

PUBLIC QUESTION TIME

AGENDA ITEM 7

QUESTION 1

MR JOHN WOOLMER, founder of the Church Stretton Tourism Group and current Chair of South Shropshire and Church Stretton Community Group will ask the following question:

Church Stretton depends heavily and increasingly for its economic survival on tourism.

Please explain and justify the intended closure of our Visitor Information Centre, when the promotion and marketing of the town is so important and the professional staff employed provide such valuable information to the thousands of visitors at its well-equipped and designed Centre each year.

MR S CHARMLEY, Portfolio Holder for Business Growth, ip&e, Culture and Commissioning (North) will reply as follows:

Shropshire Council does not have any plans to close the Visitor Information Services in Church Stretton. Following a recent tendering process to contract with an organisation to deliver Visitor Information Services (VIS) in Church Stretton, Shropshire Council has not been able to appoint such an organisation.

We have talked to the Chamber of Trade, to the Church Stretton Area Tourism Group (CSTG), and others in the town and these discussions have set the standard for how Church Stretton VIS should be delivered - we have not been able to reach that standard through this tendering process.

This means that we will have to think again about how VIS are delivered in the future. VIS will continue to be delivered as they are currently for the time being and alternative solutions will continue to be developed for the medium/long term.

At the last meeting of the Church Stretton Asset/Service Working Group it was agreed that we should go back to the drawing board – bearing in mind the contract specification that we have created - and continue discussions, in the context of not having been able to find an acceptable solution through this tendering process.

The group also discussed starting to develop a volunteer base of people who are willing to support the delivery of VIS in the town, thinking about the wide

range of potential volunteers, co-ordination requirements and the need to work with the Chamber of Trade and CSTG.

A meeting of representatives of Shropshire Council, Chamber of Trade, CSTG, the town council, the AONB and John Woolmer to discuss the future delivery of VIS will take place on **Wednesday 13th May 2015**. Further information will be available after this meeting.

QUESTION 2

DR JAMES ROBERTSON, a Ludlow resident will ask the following question:

Given the transfer of services to a private company, ip&e, will the Leader of the Council explain how our councillors can perform their role responsibly if they are denied information on grounds of commercial confidentiality?

MR K BARROW, Leader of the Council, will reply as follows:

Thank you for your question.

Shropshire Council is transforming itself to be a Commissioning Council. We are not alone in this and many other Councils are seeking improved quality and efficiency by outsourcing services. Indeed the general pattern across the local government sector is a marked increase in outsourcing of services.

Shropshire Council already outsources a number of key services, including waste, highways, leisure centres and some aspects of social care and the Council continues to manage its outsourced statutory functions through contracts issued by the Council. Clearly, all of the companies with whom we contract require certain matters to remain in commercial confidence. This is normal custom and practice and helps maintain competition in the market place.

ip&e is a company wholly owned by Shropshire Council and, rather than all commercial matters being confidential to all, it has Elected Members represented on its Boards. As Leader of the Council, I chair ip&e Limited, the company that will receive Council services. The Council also holds all of the shares in ip&e, with the Cabinet acting as the shareholder's representative. Therefore, ip&e is more transparent and accountable to the Council than external, privately owned companies that arguably are only accountable to their shareholders or through contractual arrangements.

Elected Members of Shropshire Council will be able to hold ip&e to account through the officers of the Council commissioning services and also through the Cabinet of the Council.

QUESTION 3

MRS JOYCE BRAND, a Ludlow resident will ask the following question:

Given that Shropshire Council's privately established company ip&e belongs to the council tax payers of Shropshire please can you inform me:

Who are the directors of this company?

How were they elected?

How is the money put in to set up the company and maintain it during this loss-making period monitored through the democratic process?

MR K BARROW, Leader of the Council, will reply as follows:

Who are the directors of this company?

Councillor Keith Barrow – appointed to Chair the Directors' meetings.

Councillor Mike Owen.

Councillor Steve Charmley – Councillor director.

Nicki Beardmore.

Tim Smith – Officer director.

How were they elected?

Directors are appointed in accordance with Article 25.2 of the company's Articles of Association. This states that any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director by ordinary resolution of the shareholder.

The Council is the sole shareholder in the company and has appointed the Council's Cabinet to act as it's 'shareholder representative'. Cabinet has delegated the decision making process in respect of the appointment of company directors to the Leader of the Council in consultation with members of the Cabinet and the Leaders of the Liberal Democrat and Independent Groups.

How is the money put in to set up the company and maintain it during this loss-making period monitored through the democratic process?

The company was incorporated in May 2012. It initially used a £90,000 loan from Shropshire Council to fund the appointment of a managing director and to fund set up costs. This loan along with a small amount of accrued interest will be repaid in full to the Council in financial year 2015/16.

The company reported a turnover in excess of £1m in financial year 2014/15 which represents the value of services delivered, under contract, with Shropshire Council and other external clients.

The company is due to report a trading profit in financial year 2014/15. The company's accounts are currently being audited and are due to be published by June 2015.

Ip&e Limited conducts regular Performance Reviews and Financial Reviews and is required to report these to the Council in accordance with Clause 7 of the strategic contract between the Council and ip&e limited.
