

NATIONAL ASSEMBLY FOR WALES
REPORT FROM THE FINANCE COMMITTEE

Report on Proposed Playing Fields (Community Involvement in Disposal Decisions) (Wales) Measure

Background:

1. Standing Order 14.2 states:

14.2 The [Finance] Committee may also consider and, where it sees fit, report on:

- (i) financial information in explanatory memoranda accompanying proposed Assembly Measures;*

Consideration

2. The Committee considered the Proposed Playing Fields Measure at its meeting on 11 February 2009
3. The proposed Measure was presented to the Committee by Dai Lloyd, AM the Member in charge of the proposed Measure who answered Members' questions. Members also had regard to the responses received by the Measure Committee in their consultation on the proposed Measure.

What the proposed Measure would do

4. The underlying aim of the proposed legislation is to ensure wider community involvement in the consideration of the disposal of a playing field. The proposed Measure places a duty on local authorities, when they are considering disposing of playing fields, to undertake a consultation exercise for which they must prepare and publish an impact statement.
5. The proposed Measure would lead to costs for local authorities in:
 - preparing the impact statement;
 - undertaking the consultation; and
 - notifying relevant persons and organisation when a decision is taken to proceed with a proposal.
6. There would also be costs for respondents to the consultation – particularly the 'statutory' organisations listed in the schedule to the proposed Measure.

Assessment of costs

7. Most of these costs would fall on local authorities in Wales and, when preparing the proposed Measure, the Member promoting it sought views from local authorities on what these costs were likely to be. However, very few authorities responded to this and only Torfaen Borough Council provided detailed estimates. Denbighshire County Council, the City and County of Swansea Council and the City and County of Cardiff Council said that the costs were difficult to predict at this stage, with the latter two authorities indicating that they were likely to prove “significant”. However, this would be balanced by the frequency with which proposals to dispose of playing fields occurred. Denbighshire County Council suggested that this could be as few as two playing fields although it noted that the term ‘disposal’ should perhaps be tightened up.
8. The Explanatory Memorandum to the proposed Measure sets out the costs, on the basis of the information that had been received, as:

| | £ | |
|--|---------------|---|
| Preparation of impact and decision statements | 10,000 | plus printing and distribution costs |
| Preparation of a Full Sport and Recreation Study to inform an Open Spaces Assessment | 35,000 | if required and if one is not already available |
| Costs for statutory consultees | 2,900 – 5,300 | Based on 2 responses (not from local authorities) |

9. Dai Lloyd told the Committee¹ that Torfaen was the third smallest county borough council in Wales and its experience was possibly not that of all county councils in Wales. He said that the potential disposal of a council-owned playing field was not an everyday event. He thought there were 24 playing fields under threat at the moment in Wales and that, these had been under threat for several years. He had derived an estimate per authority, based on Denbighshire’s assessment, of two playing fields disposals every five years.
10. On the basis of £10,000 per disposal, with 2 disposals per authority every 5 years, his calculations suggested a figure of perhaps £100,000 for all authorities in Wales². Moreover, there were ways of minimising that cost, and even of bringing it down to zero³. Dai Lloyd stressed that it was important to note the total was “in the order of £100,000 or less, rather than being something that runs into several million pounds or is totally unquantifiable.”⁴

¹ Record of Proceedings, Finance Committee meeting 11 February 2009, paragraphs 22 - 23

² Record of Proceedings, Finance Committee meeting 11 February 2009, paragraphs 23 and 30

³ Record of Proceedings, Finance Committee meeting 11 February 2009, paragraph 23

⁴ Record of Proceedings, Finance Committee meeting 11 February 2009, paragraph 23

11. Dai Lloyd's view was that much of the cost involved in preparing an impact assessment, should have been incurred already because this comprises a combination of information from the Health and Wellbeing Strategy and the Open Space Assessment which covers the number of playing fields and leisure facilities locally.⁵ Authorities should already have a Health and Wellbeing Strategy and, while Open Space Assessments are not mandatory under TAN 16, the guidance providing for this had been in place for some time⁶.
12. Since Dai Lloyd gave evidence to the Finance Committee, the WLGA has submitted further evidence⁷ in which they report that 18 local authorities (out of 22) have responded to a request for information on Open Space Assessments. Of these 13 local authorities had undertaken Open Space Assessments; a further 2 were currently in the process of conducting them; and the other 3 were currently updating their local development plans and were looking at the recently published TAN 16 for guidance. This would seem to confirm Dai Lloyd's view that these would not constitute a major additional cost.
13. Dai Lloyd said that the costs associated with sending letters to individual households should also be seen as a maximum because these could be incorporated with other routine 'mailings' such as local authority newsletter⁸.

Source of Funding

14. There is an established convention (the Essex-Jones Agreement) that the Government will not place additional burdens on local authorities without providing the additional funding necessary for them to meet these commitments. The Minister for Social Justice and Local Government in his consultation response⁹ (PF8 – para 3.2) has indicated that there is no provision in Assembly Government budgets to fund the financial implications of the proposed Measure for the public bodies concerned. He commented also that difficulties that might arise if costs were to fall on community and town councils because of their limited budgets.
15. Dai Lloyd's view was that funding was not an issue because the proposals had virtually nil cost¹⁰. He was happy that local authorities in Wales were, fundamentally, doing this work already or should have done it.¹¹ He did not consider that the impact on community and town councils should be an issue because they are not the planning authorities and, community councils, in particular, tended to be fiercely protective of playing fields in their communities.¹²

⁵ Record of Proceedings, Finance Committee meeting 11 February 2009, paragraph 57

⁶ Record of Proceedings, Finance Committee meeting 11 February 2009, paragraphs 25, 30 and 36

⁷ Consultation response PF4a

⁸ Record of Proceedings, Finance Committee meeting 11 February 2009, paragraph 30

⁹ Consultation response PF8, paragraph 3.2

¹⁰ Record of Proceedings, Finance Committee meeting 11 February 2009, paragraphs 25 and 30

¹¹ Record of Proceedings, Finance Committee meeting 11 February 2009, paragraph 36

¹² Record of Proceedings, Finance Committee meeting 11 February 2009, paragraph 38

Conclusion

16. The Finance Committee did not examine the objectives behind the proposed Measure. Members would naturally support its ultimate aim of encouraging physical activity in order to reduce obesity and encourage healthy living and well-being. However, it did not consider whether an Assembly Measure was necessary in order to deliver this.
17. It has examined the costs that have been made available in the Explanatory Memorandum and the further information provided by the Members in charge of the proposed Measure. It has also had regard to the responses received in the consultation carried out by the Measure Committee.
18. The Finance Committee notes that the proposed Measure would appear to have met the requirement in SO 23.18 (vi) to provide 'best estimates' of the costs to which the Measure give rise and their timing etc. However the Committee notes that in this case the best information available is completely inadequate. **The Committee is particularly concerned at the lack of response to the requests for information on costs from local government in Wales. Authorities were invited to contribute both when the proposed Measure was being prepared and again by the Measure Committee set up to consider it. Local authorities are willing enough to complain about proposals they do not like – it is not acceptable that they are unwilling to provide information when requested that will help with the formulation of policies. Moreover, the proposals contained in the Measure are relatively straightforward and it is difficult to see that it would require a great deal of effort to provide a reasonably accurate estimate for a particular authority.**
19. **In all the circumstances, the Committee has to conclude that the estimates provided in the proposed Measure are very weak.** Members noted Dai Lloyd's assertions that a good authority would already have much of the information required to prepare an impact assessment and that much of the work involved in consulting on these, and disseminating conclusions, could be coordinated at minimal cost with other mail shots. **On this basis the Committee notes his conclusion that the annual cost would be no more than £100,000, spread across perhaps 4 or 5 authorities, and that this would be a maximum and capable of being reduced significantly. Nonetheless, while acknowledging his efforts to obtain better information, it has to note also that these costs are based on very flimsy evidence and are little more than conjecture.**
20. The Finance Committee also notes and accepts his assessment that, if the costs are at this level, it should be possible for them to be accommodated within existing local authority budgets. Moreover, one would expect them to be manageable within the budget of the overall project or development within which the playing field disposal falls.
21. The Committee notes also the costs falling on consultees of preparing responses to the consultation and that there is no evidence that these are likely to be unduly burdensome.

- 22. On this basis, and with a degree of caution, the Finance Committee concludes that there are no financial reasons for the proposed Measure not proceeding but it would urge the Measure Committee to ensure these costs are more accurately assessed before the proposed Measure is finally approved by the National Assembly.**

**Angela Burns
Chair, Finance Committee**