a decision to reconfigure service provision is a matter for Cabinet, in accordance with the council's budget and policy framework.

Having assessed the financial performance of Deangate Ridge golf course over a number of years and taking account of participation levels and historical trends the Cabinet has taken the executive decision that the Council will no longer provide a golf course as part of its leisure provision.

There was no legal duty to consult on the proposed closure of Deangate Ridge Golf Course. No legitimate expectation of consultation can have existed since the Council did not promise to consult and there is no established practice that all Cabinet Decisions about the closure of facilities will involve consultation.

On the basis of no statutory requirement and no legitimate expectation no consultation was undertaken on the proposal to close the golf course.

In making its decision, Cabinet has stated full consultation on the future of both the land at Deangate Ridge and wider sporting provision for the community of the Hoo Peninsula will be undertaken, through the Local Plan process.

This will provide all interested parties with the opportunity to state how they wish to see the land used in future. The extensive consultation this process provides ensures all aspects can be considered by Members prior to any decisions on the future of Deangate Ridge being taken.

The proposed closure of the golf course is not directly impacting on bereaved relatives at this stage as the Council is still enabling people to access the open space as of right and that any proposals that would impact on that will be the subject of consultation with affected individuals. Discussions have already been held between golf club members, centre management and families to ensure full consideration and sensitivity is given to this matter at all times.

2. The financial justification for making the decision has serious consequences for all of Medway Council's remaining Leisure facilities and creates uncertainty for staff and service users. This demands further scrutiny."

5.1.2 The suggestion of serious consequences for other leisure facilities from the proposed closure of Deangate Ridge Golf Course is not accepted.

While recognising that any change can cause uncertainty, Medway Council has a proven track record in supporting and developing leisure provision.

As recent as the Budget Council meeting on 22 February 2018, the Leader of the Council announced £50,000 for a feasibility study for the provision of new, modern leisure facilities for the Peninsula and East of Medway.

In recent years Medway Council has demonstrated significant capital investment in leisure facilities, including the £11m creation of a regional centre of sporting excellence at Medway Park, and a £2m refurbishment of Strood Sports Centre.

At its meeting on 6 February 2018, Cabinet instructed officers to begin detailed planning for a new sports complex for the Hoo Peninsula to meet the modern needs of residents. Details of this will be developed through public consultation to ensure the community has full engagement in developing the centre.

For the east of Medway, a Member working group has been established to consider future sports centre provision for the community

in this area. As this work develops there will be opportunities for public engagement to ensure current and future service users are consulted.

Staff affected by the proposed closure of Deangate Ridge have been kept fully informed at each stage and assured that potential alternative opportunities exist within the sport leisure, tourism and heritage service and the Council.

6. Director's response to the petition

- 6.1 The Director's response to the petition together with related issues raised in the letters sent on behalf of the petitioners to Cabinet on 4 and 12 February 2018 is set out in Appendix C to this report.

7. Advice from Monitoring Officer and Chief Finance Officer on budget and policy framework

- 7.1 The Monitoring Officer and the Chief Finance Officer have both further reviewed the Cabinet report and are satisfied that the decisions taken by Cabinet are not contrary to the budget and policy framework.

8. Comments of the Monitoring Officer

- 8.1 The Council's priorities are:

- Medway: A place to be proud of
- Maximising regeneration and economic growth
- Supporting Medway's people to realise their potential

To meet the above three priorities, the Council has identified a number of ways of working, which includes giving value for money.

The executive decision to close Deangate Ridge Golf Course is an operational matter and is consistent with the Council Plan (policy framework) with regards to giving value for money.

- 8.2 The Council Plan outcomes includes 'Healthy and active communities' and includes a programme to improve everyone's health and reducing inequalities. The proposal to begin detailed planning for the development of a new sports centre on the Hoo Peninsula to meet the modern needs of residents provides an opportunity to widen the type of sporting facilities on offer to be attractive to a wider group of individuals.
- 8.3 The decision of the Cabinet to close Deangate Ridge Golf Course can therefore, be considered to be wholly in accordance with the policy framework.

9. Comments of the Chief Finance Officer

- 9.1 The Council's 2017/18 budget approved by the Council on 23 February 2017 includes a subsidy of £43,000 in respect of Deangate Ridge Golf Course, with the overall 2017/18 net expenditure budget for Sports, Leisure, Tourism and Heritage set at £1.554m.
- 9.2 The Council has subsidised Deangate Ridge Golf Course, accepting that the service operated at a net annual cost to the council for the past seven completed financial years as shown in the Cabinet report. In addition to this agreed level of subsidy, the Golf Course has operated at a cost in excess of this agreed budgeted subsidy level for 2015/16, 2016/17 and is projected to do so for 2017/18.

The decision of the Cabinet to close Deangate Ridge Golf Course can, therefore, be considered to be wholly in accordance with the budget.

10. Options

- 10.1 The options open to this Committee in dealing with these call ins are to:
- a) to consider the matter and accept the Cabinet decisions, or;
 - b) ask Cabinet to reconsider its decisions if Members have concerns about them (setting out in writing the nature of any concerns), or;
 - c) refer the matter to full Council for consideration.
- 10.2 In accordance with rule 15.8 of the Constitution, to avoid the possibility of very many emergency Council meetings, Overview and Scrutiny Committees should normally only use the power to refer a matter to the full Council if it considers either:
- a) that the decision is contrary to the policy framework (i.e. those policies and plans listed in Article 4.1 of Chapter 2 of the Constitution) or contrary or not wholly in accordance with the budget;
 - b) where a request for call-in is signed by six or more members representing at least two political groups.
- 10.3 If the Committee considers the Cabinet decision is, or would be, contrary to the policy framework or not wholly in accordance with the Council's budget, then it must first ask for advice from the Monitoring Officer and/or Chief Finance Officer. If the officer advice is that the decision taken by Cabinet is within the policy framework or budget, and this is accepted by the Committee, then a referral to full Council, on the grounds that the decision is contrary to the budget or policy framework, would not be possible. As mentioned in paragraph 7 above, the Monitoring Officer and the Chief Finance Officer have confirmed that

the decisions taken by Cabinet set out in paragraph 2.1 above are not contrary to the Council's budget or policy framework.

10.4 The Committee may refer the call-in to full Council if:

- the officer advice confirms the view of the Committee that the Cabinet decision was outside the budget or policy framework, or
- the officer advice does not confirm the view of the Committee but Members do not accept the officer advice.

10.5 In the event of a referral to full Council for reasons relating to the budget or policy framework, Cabinet will then meet to consider the views of the Monitoring Officer and/or Chief Finance Officer, together with the views of the Overview and Scrutiny Committee. Having considered these views, Cabinet will decide what action to take and prepare a report for Council.

10.6 When the Council meets following a referral on the grounds that an Overview and Scrutiny Committee considers that a Cabinet decision is contrary to the policy framework or contrary or not wholly in accordance with the budget, it can decide:

- a) that the Cabinet decision falls within the existing budget and policy framework, in which case no further action is required, or;
- b) to amend the Council's budget or relevant policy framework document to encompass the decision, in which case the Cabinet decision takes effect immediately and no further action is required, or;
- c) to accept that the decision is outside the policy framework or budget, in which case Cabinet must reconsider the matter taking into account the views of full Council and take a decision which is in accordance with the advice of the monitoring officer/chief finance officer and which complies with the budget and policy framework.

10.7 When the Council meets following a referral on other grounds then it can decide:

- a) to accept the Cabinet decisions and therefore take no further action or;
- b) refer the decisions back to Cabinet for reconsideration, setting out the reasons for the referral back.

11. Risk Management

11.1 Risk management is addressed in section 5 of the Cabinet report attached at Appendix A.

12. Financial and legal implications

12.1 The financial and legal implications in relation to the Cabinet decisions are set out at section 7 of the Cabinet report attached at Appendix A.

12.2 In accordance with Chapter 4, part 5, paragraph 15.3 of the constitution, six members of the Council may call in a decision for scrutiny by the relevant Overview and Scrutiny Committee. Call-ins must be dealt with in accordance with Rule 15 of the Overview and Scrutiny Rules and Rule 7 of the Budget and Policy Framework Rules.

12.3 The legal position on consultation can be summarised as follows:

The duty to consult may be imposed by statute or may arise because the parties to be consulted have a legitimate expectation of consultation, which results either from a promise or from an established practice of consultation. What kind and amount of consultation is required in a particular case must depend on the circumstances. As stated elsewhere in the report, there was no legal duty to consult on the proposed closure of Deangate Ridge Golf Course

13. Recommendations

13.1 The Committee is asked to consider the called-in Cabinet decisions 23 and 24/2018 and decide either to:

- a) accept the Cabinet decisions and therefore take no further action or;
- b) refer the decisions back to Cabinet for reconsideration, setting out the reasons for the referral back or;
- c) refer the decisions to full Council for consideration having taken into account the advice set out in paragraph 10.2 – 10.4 of this report.

13.2 The Committee is asked to consider the petition referred to the Committee under the petition scheme and decide what if any action to take.

Lead officer contacts:

Tomasz Kozlowski, Assistant Director Physical and Cultural Regeneration

Tele no. 01634 338121

Email: tomasz.kozlowski@medway.gov.uk

Ellen Wright, Democratic Services Officer

Tel: no: 01634 332012

Email: ellen.wright@medway.gov.uk

Background papers

As set out in the Cabinet report at Appendix A.

Appendices

Appendix A - Cabinet Report – 6 February 2018

Appendix B – Letters to Cabinet dated 4 and 12 February 2018

Appendix C – Director's response to petition

Appendix D – Freedom of Information requests and consolidated response –
To follow